



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

ANNUAL REPORT

2010-2011

PR148/2011
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PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

ANNUAL REPORT: 2010/11

The heartland of the southern Africa – development is about people

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Annual Report 2010/11

Honourable Mr. David Masondo
Member of Executive Council for Treasury

I have the honour of submitting the Annual Report of the Provincial Treasury for the period 1 April 2010 to 31 March 2011.



Mr. Nerulal Ramdharie
Head of Department



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PROVINCIAL TREASURY

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Table of Contents

| | |
|---|-----------|
| GENERAL INFORMATION | 7 |
| Vision, Mission and Values | 8 |
| Organisational Structure | 9 |
| Legislative Mandate | 10 |
| MEC's Statement | 11 |
| Accounting Officer's Statement | 12 |
| Economic Indicators | 14 |
| INFORMATION ON PREDETERMINED OBJECTIVES | 21 |
| Overall Performance | 22 |
| Voted Funds | 22 |
| Aim of the Vote | 22 |
| Introduction | 22 |
| Key strategic objective achievements..... | 22 |
| Overview of the service delivery environment for 2011 | 23 |
| Overview of the organisational environment | 23 |
| Departmental revenue | 24 |
| Departmental expenditure | 24 |
| Maintenance, capital investment and asset management plan | 25 |
| Programme Performance | 26 |
| Programme 1: Administration | 27 |
| Programme 2: Sustainable Resource Management..... | 32 |
| Programme 3: Asset, Liability and Supply Chain Management..... | 38 |
| Programme 4: Financial Governance..... | 42 |
| ANNUAL FINANCIAL STATEMENTS..... | 47 |
| Report of the Audit Committee | 48 |
| Report of the Accounting Officer | 51 |
| Report of the Auditor -General | 56 |
| Appropriation Statement | 59 |
| Notes to the Appropriation Statement | 71 |
| Statement of Financial Performance | 72 |
| Statement of Financial Position..... | 73 |
| Statements of Changes in Net Assets..... | 74 |
| Cash Flow Statement..... | 75 |
| Accounting Policies..... | 76 |
| Notes to the Annual Financial Statements | 80 |
| Disclosure notes to the Annual Financial Statements..... | 90 |
| Annexure | 97 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| | |
|--|------------|
| HUMAN RESOURCE MANAGEMENT | 101 |
| OTHER INFORMATION | 139 |
| Acronyms..... | 140 |
| List of contact details | 142 |
| Additional information | 142 |



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

PART 1

GENERAL INFORMATION

Introductory Information
Introduction by the Accounting Officer
Foreword by the MEC

Vision

Mission

Values

legislative and other legal mandates



THE VISION

“To become the centre of excellence and provide sound financial management and leadership that enhances socio –economic growth and development in Limpopo Province.”

THE MISSION STATEMENT

“To provide ethical consultative and people focused service through sound financial management, including attaining and maintaining effective financial resources.”

VALUES

Professionalism

Equity

Ubuntu and Batho Pele

Transparency

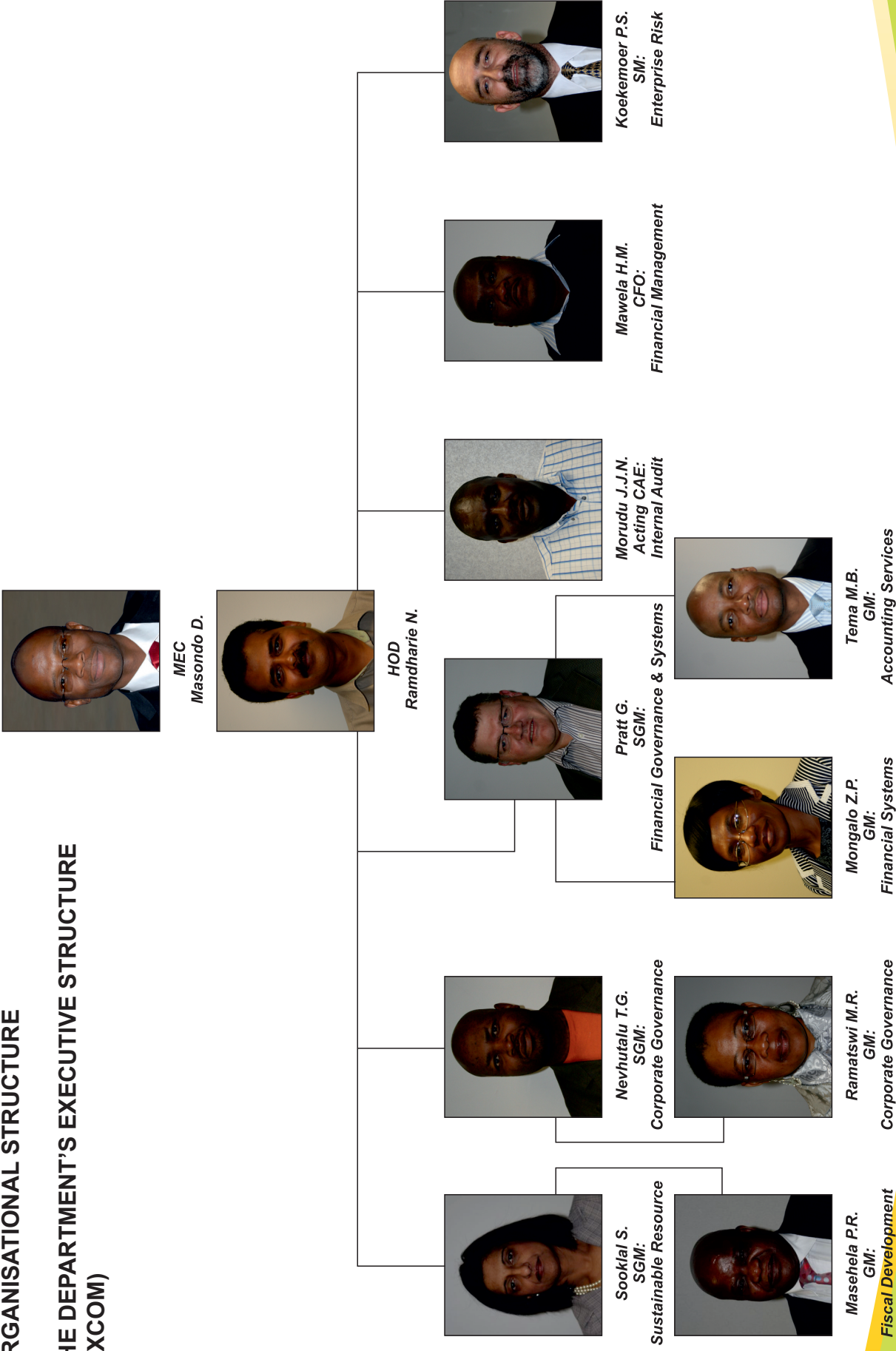
Accountability

Public Participation

Financial Accessibility

Effective and Efficient Organization that serves as a role model for other departments and stake holders

ORGANISATIONAL STRUCTURE
THE DEPARTMENT'S EXECUTIVE STRUCTURE
(EXCOM)



LEGISLATIVE AND OTHER LEGAL MANDATES

As part of developmental public we will be regulated and guided by the following legislative mandates:

- Constitution of the Republic of South Africa
- Public Finance Management Act no1 of 1999
- Municipal Finance Management Act
- Appropriation Act
- Provincial Revenue Process Act
- The Borrowing Powers of Provinces Act
- Provincial Growth Strategy
- National Macro Economic Strategy
- Intergovernmental Fiscal Relations Act
- Basic Conditions of Employment Act
- Employment Equity Act
- Public Service Act
- Division of Revenue Act
- Skills Development Act
- Occupational Health and Safety Act
- Compensation for Occupational Injuries and Diseases Act
- Labour Relations Act
- Promotional of Access to Information Act
- Protected Disclosure Act
- Preventing and Combating of Corrupt Activities Act

STATEMENT BY THE MEC

As the Member of the Executive Council responsible for Provincial Treasury, I am pleased to submit the 2010/2011 Annual Report of the Department.

Our Country has been confronted with the challenge of managing a diminishing tax base as a result of the current global economic meltdown. Despite the economic crisis the Provincial Treasury strived to provide leadership in managing austerity measures aimed at protecting the most vulnerable and poor members of our society. In light of our commitment prior the economic crisis, as country we took a resolve to stand firm to our commitment to host the World Cup, which amongst others, Limpopo Province particularly Polokwane, as a host city, did exceptionally well.

Based on the current legislative mandate Limpopo Provincial Treasury plays a vital role in mobilizing; allocating and managing resources of the province to ensure improved delivery of services to the province's citizens.

The Limpopo Provincial Treasury, in managing the allocated resources, strives to enhance issues of financial governance within the Province. In this regard, there has been a constant improvement in the number of audit outcomes for Provincial Departments since 2006/07. During the 2010/11 financial year two (2) Departments have received clean audit reports, this is a clear illustration of our commitment towards attaining Clean Audit 2014. In response to consistent adverse findings by the Auditor General in relation to management of assets; it is worth noting that Integrated Financial Management System's (IFMS) Asset module has been implemented in the Provincial Treasury.

During the period under review, Provincial Treasury awarded 52 bursaries to deserving youth from disadvantaged communities of our Province to pursue careers in both financial and humanities fields of study. Amongst the internship opportunities offered; eleven (11) interns and sixteen (16) Internal Audit Technician Learnership graduates subsequently secured permanent employment in the public and private sectors.

We are continuing to move forward with strengthened governance and anti-corruption efforts that will provide more resources which will be channelled towards service delivery.

The above achievements were as a result of collective support and dedication by all employees of Provincial Treasury as well as the role played by the oversight legislative bodies.



D. MASONDO
MEC: TREASURY

ACCOUNTING OFFICER'S OVERVIEW

We hereby present the Annual Report of the Limpopo Provincial Treasury, for the 2010/11 financial year. This report consists of the Annual Performance Report, Audit Committee Report, Annual Financial Statement and the Human Resource Management Report. During the year under review, effective 1 October 2011, the function of Shared Internal Audit Services was transferred from Office of the Premier to the Limpopo Provincial Treasury.

The purpose of this report is to:

- a) Provide an account of the Department's achievements with regards to the targets as set out in the Annual Performance Plan of 2010/11
- b) Give an account of the employment of financial resources allocated for the financial year under review
- c) Report on the Human Resource Management of the Department for 2010/11

For the 2010/11 financial year, the Provincial Treasury had identified six key focus areas against which our resources were employed. These were:

- a) Good Corporate Governance
 - o This included positioning risk management to add value as well as the priority of achieving Clean Audit by 2014
- b) Financial management competency and skills
- c) Implementation of Integrated Financial Management Systems (IFMS)
- d) Alignment of provincial budget to LEGDP - including procurement policy reforms
- e) Mitigation of risk in the reduction of the Provincial Equitable Share
- f) Building stakeholder relationships

The following is a summary of the Department's achievements for the year under review:

- a) Awarded 52 bursaries and provided internship opportunities to 35 graduates
- b) 11 SMS members commenced with the Executive Development Program
- c) Critical posts in the MFMA unit (3x Senior Managers), Provincial Financial Reporting (1x Senior Manager) and Infrastructure Management (1x Senior Manager) were amongst those that were filled
- d) Spent 98% of expenditure in line with allocated budget
- e) Collected 122% of revenue, exceeding the annual target
- f) Tabled and gazetted Provincial Expenditure Overview & Estimates of Provincial Expenditure
- g) The implementation of IDIP Phase 3 during November 2010
- h) 30 Section 71 (MFMA) reports from municipalities were analysed and feedback provided on a quarterly basis
- i) 30 municipalities were supported to prepare AFS in accordance with GRAP
- j) The transversal financial policies of the province were reviewed and approved by EXCO
- k) Provincial Risk Management Framework has been developed in line with national risk management framework and approved as per EXCO decision number 60 of 2010
- l) The implementation of the Integrated Financial Management System (IFMS) Asset Module in 4 departments namely; Provincial Treasury, Agriculture, Roads and Transport, and Local Government and Housing
- m) Finally, the department achieved an unqualified audit report for 2010/11

The contribution by all staff at the different levels at which they serve, is most appreciated and without whom the department cannot achieve its core mandates and set goals.

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

I would like to thank the current and former Members of the Executive Council for Provincial Treasury, Mr. David Masondo and Mr. Saad Cachalia for their leadership and support that they have displayed during the financial year under review.



Mr. N Ramdharie
Head of Department

31 July 2011

1. ECONOMIC INDICATORS

1.1 Economic performance

In real terms, the size of the Limpopo economy in 2009, as measured by its gross domestic product, was 35.3 per cent larger than it was in 1995. Figure 1.1 shows the annual GDP growth rate for the province as well as for South Africa. Comparing the two, the growth rate in Limpopo has, since 2003, been consistently slower than that of the national economy. The 2009 recession has also had a stronger negative impact on Limpopo than the national economy. While South Africa's GDP contracted by 1.68 per cent in 2009, provincial output fell by 1.79 per cent over the same period.

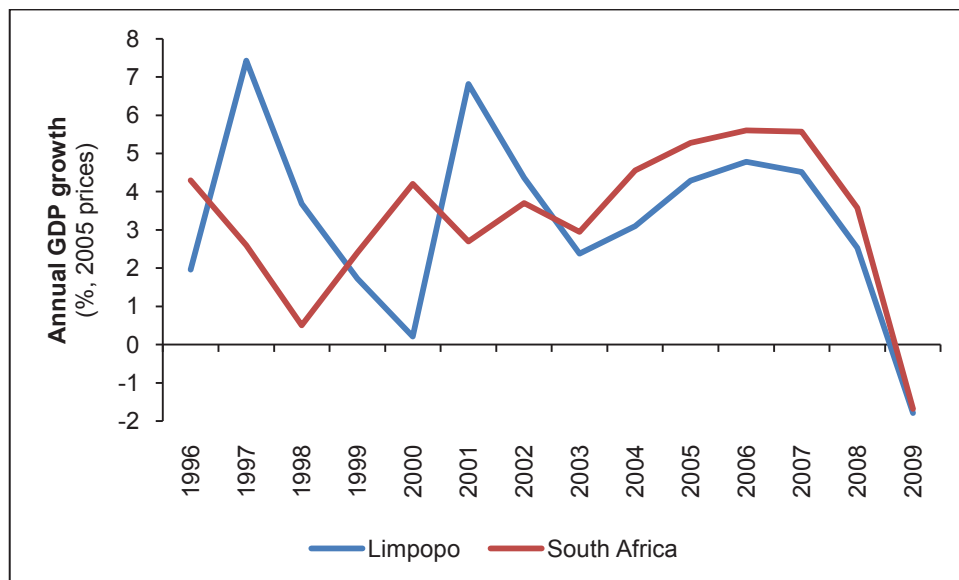
Figure 1.1 also suggests that, between 1995 and 2003, growth in the national economy preceded that in Limpopo. As the national economy expanded at a slowing rate between 1996 and 1998, the same experience would only be felt in Limpopo between 1997 and 2000. Accelerating growth in South Africa between 1998 and 2000 was met with a dramatic increase in Limpopo in 2001, where the provincial economy experienced growth of 6.8 per cent, following a stagnant 2000 in which provincial growth of 0.2 per cent was recorded.

However, since 2003, provincial and national growth rates have followed the same trajectory. Despite reaching lower growth rates than the national figure over the period, growth in Limpopo accelerated from 2.3 per cent in 2003 to 4.8 per cent in 2006.

Domestic pressures, such as rising inflation and troubled electricity supply, and the effects of the global recession started weighing down the national and provincial economies in 2008. At a seasonally adjusted and annualised level, the South African economy contracted in the fourth quarter of 2008. National growth slowed to 3.6 per cent that year, from a peak of 5.6 per cent in 2007. Growth in Limpopo slowed to 2.5 per cent in 2008.

The South African economy entered a technical recession in the first quarter of 2009. Despite having lasted only two quarters, the recovery was slow and weak. In 2009, the national economy contracted by 1.68 per cent, while Limpopo GDP fell 1.79 per cent.

Figure 1.1: GDP growth rate, Limpopo and South Africa, 1995-2009



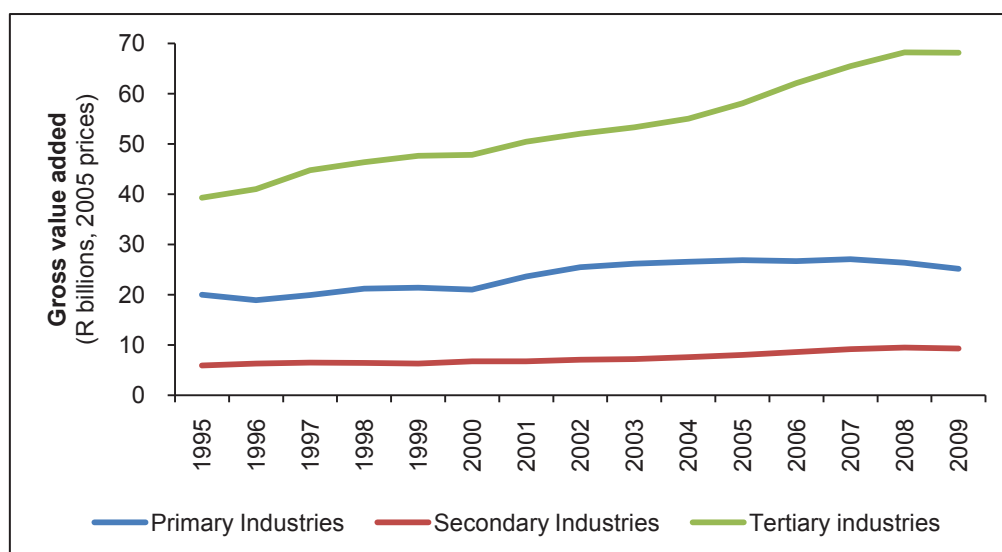
Source: Statistics South Africa

A closer analysis would indicate that growth in Limpopo over the period 1995 to 2009 would be propelled by robust growth in the tertiary sector. Figure 1.2 shows the real gross value added by each of the broad sector groups; the

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

strong incline in real value added by the tertiary sector indicates how strong growth has been in this sector. The expansion of the transport, storage and communication industry; the finance, real estate and business industry; general government; and wholesale, retail, motor trade and accommodation have been noteworthy. Outside the tertiary sector, the mining sector often contributes a major part of provincial growth.

Figure 1.2: Gross value added by broad sectors, Limpopo, 1995-2009



Source: Statistics South Africa

Growth in the tertiary sector has been strong between 1995 and 2009, and less erratic and less concentrated in one or two industries than the primary and secondary sectors. Figure 1.2 goes on to examine the output and employment growth rates in each industry.

The GDP estimates for Limpopo sectors between 2005 and 2009 are provided in Table 1.1.

Table 1.1: Limpopo GDP by industry, 2005-2009

| | 2005 | 2006 | 2007 | 2008 | 2009 |
|--|---------------|---------------|----------------|----------------|----------------|
| Primary Industries | 26,831 | 26,676 | 27,034 | 26,359 | 25,115 |
| Agriculture, forestry and fishing | 2,713 | 2,527 | 2,618 | 3,083 | 3,017 |
| Mining and quarrying | 24,118 | 24,149 | 24,416 | 23,277 | 22,097 |
| Secondary Industries | 7,994 | 8,596 | 9,152 | 9,481 | 9,257 |
| Manufacturing | 3,547 | 3,792 | 4,031 | 4,166 | 3,933 |
| Electricity, gas and water | 2,767 | 2,898 | 2,983 | 2,911 | 2,849 |
| Construction | 1,680 | 1,905 | 2,137 | 2,403 | 2,475 |
| Tertiary industries | 58,064 | 62,060 | 65,440 | 68,227 | 68,127 |
| Wholesale, retail, motor trade and accommodation | 11,608 | 12,463 | 12,949 | 13,127 | 12,703 |
| Transport, storage and communication | 8,703 | 9,197 | 9,786 | 10,250 | 10,264 |
| Finance, real estate and business services | 15,495 | 17,238 | 18,489 | 19,714 | 19,685 |
| Personal services | 4,928 | 5,250 | 5,546 | 5,778 | 5,737 |
| General government services | 17,329 | 17,911 | 18,669 | 19,357 | 19,737 |
| All industries at basic prices | 92,890 | 97,331 | 101,625 | 104,067 | 102,498 |
| Taxes less subsidies on products | 11,223 | 11,763 | 12,397 | 12,840 | 12,319 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| | 2005 | 2006 | 2007 | 2008 | 2009 |
|------------------------------|----------------|----------------|----------------|----------------|----------------|
| GDPR at market prices | 104,113 | 109,094 | 114,023 | 116,907 | 114,818 |

Source: Statistics South Africa

As indicated in section 1.1, the Limpopo economy contracted by 1.8 per cent in 2009. The sharpest declines in output were recorded by the mining and quarrying industry, which shrank by 5.1 per cent over the year, and the wholesale and retail trade, catering and accommodation industry, which declined by 3.2 per cent in 2009. Sharp declines in manufacturing output, by 5.6 per cent in 2009, and the electricity, gas and water industry, by 2.1 per cent, are also noteworthy. However, due to these sectors' relative size in terms of total output in Limpopo, their effect on overall growth has been contributory but small.

Some relief was provided by the construction industry in Limpopo, which grew by 3 per cent in 2009, as well as general government services, which expanded by 2 per cent.

By September 2010, consumer inflation in Limpopo slowed to 2.9 per cent year-on-year, lower than official CPI inflation of 3.2 per cent for the country. In fact, inflation in Limpopo has been lower than the national figure since July 2009 by as much as 1.8 percentage points.

Between September 2006 and May 2009, CPI inflation in Limpopo grew at a higher rate than that of headline CPI. This would indicate that the cost of living was increasing faster in Limpopo than that of urban areas. However, since June 2009, inflation in Limpopo has been lower than headline inflation, signifying that price increases were more contained in Limpopo.

Food and non-alcoholic beverages, housing and utilities, transport and miscellaneous goods and services – account for 68.4 of the CPI basket in Limpopo. Food prices have shown a strong disinflationary trend between 2009 and 2010. Prices in the transport and miscellaneous goods and services categories have also increased at slower rates. However, inflation in housing and utilities remained fairly stable – in December 2010, inflation in this category was 8.5 per cent year-on-year.

Price inflation of meat decelerated between January 2009 and May 2010. Prices of meat have been falling since June 2010. There is a probable lag effect between the prices of bread and the prices of meat, so an upturn in meat prices in 2011 is not unexpected.

Clothing prices have moderated significantly between January 2009 and November 2010. In December, prices of clothing decreased by 0.1 per cent year-on-year.

A look at the occupational profile of employment in Limpopo is important in understanding the quality of the labour force in the province. A snapshot of the occupational structure of the employed population in Limpopo in the third quarter of 2010 is described in Table 1.1. A significant proportion of the provincial population are employed in elementary occupations, which generally include categories such as vendors, cleaners, caretakers, attendants and collectors. Craft and related trades workers comprised 16.1 per cent of the employed population; this category typically captures jobs in the mining industry, as well as trades relating to buildings such as electricians, builders, painters and welders.

Table 1. 2: Distribution of Limpopo employed population by main occupation, 3Q2010

| Main occupation (%) | |
|---|------|
| Legislators, senior officers and managers | 3.9 |
| Professionals | 2.1 |
| Technicians and associate professionals | 10.3 |
| Clerks | 7.2 |
| Service workers and shop and market sales workers | 14.5 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| Main occupation (%) | |
|--|------|
| Skilled agricultural and fishery workers | 0.3 |
| Craft and related trades workers | 16.1 |
| Plant and machine operators and assemblers | 6.3 |
| Elementary occupations | 30.7 |
| Domestic workers | 8.6 |

Source: Quantec Research and Statistics South Africa

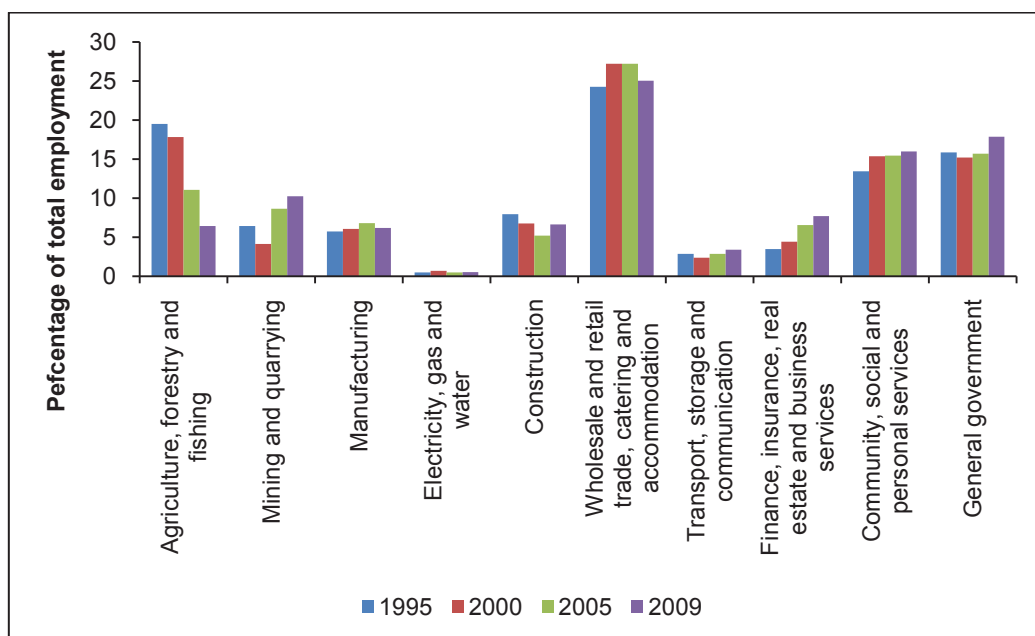
Broadening the occupation types to skills levels indicates that the majority of the Limpopo population, formally employed, are semi-skilled or unskilled. Skilled workers in the formal sector make up 28 per cent of the employed population, and employees in the informal sector make up 29 per cent. Highly skilled workers only make up 9 per cent of the employment total in Limpopo. With 65 per cent of the employed population in informal or semi- or unskilled work positions, the implication on the employability of Limpopo labour is concerning. As the expansion of the tertiary sector in Limpopo continues, there is a likely mismatch between the type of skills demanded by emerging sectors and the type of skills offered by Limpopo citizens. As the majority of Limpopo workers are employed in elementary occupations, measures to improve skills sets will contribute to improved employability of workers.

Figure 1.3 gives the trends in the employment shares of Limpopo industries between 2005 and 2009. The wholesale and retail trade, catering and accommodation sector has traditionally been the largest source of jobs in Limpopo. In 2009, it accounted for a quarter of jobs in the province. However, as much as 60 per cent of employment in the sector is made up of informal employment. The employment shares of other tertiary sector industries have also remained fairly stable since 1995. These include community, social and personal services, and general government, each of which have accounted for about a sixth of provincial employment.

The agriculture, forestry and fishing industry used to be a prominent source of employment in Limpopo. In 1995, it accounted for 19.5 per cent of jobs. This has dwindled over time, in both absolute and relative terms. By 2009, employment in the sector made up 6.4 per cent of total employment in the province.

Employment shares in the mining and quarrying industry have increased from a relative drop between 1995 and 2000. Between 2000 and 2009, the employment share in the sector has grown from 4.1 per cent to 10.2 per cent. The finance, insurance, real estate and business services sector has also seen a growing share of Limpopo employment, from 3.5 per cent in 2000 to 7.7 per cent in 2009.

Figure 1. 3: Employment share of Limpopo industries, 1995-2009



PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

Source: Quantec Research

Figure 1.4 gives insight to the indicative unemployment rates in Limpopo, based on two widely used definitions of unemployment. The official definition of unemployment refers to people aged 15-64 who were not employed in the reference week, were available to work and actively looked for work or tried to start a business in the four weeks preceding the QLFS survey interview. It also includes people aged 15-64 who were not employed in the reference week and who had not actively looked for work in the preceding four weeks, but had a job or business to start at a definite date in the future.

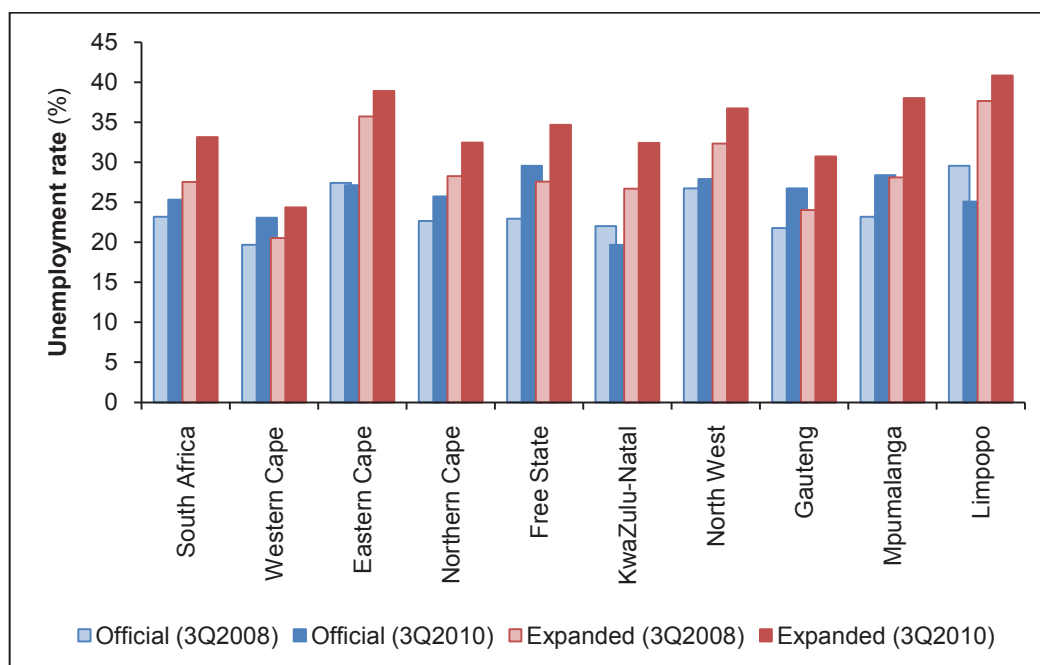
The expanded definition of unemployment augments the official definition by including discouraged work seekers. Discouraged work seekers are those who were not employed during the reference period, wanted to work, was available to work or start a business but did not take active steps to find work during the preceding four weeks due to any of the following reasons:

- No jobs available in the area;
- Unable to find work requiring his/her skills; or
- Lost hope of finding any kind of work.

Both definitions are presented in order to mitigate any misleading interpretations that may stem from analysing unemployment based on one definition only.

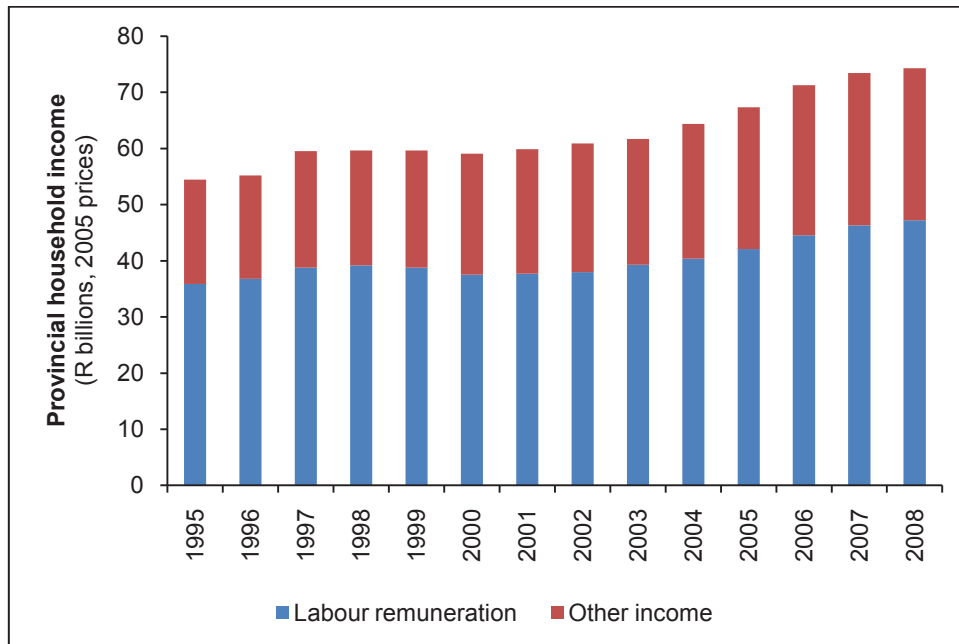
According to Figure 1.4, it would appear that the unemployment rate in Limpopo, officially defined, is declining. However, on inspection of the increased unemployment rate based on the expanded definition, it would suggest that there is an increase in the relative level of economic inactivity in Limpopo, as more workers become discouraged. Between 2008 and 2010, the unemployment rate in Limpopo actually declined from 29.5 per cent to 25.1 per cent. However, the unemployment rate based on the expanded definition increased over the period, from 37.6 per cent in the third quarter of 2008 to 40.8 per cent in the same quarter of 2010.

Figure 1. 4: Unemployment rates by definition and province, 2008-2010



Source: Statistics South Africa, Quantec Research

Figure 1. 5: Aggregate real household income in Limpopo, 1995-2008



Source: Quantec Research

Despite an increase in real per capita income and expenditure between 2000 and 2008 Real annual per capita income in Limpopo was approximately R14 100 in 2008, 17.1 per cent higher than the 2000 figure of R12 000 (on an annual average basis, growth of 2.0 per cent per annum was experienced).

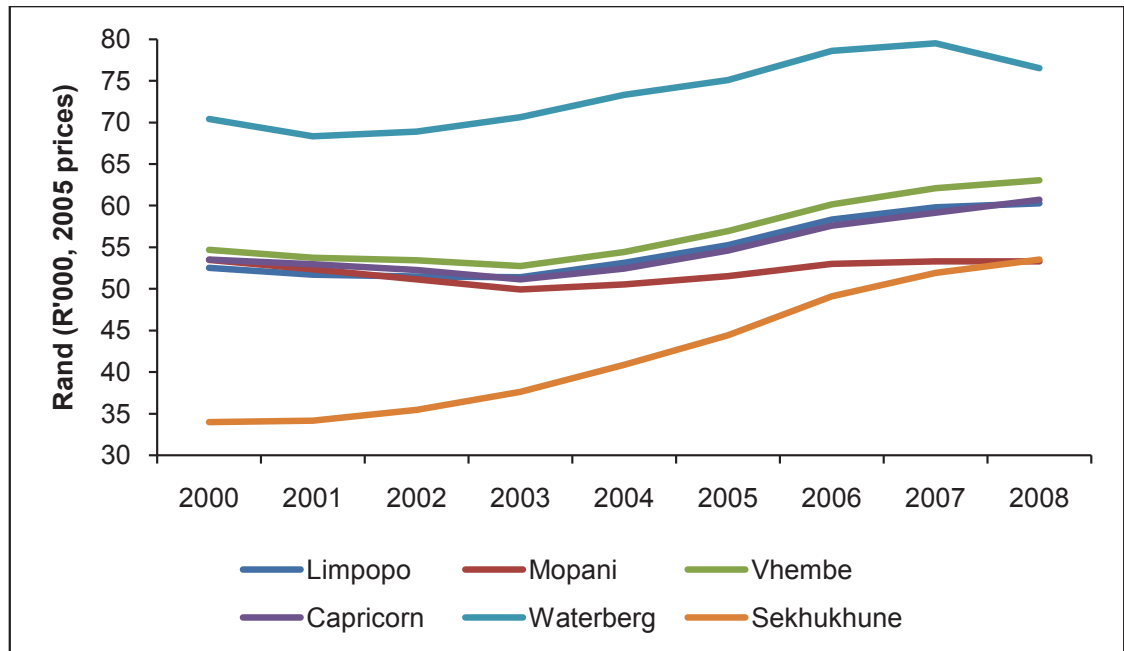
Waterberg displays higher per capita income and spending than other district municipalities in the province. Per capita income in 2008 in Waterberg was approximately R19 500, and spending was estimated at R18 000. Despite having the highest per capita income and spending figures in the province, it is still significantly lower than the national average.

Sekhukhune exhibits the lowest per capita income and spending in comparison to other districts. In 2008, per capita income was estimated at R11 000, while spending was about R10 500. Despite this, Sekhukhune showed the sharpest growth in both income and spending between 2000 and 2008.

Figure 1.6 shows the trends in household income in Limpopo districts. In real terms, household income has increased in all districts between 2000 and 2008. Sekhukhune has exhibited a marked increase in household income, from R34 000 in 2000 to R53 500 in 2008, in constant 2005 prices. Waterberg continues to show the highest per household average income, at R76 500 in 2008 in constant 2005 prices.

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

Figure 1. 6: Household income in Limpopo and districts, 2002-2008



Source: Quantec Research



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

PART 2

INFORMATION ON PREDETERMINED OBJECTIVES

Annual Performance Report

Programme 1: Administration

Programme 2: Sustainable Resource Management

Programme 3: Assets, Liabilities and
Supply Chain Management

Programme 4: Financial Governance



PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

2.1. Overall Performance

2.1.1 Voted Funds

| Main Appropriation R'000 | Adjusted Appropriation R'000 | Actual Amount Spent R'000 | (Over)/Under Expenditure R'000 |
|-----------------------------|-------------------------------------|------------------------------|-----------------------------------|
| 362,093 | 363,625 | 359,372 | 4,260 |
| Responsible MEC | Mr David Masondo | | |
| Administering Dept | Provincial Treasury | | |
| Accounting Officer | /Head of Department: Mr N Ramdharie | | |

2.1.2. Aim of the vote

To provide sound financial management of the province's resources, to achieve provincial government's goals and objectives.

2.1.3. Introduction

This Performance report reflects the extent to which the Provincial Treasury has performed against its mandate particularly in respect of the Annual Performance Plan for the financial year 2010/11. The Department continues to strive towards attaining its vision to become a centre of excellence and provide sound financial management and leadership that enhances socio-economic growth and development.

The report outlines major achievements in respect of its strategic objectives and targets contained in the Strategic Plan and Annual Performance Plan. It also provides an overview of the organisational and service delivery environments that prevailed during the implementation of the set Plans. Details of this information are provided below.

2.1.4. Key strategic objectives achievements

Provincial Treasury has the following strategic objectives in line with its mandate:

- Efficient, effective and economic internal administrative support provided
- Sound Financial Management in the Department
- To influence planning and budgeting through Social and Economic Research and Policy advocacy during 2010/11 to 2014/15.
- To coordinate and guide the process to determine provincial priorities and recommend financial resource allocation during 2010/11 to 2014/15.
- Provide policy advice, effective technical and strategic support to provincial departments by 2015
- To efficiently and effectively deliver on infrastructure programmes in the province by 2015.
- Monitoring of the local government fiscal resources and compliance with the Municipal Financial Management Act (MFMA) during 2010/11 to 2014/15.
- Sound management of assets and liabilities in provincial departments facilitated.
- Transversal financial systems that will enhance compliance to PFMA provided
- Sound financial management in provincial departments and public entities
- Facilitate Implementation of Risk Management in the province
- Improvement of systems on internal control

In achieving the above strategic objectives during the 2010/11 financial year, Provincial Treasury provided 52 bursaries to youth of our Province to pursue careers in both financial and humanities fields of study.

The Department also provided internship opportunities to thirty-five (35) graduates and eleven (11) of these graduates subsequently secured permanent employment in both the public and private sectors. A further twenty (20) graduates participated in the Internal Audit Technician Learnership programme, and of which 16 have already secured permanent employment in the public and private sectors.

It is worth mentioning that in 2009/10 the audited performance of the department indicated the following:

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

- 95% of payments to suppliers were made within 30 days from receipt of invoices
- 98% of the budget was successfully spent and
- The department received an unqualified audit opinion.

Since 2006/07 there has been a constant improvement in the number of audit outcomes for provincial departments. The most recent Auditor General's report indicates that at 2009/10, the provincial departments received nine unqualified audit opinions, a notable achievement considering that in 2006/07 all provincial departments were qualified. Provincial Public Entities also showed improvement namely; 7 unqualified audit opinions in 2009/10, up from 6 in 2008/09.

The Integrated Financial Management System (IFMS)- asset management module has been implemented in the Provincial Treasury and other three departments that is Roads and Transport, Agriculture and Local Government and Housing.

In its effort to initiate Supply chain management policy reforms, Limpopo Provincial Treasury has conducted a provincial seminar in this regard. This has led to the review of Supply Chain Management Policy with the following intended outcomes:

- Ensuring that Supply Chain Management enhances service delivery;
- Ensuring that government procurement is maximised towards achieving the LEGDP goals, through Supply Chain Management process focused on the following:
 - ✓ Creation of jobs through government procurement
 - ✓ Empowerment of SMMEs and Cooperatives
 - ✓ Promotion of local spend
- Ensuring that Supply Chain Management process provides value for money;
- Ensuring that there is good governance in the Supply Chain Management process

2.1.5. Overview of service delivery environment for 2011

The Department published forty-five (47) editions of the provincial tender bulletin which are available at no cost to the public and are available at Provincial Treasury District offices and the departmental website. A total of 1832 SMMEs have been trained on the completion of Standard Bidding Documents.

- There were virements made during the year amounting to R2.836m to fund SITA costs in Assets, Liabilities & SCM programme. A virement for an amount of R1.536m was shifted from Administration and R1.3m from Financial Governance. These virements were done in line with section 43(2) of PFMA which requires that "the amount of a saving under a main division of a vote that may be utilized may not exceed eight per cent of the amount appropriated under that main division". There was no roll over request made for the 2009/10 financial year

2.1.6. Overview of the organisational environment

During the period under review, the Limpopo Provincial Treasury experienced capacity challenges that resulted in it not delivering on its Annual Performance Plan. These capacity challenges were in the following areas:

- Financial Training
- Support to the Public Entities and Audit Committee
- Provincial Internal Audit

In order to limit the impact of the capacity challenges on the effectiveness of the internal audit service, the Provincial Treasury has appointed thirty three internal audit staff members, who will commence their duties with effect from 1 April 2011. Further an employee retention strategy, for internal audit, has been developed and Treasury is investigating the possibility of starting a new 24 month internal audit Learnership programme which will offer opportunities to the current internal audit interns and unemployed graduates to gain valuable internal audit experience and increase the pool of experienced internal auditors in the Limpopo Province.

The Public Service strike that took place in the second quarter also had an impact on the Provincial Internal Audit unit in respect of their target of compliance with the approved annual audit plan. The unit was able to complete 144 out of a planned 155 audit projects (92.09%).

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

The appointment/promotion of the former Acting SGM: Assets, Liabilities and Supply Chain Management to Head of Department as well as the resignation of the Accountant General (SGM: Financial Governance) led to leadership vacuums in the two branches.

2.1.7. Departmental revenue

Collection of departmental revenue

| | 2007/08 Actual | 2008/09 Actual | 2009/10 Actual | 2010/11 Target | 2010/11 Actual | % deviation from target |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|----------------------------|
| Non- tax revenue | | | | | | |
| Services rendered – Commission on insurance | 103 | 119 | 134 | 136 | 136 | 0.00% |
| Mark Estab : Rental Park Covr&open | | 43 | (38) | 89 | 45 | 49% |
| Sales: Tender documents | 960 | 640 | 651 | 749 | 1,070 | 42.8% |
| Req Info: Access | - | - | - | - | 1 | - |
| Sales: Scraps,wast,other | | - | 188 | - | 4 | - |
| Fines, penalties &forfeits | 1,181 | | | | | |
| Interst on Bank Accounts | 82,290 | 104,797 | 101,405 | 97,146 | 98,797 | 1.7% |
| Transfer received: Dona- tion | | 249 | - | - | - | - |
| Sales of capital assets | | | | | | - |
| Sales of capital assets: auction of scrap goods | | 202 | - | - | - | - |
| Financial transactions (Recovery of loans and advances) | | | | | | - |
| Previous years expendi- ture | 1,060 | 207 | 279 | 200 | 20,363 | 10,081% |
| Rev: Fa:Rec:Prv Sec:Con:Dept. Debt | - | - | - | - | 88 | - |
| TOTAL DEPARTMEN- TAL RECEIPTS | 85,594 | 106,260 | 102,619 | 98,320 | 120,504 | 22.6% |

During the period under review, the department over collected revenue by 22% due to a favorable bank account and the recovery of outstanding debts.

2.1.8. Departmental Expenditure

- The department has spent 99% of its adjusted budget for the financial year. The department had to re-prioritize during the course of the financial year and introduced austerity measures.

2.1.9. Capital Investment, Maintenance and Asset Management plan

- Maintenance**
During the financial year under review an amount of R160 000.00 has been budget for maintenance of buildings and the budget has been utilized in accordance with the departmental maintenance plan.
- Capital Investments**
There is no capital investments planned for the period under review.
- Asset Management**
During the period under review Provincial Treasury procured Assets to the value of R2 943 000.00. The Opening Balance comprises of 997 Capital Assets to the value of R25 802 240.50 and 4 820 Minor Assets to the value of R8 529 870.37.

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

During the period under review Internal Audit function was transferred to Limpopo Provincial Treasury from Office of the Premier, the assets relating to this transfer is as follows: 112 Capital Assets to the value of R1 835 969.48 and 552 Minor Assets to the value of R850 570.06

Provincial Treasury conducted an Auction during March 2011 and the following assets were auctioned: 42 Capital Assets to the value of R905 094.77 and 383 Minor Assets to the value of R733 977.87. 8 Laptops to the value of R107 535.23 were reported stolen, the investigations were completed for these laptops and the assets were written off during March 2011.

Provincial Treasury ensures that the Asset Register is always up - to - date by doing monthly reconciliations for assets purchased. Monthly BAS Reports are drawn to reconcile with assets received in the Department.

All redundant and obsolete assets that were identified during the asset verifications were auctioned during the period under review.

3. PROGRAMME PERFORMANCE

The activities of Provincial Treasury are organized in the following programmes:

Programme 1: Administration

Programme 2: Sustainable Resource Management

Programme 3: Assets, Liabilities and Supply Chain Management

Programme 4: Financial Governance

PROGRAMME 1: ADMINISTRATION

Purpose:

The purpose of the programme is to provide effective and efficient Strategic management, administrative support and sound financial management to Provincial Treasury.

The programme has the following sub-programmes namely:

- MEC Support Services
- Management Services
- Corporate Services
- Financial Management (Office of the CFO)

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for Variance |
|--|--|---|---|--|---------------------|
| | | | Target | Actual | |
| SUB-PROGRAMME: MEC SUPPORT SERVICES | | | | | |
| 1 | Efficient, effective and economic internal administrative support provided | Number of reports submitted to oversight bodies in line with legislative requirements | 5 reports submitted to oversight bodies in line with legislative requirements | 5 reports submitted to oversight bodies in line with legislative requirements | Not applicable |
| SUB-PROGRAMME: HOD SUPPORT SERVICES | | | | | |
| 2 | Efficient, effective and economic internal administrative support provided | % adherence to compliance calendar and institutional arrangements. | 100% adherence to compliance calendar and institutional arrangements. | 100% adherence to compliance calendar and institutional arrangements achieved. | Not applicable |
| SUB-PROGRAMME: CORPORATE GOVERNANCE | | | | | |
| 3 | Efficient, effective and economic internal administrative support provided | Number of HR strategies from the HR Plan implemented. | Six HR strategies from HR Plan implemented in four branches | Recruitment, Organisational Development, Human Resource Development, Performance Management System (PMS) Strategies, Employment Equity Plan and Employee | Not applicable |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for Variance |
|----|---------------------|--|---|--|---|
| | | | Target | Actual | |
| 4 | | Number of programmes supported and monitored in risk management processes | 4 programmes monitored and supported in risk management process. | Health and Wellness were implemented in four branches. | Not applicable |
| 5 | | Number of Information Management Strategies developed, implemented and monitored | 3 Information Management Strategies (SISP, Communication Strategy and Records Management System) developed, implemented and monitored | Information Management Strategies (SISP, Communication Strategy and Records Management System) developed, implemented and monitored. | Not applicable |
| 6 | | % facilitation and provisioning of logistical and office support services | 100% (7) office buildings maintenance facilitated 100% office housekeeping services provided in 7 buildings | 100% (7) office buildings maintenance facilitated 100% office housekeeping services for two (2) out of seven (7) buildings was provided (Ismini building and Finance House building). | Not applicable Housekeeping services not provided in 5 buildings due to shortage of cleaners |
| 7 | | Number of Security Policies and Investigation Strategy implemented and monitored | 100% facilitated and managed telecommunication 100% facilitation for the provision of office furniture 100% office space availed for all employees 1 Security Policy (MISS) and 1 Investigation Strategy implemented and monitored | 100% telecommunication services facilitated and managed 100% provision of office furniture facilitated 100% of office space was availed for all employees MISS Policy and Investigation Strategy implemented and monitored. | Not applicable Not applicable Not applicable |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for Variance |
|----|---|-------------------|-----------------------------------|--------|---------------------|
| | | | Target | Actual | |
| | Reasons for major variances: Housekeeping services not provided in 4 of the 7 buildings due to shortage of cleaners | | | | |

SUB PROGRAMME: FINANCIAL MANAGEMENT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for variance |
|---|--|---|--|--|---------------------|
| | | | Target | Actual | |
| SUB-PROGRAMME: MANAGEMENT ACCOUNTING | | | | | |
| 8 | Sound Financial Management in the Department | Consolidated departmental budget statement | Consolidated Budget Statement in line with National Treasury's framework | Budget Statement consolidated in line with National Treasury's framework | Not applicable |
| 9 | | Number of IYM reports compiled and submitted by the 15 th of each month. | 12 IYM reports compiled and submitted | 12 IYM reports compiled and submitted | Not applicable |
| 10 | | % of expenditure in line with allocated budget | 98% of expenditure in line with allocated budget | 98% of expenditure in line with allocated budget | Not applicable |

SUB-PROGRAMME: FINANCIAL ACCOUNTING

| | | | | | |
|----|--|---------------------------------|----------------------------------|----------------------------------|--|
| 11 | Sound Financial Management in the Department | % Bookkeeping services provided | 100% successful closure of books | 100% successful closure of books | Not applicable |
| | | | 80% Debts collected | 75% Debts collected | 5% of the debts have been written off. |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for variance |
|--|--|--|--|--|---------------------|
| | | | Target | Actual | |
| 12 | | | 90% of invoices received paid within 30 days, or as per agreement | 96% of invoices received paid within 30 days, or as per agreement | Not applicable |
| | | | 100% of revenue collected as per annual target | 122% of revenue collected as per annual target | Refund from SITA |
| | | | 100% processing and reconciliation of payroll transactions and claims | 100% processing and reconciliation of payroll transactions and claims | Not applicable |
| | | | % compliance to prescripts | 100 % compliance to prescripts achieved | Not applicable |
| SUB-PROGRAMME: STRATEGIC OPERATIONS AND POLICY COORDINATION | | | | | |
| 13 | Sound Financial Management in the Department | Aligned Annual Performance Plans to the departmental priorities and National Treasury Frameworks | Annual Performance Plans aligned to the departmental priorities and National Treasury Frameworks | Annual Performance Plans aligned to the departmental priorities and National Treasury Frameworks | Not applicable |
| 14 | | Number of non financial performance reports from programmes analysed and finalised | 17 non financial performance reports analysed and finalised | 17 non financial performance reports were analysed and finalised | Not applicable |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for variance |
|--|--|---|--|---|---------------------|
| | | | Target | Actual | |
| SUB-PROGRAMME: DEPARTMENTAL SUPPLY CHAIN MANAGEMENT | | | | | |
| 15 | Sound Financial Management in the Department | % of Requisitions received processed in line with specific SCM prescripts | 100% of Requisitions received processed in line with specific SCM prescripts | 100% of Requisitions received were processed in line with specific SCM prescripts | Not applicable |
| 16 | | % of Reconciled Inventory and Asset Registers | 100% Reconciled Inventory and Asset Registers | 100% of Inventory and Asset Registers reconciled | Not applicable |
| 17 | | % of vehicles in operation managed. | 100% of vehicles in operation managed. | 100% of vehicles in operation managed. | Not applicable |
| Reasons for major variances: Over-collection of revenue as a result of a refund from SITA | | | | | |

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

Purpose:

The programme purpose is to provide support and monitor socio economic policy, financial management to departments and municipalities as well as corporate governance and improving service delivery through PPPs and infrastructure management programme in the province.

The programme has the following sub-programmes:

- Economic Analysis
- Fiscal Policy
- Budget Management
- Public Finance
- Intergovernmental Fiscal Relations (Municipal Finance)

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for variance |
|---|---|--|---|---|--------------------------------------|
| | | | Target | Actual | |
| SUB-PROGRAMME: MACRO-ECONOMIC ANALYSIS | | | | | |
| 1 | To influence planning and budgeting through Social and Economic Research and Policy advocacy during 2010/11 to 2014/15. | Number of Economic Status Reports to align the Fiscal Policy | One Sectoral Impact analysis (Economic and Social outlook) report. Medium Term Budget Policy statements produced | One Sectoral Impact analysis (Economic and Social outlook) report was produced. Medium Term Budget Policy statements were produced | Not applicable Not applicable |
| SUB-PROGRAMME: FISCAL DEVELOPMENT | | | | | |
| 2 | To influence planning and budgeting through Social and Economic | Number of departments / votes supported to collect the set revenue targets and | 13 departments / votes supported to collect the set revenue targets | 13 departments / votes were supported to collect the set revenue targets. | Not applicable |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for variance |
|---|---|--|--|---|---------------------|
| | | | Target | Actual | |
| | Research and Policy advocacy during 2010/11 to 2014/15. | development of tariffs database | 13 departments / votes supported to revise and develop the departmental tariff database | 13 departments / votes were supported to revise and develop the departmental tariff database | Not applicable |
| SUB-PROGRAMME: BUDGET MANAGEMENT | | | | | |
| 3 | To coordinate and guide the process to determine provincial priorities and recommend financial resource allocation during 2010/11 to 2014/15. | Number of budget documents compiled, tabled and gazetted in line with the set standards and National Treasury guidelines | 2 budget documents compiled, tabled and gazetted in line with the set standards and National Treasury guidelines (Provincial Expenditure Overview & Estimates of Provincial Expenditure) for transfers to local government | Tabled and gazetted Provincial Expenditure Overview & Estimates of Provincial Expenditure in line with the set standards and National Treasury guidelines for transfers to local government | Not applicable |
| SUB-PROGRAMME: PUBLIC FINANCE | | | | | |
| 4 | Provide policy advice, effective technical and strategic support to provincial departments by 2015 | Number of Departments' Strategic and Annual Performance Plans assessed to align the plans with budget | 13 Annual Performance Plans assessed to align the plans with budget | 13 Annual Performance Plans were assessed to align the plans with the budget | Not applicable |
| 5 | | Number of departmental budget inputs analysed for the tabling of Provincial Expenditure as prescribed | 13 departmental budget inputs analysed for the tabling of Provincial Expenditure as prescribed. | 13 departmental budget inputs were analysed for the tabling of Provincial Expenditure as prescribed. | Not applicable |
| 6 | | Number of departmental Quarterly Performance Reports consolidated and analysed | 4 quarterly departmental performance reports analysed and consolidated | 4 quarterly departmental performance reports were analysed and consolidated | Not applicable |
| 7 | | Number of provincial in year monitoring reports produced | 8 monthly and 4 quarterly provincial expenditure and trends analysis reports produced | 8 monthly and 4 quarterly provincial expenditure and trends analysis reports were produced | Not applicable |

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for variance |
|---|--|--|--|--|--|
| | | | Target | Actual | |
| SUB-PROGRAMME: INFRASTRUCTURE MANAGEMENT | | | | | |
| 8 | To efficiently and effectively deliver on infrastructure programmes in the province by 2015. | Number of infrastructure expenditure monitoring reports produced in line with allocated budget | 8 monthly and 4 quarterly infrastructure expenditure monitoring reports produced | 8 monthly and 4 quarterly infrastructure expenditure monitoring reports were produced | Not applicable |
| 9 | | % of Infrastructure programmes implemented in line with Infrastructure Development Improvement Program | 100% of infrastructure development programmes managed through governance structures | Infrastructure development programmes were managed through governance structures only in the first quarter. | IDIP phase 3 commenced late in Limpopo (November 2010) due to delays in appointing Technical Advisors for the IDIP departments including Provincial Treasury. Focus was on the development of log-frame and work plan for 2011/12, including terms of reference. |
| SUB-PROGRAMME: PUBLIC PRIVATE PARTNERSHIPS (PPP) | | | | | |
| 10 | To efficiently and effectively deliver on infrastructure programmes in the province by 2015. | % of identified PPP projects for departments, municipalities and entities monitored and supported | 100% of identified PPP projects for departments, municipalities and entities Provided with technical assistance and support | 100% of identified PPP projects for departments, municipalities and entities Provided with technical assistance and support | Not applicable |
| 11 | | Number of awareness session / workshop conducted in departments and municipalities in order to increase deal flow of PPP project | 12 awareness session / workshop conducted in departments and 30 municipalities in order to increase deal flow of PPP projects | 11 awareness session / workshop conducted in departments and 30 municipalities in order to increase deal flow of PPP projects | One session not held due to Senior Manager required to manage additional Directorate (IM) which was suddenly left vacant. |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for variance |
|----|--|--|---|---|---|
| | | | Target | Actual | |
| 12 | | Number of closed PPP Contracts managed | 2 closed contracts (Renal Dialysis PPP and Phalaborwa Hospital) managed | 1 closed contract (Renal Dialysis PPP) was managed. | 1 closed contract (Phalaborwa Hospital) not managed due to delays by Department of Health in finalisation of the contract and setting up of the joint management committee |
| 13 | SUB-PROGRAMME: FINANCIAL PLANNING AND BUDGET | | | | |
| | Monitoring of the local government fiscal resources and compliance with the Municipal Financial Management Act (MFMA) during 2010/11 to 2014/15. | Number of municipalities supported and monitored in implementation of MFMA | 30 municipal budgets (Draft & Approved) analysed and feedback provided. 30 s71 reports from municipalities analysed and feedback provided. | 30 municipal budgets (Draft & Approved) were analysed and feedback provided. 30 S71 reports from municipalities were analysed and feedback provided on a quarterly basis except for the 4 th quarter. | Not applicable 4 th quarter reports not analysed due to the early adoption of the MTREF draft budgets as a result of Local Government Elections. The focus then shifted toward the analysis of the MTREF budgets for 2011/12 municipal financial year prior adoption. |
| | | | 30 half year performance assessment reports from municipality (sec72) analysed and feedback provided | 15 half year performance assessment reports from municipality (sec72) were analysed and feedback provided | 15 half year performance assessment reports from municipality (sec72) not analysed due to late submissions by municipalities |
| | SUB-PROGRAMME: ACCOUNTING AND REPORTING | | | | |
| | Monitoring of the local government fiscal resources and compliance with the Municipality | Number of municipalities supported and monitored in implementation of MFMA | 30 municipalities and 2 municipal entities supported and monitored to improve audit opinions | 19 municipalities supported and monitored to improve audit opinions | 1 municipality and its entity are not delegated. 3 municipalities' audits have not been completed. 7 municipi- |

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for variance |
|--|--|--|--|--|--|
| | | | Target | Actual | |
| | Local Financial Management Act (MFMA) during 2010/11 to 2014/15. | | 30 municipalities and 2 entities supported to prepare AFS in accordance with GRAP | 30 municipalities and 2 entities was supported to prepare AFS in accordance with GRAP | 10 municipalities did not submit their audit reports and action plans. 1 municipal entity audit opinion is still pending Not applicable |
| SUB-PROGRAMME: COMPLIANCE AND CAPACITY BUILDING | | | | | |
| | Monitoring of the local government fiscal resources and compliance with the Municipal Financial Management Act (MFMA) during 2010/11 to 2014/15. | Number of municipalities supported and monitored in implementation of MFMA | 30 municipalities monitored and supported to effectively implement Supply Chain Management | 20 municipalities monitored and supported to effectively implement Supply Chain Management | 10 municipalities not monitored and supported on supply Chain Management due to lack of human resource capacity |
| | | | 30 municipalities and 2 entities monitored and supported to promote functional and effective internal audit | 22 municipalities and 2 entities monitored and supported to promote functional and effective internal audit | 8 municipalities and 2 entities not monitored and supported to promote functional and effective internal audit due to lack of human resource capacity. |
| | | | 30 municipalities advised and monitored to comply with MFMA returns | 30 municipalities advised and monitored to comply with MFMA returns | Not applicable |
| | | | 30 Municipalities monitored and supported to develop and implement risk management strategy in line with the risk management framework | 26 Municipalities monitored and supported to develop and implement risk management strategy in line with the risk management framework | 4 municipalities outsourced this function |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for variance |
|--|---------------------|-------------------|--|--|---|
| | | | Target | Actual | |
| | | | 30 Municipalities monitored and supported to develop and implement risk management strategy in line with the risk management framework | 26 Municipalities monitored and supported to develop and implement risk management strategy in line with the risk management framework | 4 municipalities outsourced this function |
| Reasons for major variances: Not applicable | | | | | |

PROGRAMME 3: ASSET, LIABILITIES AND SUPPLY CHAIN MANAGEMENT

Purpose:

This programme's purpose is to provide policy direction, facilitating the effective and efficient management of Assets, Liabilities, Financial Systems and Supply Chain Management.

The programme consists of the following sub-programmes:

- Programme Support
- Asset and Liabilities Management
- Provincial Supply Chain Management
- Support & Interlinked Financial Systems

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for Variance |
|--|---|--|---|---|---------------------|
| | | | Target | Actual | |
| SUB-PROGRAMME: PROVINCIAL ASSET MANAGEMENT | | | | | |
| 1 | Sound management of assets and liabilities in provincial departments facilitated. | Number of Provincial Asset Management monitoring and support reports | 10 Inventory Management monitoring and support reports | 10 Inventory Management monitoring and support reports were produced | Not applicable |
| | | | 10 Asset Management monitoring reports | 10 Asset Management monitoring reports were produced | Not applicable |
| | | | 10 Asset Economic Utilisation Assessment Reports | 10 Asset Economic Utilisation Assessment Reports were produced | Not applicable |
| SUB-PROGRAMME: BANKING AND CASH FLOW MANAGEMENT | | | | | |
| 2 | Sound management of assets and liabilities in provincial departments facilitated. | Number of departments monitored and supported on cash and liabilities management in line with Policies and Procedure manuals | 13 departments supported and monitored in the rolling out of cash management policies and procedures. | Supported and monitored 13 departments in the rolling out of cash management policies and procedures. | Not applicable |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for Variance |
|--|---|--|---|---|---|
| | | | Target | Actual | |
| 3 | | Percentage of daily minimum Exchequer balance invested. | 100% net of R100m daily minimum Exchequer balance invested. | Exchequer balances were kept at minimal with CPD balances optimised. 0% net of R100m daily minimum Exchequer balance invested | 4 departments opened with overdraft on 01 April 2011, viz Education (R149.4m), Legislature (R24.3m), Works (R1.5m), and Safety (0.8m). Coupled with unresolved unauthorised expenditure the Provincial Revenue Fund has to manage the overdraft with the overnight surpluses which were to be invested. |
| 4 | | Number of Performance monitoring reports for the Provincial Banker compiled in relation to Service Level Agreement (SLA) | 12 performance monitoring reports compiled | 12 performance monitoring reports for the Provincial Banker were compiled in relation to the SLA. | Not applicable |
| 5 | | Number of reconciliation statements prepared | 12 reconciliation statements prepared for each: - Provincial Revenue Fund - Bank Charges - Interest Account - Own Revenue | 12 reconciliation statements were prepared for each of the following: - Provincial Revenue Fund - Bank Charges - Interest Account - Own Revenue | Not applicable |
| SUB-PROGRAMME: PROVINCIAL SCM - ADVICE CENTER | | | | | |
| 6 | Transparent, equitable, fair, competitive and cost-effective pro- | Number of SMMEs empowered on bidding with government and capacitated to | 1200 SMMEs empowered on bidding with government | 1832 SMMEs were empowered on bidding with government | Increased attendance due to growing interest in the services that were offered |

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for Variance |
|--|--|---|---|--|--|
| | | | Target | Actual | |
| | urement system in the province enforced | deliver on government contracts. | 60 SMMEs capacitated to deliver on government contracts | 68 SMMEs were capacitated to deliver on government contracts | Increased attendance due to growing interest in the services that were offered |
| SUB-PROGRAMME: PROVINCIAL SCM - DEMAND AND ACQUISITION MANAGEMENT | | | | | |
| 7 | Transparent, equitable, fair, competitive and cost-effective procurement system in the province enforced | Number of transversal bids and contracts arranged and monitored. | Three bids from the researched and identified transversal goods and services areas arranged | Two bids from the researched and identified transversal goods and services areas were arranged. | Changed approach on identification of transversal contracts and delays in the development of a strategy on the identification and management of transversal contracts. |
| | | | Bidding processes of the 4 existing transversal bids managed | Bidding processes of two (2) transversal bids were managed. | Delays in the advertisement of one bid for TC/LP 18. Delays in the constitution of Bid Specification Committee. |
| | | | Seven transversal contracts monitored in 11 Provincial Departments | Three transversal contracts monitored in 11 Provincial Departments | Four transversal contracts not monitored in 11 Provincial Departments because the contracts were not yet concluded |
| SUB-PROGRAMME: FINANCIAL SYSTEMS ADMINISTRATION | | | | | |
| 8 | Transversal financial systems that will enhance compliance to PFMA provided | Number of reports on Supplier performance analyzed and consolidated in relation to service level agreements | 12 reports on supplier performance analyzed and consolidated in relation to service level agreement | 12 reports on supplier performance were analysed and consolidated in relation to service level agreement | Not applicable |
| 9 | | Number of reports on financial systems utilization | 12 departments monitored and supported on financial systems utilization | 12 departments were monitored and supported on financial systems utilization | Not applicable |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for Variance |
|--|---|---|---|--|---|
| | | | Target | Actual | |
| SUB-PROGRAMME: FINANCIAL SYSTEMS DEVELOPMENT | | | | | |
| 10 | Transversal financial systems that will enhance compliance to PFMA provided | % implementation of IFMS asset module | 100% implementation in 3 departments | 100% implementation of IFMS asset module in 3 departments was achieved | Not applicable |
| 11 | | Percentage roll-out of Transversal Financial systems policy | 100% Roll-out of transversal Financial Systems Policy | Transversal Financial Systems Policy has not been rolled-out. | Policy has not been developed yet due to lack of resources. |
| Reasons for major variances: Lack of resources in the development of the Transversal Financial Systems Policy | | | | | |

PROGRAMME 4: FINANCIAL GOVERNANCE

Purpose:

The purpose of the programme is:

- To ensure sound financial management and financial accountability in the province through capacity building, financial reporting, financial management policies development and support of oversight structures/bodies.
- To ensure that all Departments and public entities have implemented an effective risk management and internal control processes.

The programme consists of the following sub-programmes:

- Programme Support
- Accounting Services
- Transversal Risk Management and Internal Control
- Internal Audit Service

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for Variance |
|--|--|---|---|--|---|
| | | | Target | Actual | |
| SUB-PROGRAMME: FINANCIAL TRAINING | | | | | |
| 1 | Sound financial management in provincial departments and public entities | Number of officials trained on financial management and transversal systems | 3000 officials trained on transversal systems | 992 officials trained on transversal systems | 2008 Officials not trained on transversal systems due lack of trainers and financial resources as well as withdrawal of nominated officials |
| 2 | | Number of lecture sessions co-ordinated | 300 officials trained on financial management 4 x Lecture sessions co-ordinated. | 66 officials trained on financial management 3 x Lecture sessions co-ordinated. | 234 Officials not trained on financial management due to non attendance of nominated officials and financial resources 1 Lecture session not coordinated because the CIMA Accredited Suppliers were fully booked for lectures in the third quarter |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for Variance |
|---|--|---|---|---|---|
| | | | Target | Actual | |
| SUB-PROGRAMME: NORMS AND STANDARDS | | | | | |
| 3 | Sound financial management in provincial departments and public entities | Number of votes and public entities monitored and supported in the implementation of PFMA | 13 departments and 8 public entities supported and guided to obtain unqualified audit opinions | 13 departments supported and guided to obtain unqualified audit opinions | Public Entities not supported and guided to obtain unqualified audit opinions due to lack capacity |
| | | | 13 departments and 8 public entities monitored in the implementation of strategies to resolve external audit findings | 13 departments monitored in the implementation of strategies to resolve external audit findings | Public Entities not monitored in the implementation of strategies to resolve external audit findings due to lack capacity |
| | | | 3 Clusters Audit Committees and Central Audit committee supported | Supported 3 Clusters Audit Committees and Central Audit committee | Not applicable |
| | | | 12 departments monitored in the implementation of Audit Committee Resolutions | 12 department monitored in the implementation of Audit Committee Resolutions in the first and second quarter. | Departments were not monitored in the implementation of Audit Committee Resolutions in the 3 rd and 4 th quarters due to unavailability of secretariat to support the audit committee and non submission of information relating to resolutions |
| | | | SCOPA supported | SCOPA was supported | Not applicable |
| | | | 13 Departments monitored in the implementation of SCOPA resolutions | 11 Departments monitored in the implementation of SCOPA resolutions | 2 departments (Education and Health) were not monitored in the implementation of SCOPA resolutions due to non availability of staff |

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for Variance |
|---|---|---|---|--|---|
| | | | Target | Actual | |
| | | | | | within the departments. |
| | | | 10 transversal financial policies reviewed, and approval facilitated | 10 transversal financial policies were reviewed and approval facilitated | Not applicable |
| | | | 13 votes monitored in the implementation of transversal financial policies | 13 votes were not monitored in the implementation of transversal financial policies. | 13 votes not monitored in the implementation of transversal financial policies due to late approval (October 2010). Departments started to confirm adoption of the policies during February 2011 and monitoring to start from April 2011. |
| SUB-PROGRAMME: FINANCIAL REPORTING | | | | | |
| | Sound financial management in provincial departments and public entities | Number of votes and public entities monitored and supported in the implementation of PFMA Consolidated Annual Financial Statements for votes and public entities prepared in line with the PFMA Annual Financial Statements for Tribal Accounts | 13 votes and 8 public entities supported in preparing and submitting annual financial statements to the Auditor General in line with the PFMA | 13 votes and 8 public entities supported in preparing and submitting annual financial statements to the Auditor General in line with the PFMA. | Not applicable |
| 4 | | | Aggregation of Annual Financial Statement done but final consolidation not yet finalised | Annual Financial Statements for departments and public entities not yet consolidated because Provincial Revenue Fund not yet finalized | |
| 5 | Annual Financial Statements prepared for Tribal Levies and Trust Accounts | Annual Financial Statements for Tribal Levies and Trust Accounts not prepared | Annual Financial Statements for Tribal Levies and Trust Accounts not prepared due to challenges | | |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for Variance |
|---|--|--|---|---|---|
| | | | Target | Actual | |
| | | Levies and Trust Accounts | | | found with regards to the opening balances. |
| SUB-PROGRAMME: TRANSVERSAL RISK MANAGEMENT | | | | | |
| 6 | Facilitate Implementation of Risk Management in the province | Number of votes and public entities monitored and supported in risk management | Provincial Risk Management Framework developed in line with national risk management framework and approval facilitated | Provincial Risk Management Framework has been developed in line with national risk management framework and approved as per EXCO decision number 60 of 2010 | Not applicable |
| | | | 13 votes and 8 public entities supported in the development of their strategic risk profiles for 2011/12 | 13 votes and 8 public entities were supported in the development of their strategic risk profiles for 2011/12 | Not applicable |
| | | | 13 votes and 8 public entities monitored and supported on risk management | 13 votes and 8 public entities monitored and supported on risk management in all quarters except 4 th quarter | 13 votes and 8 public entities not monitored and supported on risk management during 4 th quarter because the provincial government strategic risk profile 2011/12 was not yet approved and therefore intervention plans could not be compiled |
| SUB-PROGRAMME: INTERNAL CONTROL | | | | | |
| 7 | Improvement of internal control systems | Number of votes monitored and supported in the implementation of the | 13 votes supported and monitored in the development of internal control improvement plans. | 13 votes were supported and monitored in the development of internal control improvement plans. | Not applicable |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| No | Strategic Objective | Measure/Indicator | Actual Performance against Target | | Reason for Variance |
|---|--|---|--|--|---|
| | | | Target | Actual | |
| | | Internal Controls | Provincial Internal Control Framework developed in line with Institute of Internal Audit Standards | Draft Provincial Internal Control Framework has been developed in line with Institute of Internal Audit Standards | Not applicable |
| SUB-PROGRAMME: PROVINCIAL INTERNAL AUDIT | | | | | |
| | Internal Audit and Anti Corruption services rendered | Number of votes receiving an unqualified audit opinion from the Auditor General Compliance with approved annual audit plan | 12 of the 12 votes will receive an unqualified audit opinion from the Auditor General | 8 votes received unqualified audit opinions. | 4 votes obtained qualified audits due incomplete asset registers and poor records management. |
| | | | Full compliance with approved annual audit plan | 92 % compliance with the approved annual audit plan. 144 out of a planned 155 audit projects (92.09%) were completed | Public sector strike in 2nd quarter and internal audit capacity challenges. |
| Reasons for major variances: 2008 out of 3000 officials not trained on transversal systems due lack of trainers and financial resources as well as withdrawal of nominated officials | | | | | |



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

PART 3

ANNUAL FINANCIAL STATEMENTS



PROVINCIAL TREASURY
VOTE 5
REPORT OF THE AUDIT COMMITTEE



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY
REPORT OF THE AUDIT COMMITTEE ON
PROVINCIAL TREASURY

We are pleased to present our report for the financial year ended 31 March 2011.

Audit Committee Members and Attendance:

Limpopo has an Audit Committee structure which is two tiered consisting of the 3 Cluster Audit Committees, dealing with specific departments, and a shared Central Audit Committee.

The Audit Committees consist of the members listed hereunder and meet at least 4 times per annum as per the approved terms of reference. Over and above the four mandatory meetings stipulated in the terms of reference, the Audit Committee meets on an adhoc basis as and when it is necessary. During the current year 6 Cluster Audit Committee and 6 Central Audit Committee meetings were held.

Cluster 1 Audit Committee

| Name of Member | Number of meetings attended |
|--|------------------------------------|
| Ms. L.J. Fosu (Chairperson) | 5 |
| Ms. V.V. Masondo – Resigned – 08 February 2011 | 2 |
| Ms. T. Njozela | 3 |
| Mr. L. Vilakazi | 5 |
| Mr. A.F. Sinthumule | 6 |

Central Audit Committee

| Name of Member | Number of meetings attended |
|-----------------------|------------------------------------|
| Mr. C.M. Manny | 6 |
| Ms. L.J. Fosu | 5 |
| Mr. T.C. Modipane | 6 |
| Mr. L. Vilakazi | 1 |

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Tel: (015) 298 7000, Fax: (015) 295 7010 Website: <http://www.limpopo.gov.za>

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PROVINCIAL TREASURY
VOTE 5
REPORT OF THE AUDIT COMMITTEE

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

The system of internal control applied by the department over financial risk and risk management is adequate.

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

From the various reports of the Internal Auditors, it was noted that the system of internal control was not entirely effective for the year under review. During the year under review, several deficiencies in the system of internal control and/or deviations were reported by the internal auditors. In certain instances, the matters reported previously have not been fully and satisfactorily addressed.

The quality of in year management and monthly/quarterly reports submitted in terms of the PFMA and the Division of Revenue Act.

The Audit Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer of the Department during the year under review. However, it should be noted that the Provincial Treasury has human resource constraints which should be addressed as a matter of urgency to avoid possible risks that could face the department.

Evaluation of Financial Statements

The Audit Committee has:

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

PROVINCIAL TREASURY
VOTE 5
REPORT OF THE AUDIT COMMITTEE

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

Internal Audit

The Audit Committee is satisfied that the internal audit function is operating effectively given the current capacity constraints, and that further improvements need be made to address the risks pertinent to the Department.

Auditor General South Africa

The Audit Committee has met with the Auditor-General South Africa to ensure that there are no unresolved issues.


.....
Chairperson of the Audit Committee

Date: 31 July 2011

PROVINCIAL TREASURY
VOTE 5
REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2011

Report by the Accounting Officer to the Executive Authority and Provincial Legislature.

1. General review of the state of financial affairs

- Provincial Treasury successfully undertook its functions as per the approved structure.
 - The structure was amended for the year under review with Internal Audit being transferred from the Office of the Premier to Treasury with effect from the 1st of October 2010.
- 1.1. *Spending trends:*
- 1.1.1. The department under spending was within the acceptable norm and service delivery was not negatively impacted. Spending is monitored on a monthly basis to ensure control; hence department spent 98.8% of the budget during the financial year under review.
- 1.2. *Virement:*
- 1.2.1. Virements amounting to R2, 836 m were made and the reprioritisation was done to fully fund the fixed costs and contractual obligations.
- 1.2.2. Virements of funds were made from Programme 1: Administration R1,536 m and Programme 4: Financial Governance R1,300m to Programme 3: Assets, Liabilities and Supply Chain to mainly fund SITA costs and the approval was granted by the Head of Department.
- 1.3. LPT has ensured that all invoices are dealt with within the appropriate time.

2. Service rendered by the department

- 2.1 Tariff policy
None
- 2.2 Free Services
None
- 2.3 Inventories
The total inventories on hand at year-end are included in Annexure 6.

3. Capacity constraints

The structure was implemented and Internal Audit was placed in the structure. However, the department faces challenges since some critical positions are still vacant. The department further appointed 61 staff to facilitate service delivery. This can be broken down as follows:

- Level 1 to 8 = 56
- Level 11 to 12 = 2
- Level 13 = 2
- Level 16 = 1
-

4. Utilisation of donor funds

None

5. Trading entities and public entities

Provincial Treasury does not have trading entities or public entities for the year under review.

PROVINCIAL TREASURY
VOTE 5
REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2011

6. Organisations to whom transfer payments have been made

Provincial Treasury did not transfer any funds to any institution in the province or country during the said financial year.

7. Public Private Partnerships (PPP)

None

8. Corporate governance arrangements

The Risk Management Committee is functioning and has identified the top ten risks and their mitigating factors. The fraud prevention strategy has been approved.

Internal Audit was transferred to Treasury and its capacity had been increased but still faced with the challenge of retaining staff. The audit processes are informed by the identified transversal risks which in turn are translated into the internal audit program of action per department.

The Financial Governance branch is responsible for coordinating and managing the Audit Cluster Committee, that is 2 tier structured consisting of three clusters and a central audit committee. The Audit Committee meets on a quarterly basis to review department's quarterly reports, culminating in a central audit committee meeting which then accounts and reports to the MEC for Provincial Treasury.

The Provincial Treasury Executive Management meets twice a month to get inputs and reports from heads of branches on their progress in achieving their Annual Performance Plan targets.

A Transversal Executive Management meeting is held prior to the Provincial Technical Committee on Finance (PTCF) meeting to clarify and ensure that presentations made at this forum are appropriate and agreed to by the management of Treasury. Considering the transversal responsibility of Treasury, the department is responsible for the chairing and managing of this forum which includes all CFO's of the administration.

9. Discontinued activities/activities to be discontinued

No activity was discontinued during the year under review.

10. New/proposed activities

The Internal Audit function that was previously situated in the Office of the Premier has now been transferred to the department.

11. Asset management

All assets have been captured in the asset register in compliance with the minimum requirements.

The Department was using the Integrated Financial Management System (IFMS): Asset Management Module, during the period under review.

12. Events after the reporting date

None

PROVINCIAL TREASURY
VOTE 5
REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2011

13. Performance information

The Department has a Strategic Operations and Policy Coordination (SOPC) unit that is responsible for, among others, the monitoring and evaluation functions. An M&E policy is in place that spells out processes in the collection, validation and storing/recording of performance information.

Branches/programmes are expected to provide monthly reports against targets set to achieve their predetermined objectives. These reports are discussed at the Executive Management Committee meetings and continuously monitored by top management on regular basis.

Branches/programmes also compile quarterly reports guided by a monitoring tool managed by the SOPC directorate. The monitoring tool provides for branches/programmes to indicate progress against set targets, gaps in the performance, reasons for deviations and means of verification where targets have been achieved. Where there are gaps, branches are required to indicate corrective steps in the monitoring tool and timeframes in correcting the gaps as well as the responsible official.

These reports are then analysed by the SOPC directorate for accuracy and correctness in terms of pre-determined objectives as set in the Annual Performance Plan. An analysis of the quarterly performance is conducted by SOPC and presented to the Executive Management Committee highlighting performance per branch/programme, challenges and recommendations for corrective actions to ensure achievement of pre-determined objectives as per the Annual Performance Plan.

In addition to the above processes, all SMS members sign performance agreements that are aligned to the pre-determined objectives and targets as per the Annual Performance Plan.

14. SCOPA resolutions

14.1 Report on the status of the SCOPA Resolutions for the 2007/08 and 2008/09 financial year

| Reference to previous audit report and SCOPA resolutions | Subject | Findings on progress |
|--|----------------------|---|
| 1. Progress report on the tribal levies and Trust Account. | Trust Account | Provincial treasury engaged several stakeholders (AG, National Treasury and Portfolio committee on Treasury) for guidance and assistance in trying to resolve lack of supporting documents for opening balances of this account. The said stakeholders recommended that the issue needs a Provincial Executive decision and memorandum in this regard is being prepared to serve before Legislature. |
| 2. Disciplinary action and recovery of money from officials who conducted business without permission and payback into the Revenue Fund. Blacklisting of companies or CCs of employees who conducted business with provincial departments at which they are employed. | Disciplinary actions | Disciplinary action has been taken against two officials who did remunerative work outside Public Service without permission and final written warnings were issued. The department took an informal disciplinary action which was flawed, and a Legal opinion advised that an attempt to review the sanction of the employer will be fruitless and wasteful. Letters of demand were served on the two official demanding repayment of monies received from government by their respective companies. The department is awaiting responses from the said officials by close of business on 19 November 2010. As per Auditor General's report none of Treasury's officials did business with the Department. The Department has informed Departments at which its two officials did business to commence with the blacklisting process. |
| 3. Review of the SBD4 form to include additional in- | SBD4 | SBD4 form was reviewed by National Treasury and Implemented as per National Treasury Practice Note Number 7 of |

PROVINCIAL TREASURY
VOTE 5
REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2011

| Reference to previous audit report and SCOPA resolutions | Subject | Findings on progress |
|--|---------------|--|
| formation that would assist the department to detect fraud and corruption | | 2009/2010. |
| <p>4. Development of an instrument which obliges service providers to disclose business interests (like the SBD4 form).</p> <ul style="list-style-type: none"> Development of an effective, transparent and internal control mechanisms and systems to detect fraud, corruption and acts of maladministration but not limited to fraud and risk plan. | Disclosures | <p>In terms of clause 4 of Practice Note Number 7 of 2009/2010, the SBD4 has been extended to quotation process and obliges service providers to disclose business interests and there was therefore no need to develop a similar instrument.</p> <p>Pre-Employment screening with CIPRO to establish business interest is conducted for all new appointees. Furthermore, the department has implemented 2 policies to mitigate this risk, namely:</p> <ul style="list-style-type: none"> Fraud and Corruption Control Policy Whistle blowing Policy |
| <p>5. Review of the policy on the term of Bid Adjudication Committee to not exceed 12 months. The policy directive should be forwarded to SCOPA.</p> <ul style="list-style-type: none"> Review of the guideline on supply chain management issues including SBD4 forms to include quotations and further detect fraudulent and corrupt practices. | Bid committee | <p>Practice Note No SCM: 01 of 2010: Amendment of clause 8.3.2 (d) of the Provincial Policy on Bid Committees: - Term of Office for Members of the Bid Adjudication Committees</p> <p>Implemented as per Paragraph 4.1.2 of Practice Note Number 7 of 2009/2010: SCM: Declaration of Interest: Amendment and Augmentation of Standard Bidding Document (SBD4)</p> |
| <p>6. Review of the practice of benchmarking and put in place effective steps to prevent fraud and corruption.</p> <ul style="list-style-type: none"> Disciplinary action to be taken against responsible officials if employees are found to have violated any law. | Practice note | <p>The bid is evaluated in terms of the specifications; all evaluation processes are duly complied with; and the award must not exceed the appropriated budget. Implementation is carried out as per practice note number 2 of 2006: Prohibition of set asides and the use of cost estimates as benchmarks.</p> |
| <p>7. HOD to withdraw all approvals that were granted to employees to conduct remunerative work outside the public service with immediate effect, and the authority for approvals should lie with the MEC and not be delegated. Report to be sent to SCOPA.</p> | HOD Approvals | <p>The authority for approval to grant employees permission to conduct remunerative work outside the public service; was and is not delegated to the HOD and therefore vests solely with the Executive Authority (MEC) for Provincial Treasury. However the MEC has since withdrawn all approvals granted to employees to conduct remunerative work outside public service.</p> |

PROVINCIAL TREASURY
VOTE 5
REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2011

15. Prior modifications to audit reports

The department received an unqualified audit opinion and was able to put in place an audit action plan of all issues raised by the Auditor General on the management letter and other matters as indicated on the audit report in the previous financial year.

16. Exemptions and deviations received from the National Treasury

No exemptions were received for this financial year under review.

17. Other

None

18. Approval

The Annual Financial Statements set out on pages 59 to 100 have been approved by the Accounting Officer.



N RAMDHARIE

HEAD OF DEPARTMENT

PROVINCIAL TREASURY
VOTE 5
REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2011

**REPORT OF THE AUDITOR-GENERAL TO THE LIMPOPO PROVINCIAL LEGISLATURE
ON VOTE NO. 5: PROVINCIAL TREASURY**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Limpopo Provincial Treasury, which comprise the appropriation statement, the statement of financial position as at 31 March 2011, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, as set out on pages xx to xx.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation of these financial statements in accordance with the Departmental Financial Reporting Framework prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and General Notice 1111 of 2010 issued in Government Gazette 33872 of 15 December 2010. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Limpopo Provincial Treasury as at 31 March 2011, and its financial performance and cash flows for the year then ended in accordance with the Departmental Financial Reporting Framework prescribed by the National Treasury and the requirements

PROVINCIAL TREASURY
VOTE 5
REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2011

of the PFMA.

Emphasis of matter

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

Significant uncertainties

8. With reference to note 19 to the financial statements, the department is currently involved in litigation with service providers. The ultimate outcome of the matters cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

Additional matters

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

Unaudited supplementary schedules

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

Financial reporting framework

10. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. Thus my opinion would have reflected that the financial statements had been properly prepared instead of fairly presented as required by section 20(2)(a) of the PAA, which requires me to express an opinion on the fair presentation of the financial statements of the department.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

11. In accordance with the PAA and in terms of *General Notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I include below my findings on the annual performance report as set out on pages xx to xx and material non-compliance with laws and regulations applicable to the department.

Predetermined objectives

12. There are no material findings on the annual performance report.

Compliance with laws and regulations

Annual financial statements, performance and annual report

13. The Limpopo Provincial Treasury administers the tribal levies and trust account on behalf of the various tribal communities in Limpopo. In terms of Treasury Regulation 14.3.1(d), the accounting officer, must annually prepare for each separate portion of trust money, a separate set of annual financial statements that comply with generally accepted accounting practice. The annual financial statements for the financial years ended 31 March 1999 to 31 March 2003 were prepared but later withdrawn while the annual financial statements for the financial years ending 31 March 2004 to 31 March 2010 have been prepared, but not submitted, whilst financial statements for 31 March 2011 have not been prepared as per the requirement of TR 14.3.1(d).

PROVINCIAL TREASURY
VOTE 5
REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2011

INTERNAL CONTROL

14. In accordance with the PAA and in terms of *General Notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I considered internal control relevant to our audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the significant deficiencies that resulted in the findings on compliance with laws and regulations included in this report.

Leadership

15. The Limpopo provincial administration does not exercise adequate control in finding a solution that would allow the department to prepare reliable financial statements for the tribal levies and trust account.

OTHER REPORTS

Performance audit

16. A performance audit is being conducted on the Readiness of Government to report on its performance. The focus of the audit is on how government institutions are guided and assisted to report on their performance, as well as the systems and processes that they have put in place. The findings will be reported on in a separate report.

Auditor-General

Auditor-General

Polokwane

29 July 2011



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

PROVINCIAL TREASURY

VOTE 5

APPROPRIATION STATEMENT

for the year ended 31 March 2011

| | Appropriation per programme | | | | | | | | | |
|---|-----------------------------|-------------------|----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|-------|
| | 2010/11 | | | | | 2009/10 | | | | |
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure | |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 | R'000 |
| 1. ADMINISTRATION | | | | | | | | | | |
| Current payment | 96,779 | (475) | (1,536) | 94,768 | 93,217 | 1,551 | 98.4% | 81,913 | 81,894 | |
| Transfers and subsidies | 4,040 | 471 | - | 4,511 | 4,504 | 7 | 99.8% | 5,730 | 6,089 | |
| Payment for capital assets | 2,245 | - | - | 2,245 | 1,945 | 300 | 86.6% | 2,563 | 1,762 | |
| Payment for financial assets | - | 4 | - | 4 | 2 | 2 | 50.0% | - | - | |
| | 103,064 | - | (1,536) | 101,528 | 99,668 | 1,860 | | 90,206 | 89,745 | |
| 2. SUSTAINABLE RE-SOURCE MANAGEMENT | | | | | | | | | | |
| Current payment | 32,266 | - | - | 32,266 | 31,344 | 922 | 97.1% | 35,899 | 35,525 | |
| Transfers and subsidies | 15 | - | - | 15 | 15 | - | 100.0% | 66 | 546 | |
| Payment for capital assets | 203 | - | - | 203 | 183 | 20 | 90.1% | 242 | 124 | |
| | 32,484 | - | - | 32,484 | 31,542 | 942 | | 36,207 | 36,195 | |
| 3. ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT | | | | | | | | | | |
| Current payment | 115,625 | (269) | 2,836 | 118,192 | 117,796 | 396 | 99.7% | 137,781 | 131,365 | |
| Transfers and subsidies | 460 | 257 | - | 717 | 716 | 1 | 99.9% | 443 | 406 | |
| Payment for capital assets | 38 | - | - | 38 | 37 | 1 | 97.4% | 72 | 22 | |
| Payment for financial assets | - | 12 | - | 12 | 12 | - | 100.0% | - | - | |
| | 116,123 | - | 2,836 | 118,959 | 118,561 | 398 | | 138,296 | 131,793 | |
| 4. FINANCIAL GOVERNANCE | | | | | | | | | | |
| Current payment | 109,219 | - | (1,300) | 107,919 | 107,041 | 878 | 99.2% | 78,798 | 78,834 | |
| Transfers and subsidies | 290 | - | - | 290 | 290 | - | 100.0% | 297 | 296 | |
| Payment for capital assets | 953 | - | - | 953 | 778 | 175 | 81.6% | 462 | 419 | |

PROVINCIAL TREASURY

VOTE 5

APPROPRIATION STATEMENT

for the year ended 31 March 2011

| Appropriation per programme | | | | | | | | | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| 2010/11 | | | | | | | | | |
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Subtotal | 110,462 | - | (1,300) | 109,162 | 108,109 | 1,053 | | 79,557 | 79,549 |
| Statutory Appropriation | 362,133 | - | - | 362,133 | 357,880 | 4,253 | 98.8% | 344,266 | 337,282 |
| Current payment | 1492 | | | 1,492 | 1492 | - | 100.0% | 1327 | 1327 |
| TOTAL | 363,625 | - | - | 363,625 | 359,372 | 4,253 | 98.8% | 345,593 | 338,609 |
| Reconciliation with Statement of Financial Performance | | | | | | | | | |
| Add: | | | | | | | | | |
| Departmental receipts | | | | 22,183 | | | | - | |
| Actual amounts per Statement of Financial Performance (Total Revenue) | | | | 385,808 | | | | 345,593 | |
| Actual amounts per Statement of Financial Performance Expenditure | | | | | 359,372 | | | | 338,609 |

PROVINCIAL TREASURY

VOTE 5

APPROPRIATION STATEMENT

for the year ended 31 March 2011

| | | Appropriation per Economic classification | | | | | | | |
|-------------------------------------|------------------------------|---|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | | 2010/11 | | | | | 2009/10 | | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 155,878 | 1,028 | - | 156,906 | 156,037 | 869 | 99.4% | 136,312 | 135,450 |
| Goods and services | 198,011 | (1,772) | - | 196,239 | 193,361 | 2,878 | 98.5% | 198,079 | 192,186 |
| Transfers & subsidies | | | | | | | | | |
| Households | 4,805 | 728 | - | 5,533 | 5,525 | 8 | 99.9% | 6,207 | 7,078 |
| Payment for capital assets | | | | | | | | | |
| Buildings & other fixed structures | 35 | - | - | 35 | 8 | 27 | 22.9% | 77 | 59 |
| Machinery & equipment | 3,404 | - | - | 3,404 | 2,935 | 469 | 86.2% | 3,511 | 2,430 |
| Software & other intangible assets | - | - | - | - | - | - | - | 80 | 79 |
| Payment for financial assets | | | | | | | | | |
| | - | 16 | - | 16 | 14 | 2 | 87.5% | - | - |
| Total | 362,133 | - | - | 362,133 | 357,880 | 4,253 | 98.8% | 344,266 | 337,282 |

PROVINCIAL TREASURY

VOTE 5

APPROPRIATION STATEMENT

for the year ended 31 March 2011

| Statutory Appropriation | | | | | | | | | |
|---|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| 2010/11 | | | | | 2009/10 | | | | |
| Direct charge against the National/Provincial Revenue Fund | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| List all direct charges against the Revenue Fund Member of executive committee/parliamentary officers | 1,492 | | | 1,492 | 1,492 | - | 100.0% | 1,327 | 1,327 |
| Total | 1,492 | - | - | 1,492 | 1,492 | - | 100.0% | 1,327 | 1,327 |

PROVINCIAL TREASURY

VOTE 5

APPROPRIATION STATEMENT

for the year ended 31 March 2011

Detail per programme 1 - ADMINISTRATION
For the year ended 31 March 2011

| Details per Sub-Programme | 2010/11 | | | | | | 2009/10 | | |
|---------------------------------|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| 1.1 OFFICE OF THE MEC | | | | | | | | | |
| Current payment | 2,948 | | | 2,948 | 2,818 | 130 | 95.6% | 2,542 | 2,541 |
| Transfers and subsidies | 900 | | | 900 | 895 | 5 | 99.4% | | |
| Payment for capital assets | 80 | | | 80 | 49 | 31 | 61.3% | | |
| 1.2 MANAGEMENT SERVICES | | | | | | | | | |
| Current payment | 2,799 | | | 2,799 | 2,697 | 102 | 96.4% | 2,868 | 2,864 |
| Payment for capital assets | 80 | | | 80 | 27 | 53 | 33.8% | | |
| 1.3 CORPORATE SERVICES | | | | | | | | | |
| Current payment | 68,364 | (474) | (1,536) | 66,354 | 65,115 | 1,239 | 98.1% | 36,365 | 36,156 |
| Transfers and subsidies | 3,000 | 471 | | 3,471 | 3,470 | 1 | 100.0% | 5,715 | 5,555 |
| Payment for capital assets | 1,306 | | | 1,306 | 1,223 | 83 | 93.6% | 1,493 | 1,140 |
| Payment for financial assets | | 3 | | 3 | 2 | 1 | 66.7% | | |
| 1.4 FINANCIAL MANAGEMENT | | | | | | | | | |
| Current payment | 22,668 | (1) | | 22,667 | 22,587 | 80 | 99.6% | 40,138 | 40,333 |
| Transfers and subsidies | 140 | | | 140 | 139 | 1 | 99.3% | 15 | 534 |

PROVINCIAL TREASURY

VOTE 5

APPROPRIATION STATEMENT

for the year ended 31 March 2011

| | | | | | | | | | |
|------------------------------|----------------|----------|----------------|----------------|---------------|--------------|--------------|---------------|---------------|
| Payment for capital assets | 779 | | | 779 | 646 | 133 | 82.9% | 1,070 | 622 |
| Payment for financial assets | | 1 | | 1 | - | 1 | | | |
| Total | 103,064 | - | (1,536) | 101,528 | 99,668 | 1,860 | 98.2% | 90,206 | 89,745 |

| Programme 1 Per Economic classification | 2010/11 | | | | | | 2009/10 | | |
|---|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 55,214 | 340 | | 55,554 | 55,268 | 286 | 99.5% | 50,233 | 49,574 |
| Goods and services | 41,565 | (815) | (1,536) | 39,214 | 37,947 | 1,267 | 96.8% | 31,680 | 32,338 |
| Transfers & subsidies | | | | | | | | | |
| Households | 4,040 | 471 | | 4,511 | 4,505 | 6 | 99.9% | 5,730 | 6,089 |
| Payment for capital assets | | | | | | | | | |
| Buildings & other fixed structures | 35 | | | 35 | 8 | 27 | 22.9% | 77 | 59 |
| Machinery & equipment | 2,210 | | | 2,210 | 1,937 | 273 | 87.6% | 2,406 | 1,606 |
| Software & other intangible assets | | | | - | | - | | 80 | 79 |
| Payment for financial assets | | 4 | | 4 | 3 | 1 | 75.0% | | |
| Total | 103,064 | - | (1,536) | 101,528 | 99,668 | 1,860 | 98.2% | 90,206 | 89,745 |

PROVINCIAL TREASURY

VOTE 5

APPROPRIATION STATEMENT

for the year ended 31 March 2011

Detail per programme 2 - SUSTAINABLE RESOURCE MANAGEMENT
For the year ended 31 March 2011

| Details per Sub-Programme | 2010/11 | | | | | | 2009/10 | | |
|--|---------------------------------|----------------------------|-------------------|------------------------------|-----------------------------|-------------------|---|------------------------------|-----------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| 2.1 PROGRAMME SUPPORT (OFFICE OF THE SGM) | 1,401 | | | 1,401 | 1,378 | 23 | 98.4% | 1,046 | 1,054 |
| Current payment | | | | | | | | | |
| 2.2 ECONOMIC ANALYSIS | 2,293 | | | 2,293 | 2,195 | 98 | 95.7% | 2,708 | 2,723 |
| Current payment | | | | | | | | | |
| Transfer and subsidies | | | | | | | | 20 | |
| 2.3 FISCAL POLICY | 10,410 | (220) | | 10,190 | 9,710 | 480 | 95.3% | 12,718 | 12,571 |
| Current payment | | | | | | | | | |
| Payment for capital assets | | | | | | | | 104 | |
| 2.4 BUDGET MANAGEMENT | 3,079 | | | 3,079 | 2,836 | 243 | 92.1% | 4,767 | 4,344 |
| Current payment | | | | | | | | | |
| Transfers and subsidies | | | | | | | | | 514 |
| Payment for capital assets | | | | | | | | | |
| 2.5 PUBLIC FINANCE | 30 | | | 30 | 27 | 3 | 90.0% | 50 | 45 |
| Current payment | | | | | | | | | |
| Transfers and subsidies | | | | | | | | | |
| Payment for capital assets | | | | | | | | | |
| | 85 | | | 85 | 78 | 7 | 91.8% | 5,631 | 5,549 |
| | | | | | | | | 46 | 32 |

PROVINCIAL TREASURY
VOTE 5

APPROPRIATION STATEMENT
for the year ended 31 March 2011

| 2.6 INTERGOVERNMENTAL RELATIONS | 2010/11 | | | | | | 2009/10 | | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payment | 10,114 | 220 | - | 10,334 | 10,319 | 15 | 99.9% | 9,029 | 9,284 |
| Transfers and subsidies | 15 | - | - | 15 | 15 | - | 100.0% | - | - |
| Payment for capital assets | 88 | - | - | 88 | 78 | 10 | 88.6% | 88 | 79 |
| Total | 32,484 | - | - | 32,484 | 31,542 | 942 | 97.1% | 36,207 | 36,195 |
| Programme 2 Per Economic classification | | | | | | | | | |
| Current payments | | | | | | | | | |
| Compensation of employees | 26,822 | 259 | | 27,081 | 26,811 | 270 | 99.0% | 27,926 | 28,020 |
| Goods and services | 5,444 | (259) | | 5,185 | 4,533 | 652 | 87.4% | 7,973 | 7,505 |
| Transfers & subsidies | | | | | | | | | |
| Households | 15 | | | 15 | 15 | - | 100.0% | | 514 |
| Payment for capital assets | | | | | | | | | |
| Machinery & equipment | 203 | | | 203 | 183 | 20 | 90.1% | 308 | 156 |
| Total | 32,484 | - | - | 32,484 | 31,542 | 942 | 97.1% | 36,207 | 36,195 |

PROVINCIAL TREASURY
VOTE 5

APPROPRIATION STATEMENT
for the year ended 31 March 2011

Detail per programme 3 - ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT
For the year ended 31 March 2011

| Details per Sub-Programme | 2010/11 | | | | | | | 2009/10 | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| 3.1 PROGRAMME SUPPORT | | | | | | | | | |
| Current payment Transfers and subsidies | | | | - | | - | | 271 | (6,268) |
| 3.2 ASSET MANAGEMENT | | | | - | | - | | 241 | 206 |
| Current payment Payment for capital assets | 8,209 | 104 | | 8,313 | 8,312 | 1 | 100.0% | 8,218 | 8,180 |
| 3.3 LIABILITIES MANAGEMENT | 28 | | | 28 | 27 | 1 | 96.4% | | |
| Current payment SUPPLY CHAIN MANAGEMENT | 9,689 | (2,077) | | 7,612 | 7,611 | 1 | 100.0% | 9,737 | 10,705 |
| Current payment Transfers and subsidies | 19,282 | (213) | | 19,069 | 19,066 | 3 | 100.0% | 18,477 | 18,203 |
| Payment for capital assets | 460 | 257 | | 717 | 716 | 1 | 99.9% | 180 | 179 |
| Payment for financial assets | 10 | | | 10 | 10 | - | 100.0% | 72 | 22 |
| | | 11 | | 11 | 11 | - | 100.0% | | |

PROVINCIAL TREASURY
VOTE 5

APPROPRIATION STATEMENT
for the year ended 31 March 2011

| 3.5 | SUPPORT AND INTERLINKED FINANCIAL SYSTEMS | 78,445 | 1,917 | 2,836 | 83,198 | 82,807 | 391 | 99.5% | 101,078 | 100,545 |
|-----|---|----------------|----------|--------------|----------------|----------------|------------|--------------|----------------|----------------|
| | Current payment Transfers and subsidies | | | | | | | | | 21 |
| | Payment for financial assets | | 1 | | 1 | | | 100.0% | | |
| | Total | 116,123 | - | 2,836 | 118,959 | 118,561 | 398 | 99.7% | 138,296 | 131,793 |

| Programme 3 Per Economic classification | 2010/11 | | | | | 2009/10 | | | | |
|---|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|--|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 | |
| Current payments | | | | | | | | | | |
| Compensation of employees | 38,495 | 262 | | 38,757 | 38,755 | 2 | 100.0% | 37,472 | 37,180 | |
| Goods and services | 77,130 | (531) | 2,836 | 79,435 | 79,042 | 393 | 99.5% | 100,309 | 94,185 | |
| Transfers & subsidies | | | | | | | | | | |
| Households | 460 | 257 | | 717 | 716 | 1 | 99.9% | 180 | 179 | |
| Machinery & equipment | 38 | | | 38 | 37 | 1 | 97.4% | 335 | 249 | |
| Payment for financial assets | | 12 | | 12 | 11 | 1 | 91.7% | | | |
| Total | 116,123 | - | 2,836 | 118,959 | 118,561 | 398 | 99.7% | 138,296 | 131,793 | |

PROVINCIAL TREASURY
VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2011

| Details per Sub-Programme | 2010/11 | | | | | | 2009/10 | | |
|--------------------------------|---------------------------------|----------------------------|-------------------|------------------------------|-----------------------------|-------------------|---|------------------------------|-----------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| 4.1 PROGRAMME SUPPORT | | | | | | | | | |
| Current payment | 1,037 | | | 1,037 | 975 | 62 | 94.0% | 1,287 | 1,231 |
| 4.2 ACCOUNTING SERVICES | | | | | | | | | |
| Current payment | 101,372 | | (1,300) | 100,072 | 99,280 | 792 | 99.2% | 70,753 | 70,814 |
| Payment for capital assets | 843 | | | 843 | 731 | 112 | 86.7% | 445 | 407 |
| 4.3 RISK MANAGEMENT | | | | | | | | | |
| Current payment | 6,810 | | | 6,810 | 6,786 | 24 | 99.6% | 6,758 | 6,789 |
| Transfers and subsidies | 290 | | | 290 | 290 | - | 100.0% | 297 | 296 |
| Payment for capital assets | 110 | | | 110 | 47 | 63 | 42.7% | 17 | 12 |
| Total | 110,462 | - | (1,300) | 109,162 | 108,109 | 1,053 | 99.0% | 79,557 | 79,549 |

PROVINCIAL TREASURY

VOTE 5

APPROPRIATION STATEMENT

for the year ended 31 March 2011

| Programme 4 Per Economic classification | 2010/11 | | | | | 2009/10 | | | |
|---|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 35,347 | 167 | | 35,514 | 35,203 | 311 | 99.1% | 20,681 | 20,676 |
| Goods and services | 73,872 | (167) | (1,300) | 72,405 | 71,839 | 566 | 99.2% | 58,117 | 58,158 |
| Transfers & subsidies | | | | | | | | | |
| Households | 290 | | | 290 | 289 | 1 | 99.7% | 297 | 296 |
| Payment for capital assets | | | | | | | | | |
| Machinery & equipment | 953 | | | 953 | 778 | 175 | 81.6% | 462 | 419 |
| Total | 110,462 | - | (1,300) | 109,162 | 108,109 | 1,053 | 99.0% | 79,557 | 79,549 |

PROVINCIAL TREASURY
VOTE 5
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2011

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

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

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

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

3. Detail on payments for financial assets

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

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

| 4.1 | Per programme: | Final Appropriation | Actual Expenditure | Variance | Variance as a % of Final Approp. |
|-----|---|---------------------|--------------------|----------|----------------------------------|
| | | R'000 | R'000 | R'000 | % |
| | ADMINISTRATION | 103,020 | 101,160 | 1,860 | 1.81% |
| | The variance is within the required norm | | | | |
| | SUSTAINABLE RESOURCE MANAGEMENT | 32,484 | 31,542 | 942 | 2.90% |
| | Funds were committed and goods / services were delivered/ rendered. | | | | |
| | ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT | 118,959 | 118,561 | 398 | 0.33% |
| | The variance is within the required norm | | | | |
| | FINANCIAL GOVERNANCE | 109,162 | 108,109 | 1,053 | 0.96% |
| | The variance is within the required norm | | | | |

| 4.2 | Per economic classification: | Final Appropriation | Actual Expenditure | Variance | Variance as a % of Final Approp. |
|-----|--------------------------------------|---------------------|--------------------|----------|----------------------------------|
| | | R'000 | R'000 | R'000 | % |
| | Current expenditure | | | | |
| | Compensation of employees | 158,398 | 157,529 | 869 | 0.55% |
| | Goods and services | 196,239 | 193,059 | 2,878 | 1.47% |
| | Households | 5,533 | 5,525 | 8 | 0.14% |
| | Payments for capital assets | | | | |
| | Buildings and other fixed structures | 35 | 8 | 27 | 77.14% |
| | Machinery and equipment | 3,404 | 2,935 | 469 | 13.78% |
| | Software and other intangible assets | | | | |
| | Payments for financial assets | 16 | 14 | 2 | 12.50% |

PROVINCIAL TREASURY
VOTE 5
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2011

| | Note | 2010/11 R'000 | 2009/10 R'000 |
|---|------|------------------|------------------|
| REVENUE | | | |
| Annual appropriation | 1 | 362,133 | 344,266 |
| Statutory appropriation | 2 | 1,492 | 1,327 |
| Departmental revenue | 3 | 22,183 | - |
| TOTAL REVENUE | | 385,808 | 345,593 |
| EXPENDITURE | | | |
| Current expenditure | | | |
| Compensation of employees | 4 | 157,529 | 136,778 |
| Goods and services | 5 | 193,361 | 192,185 |
| Total current expenditure | | 350,890 | 328,963 |
| Transfers and subsidies | | | |
| Transfers and subsidies | 7 | 5,525 | 7,079 |
| Total transfers and subsidies | | 5,525 | 7,079 |
| Expenditure for capital assets | | | |
| Tangible capital assets | 8 | 2,943 | 2,488 |
| Software and other intangible assets | 8 | - | 79 |
| Total expenditure for capital assets | | 2,943 | 2,567 |
| Payments for financial assets | 6 | 14 | - |
| TOTAL EXPENDITURE | | 359,372 | 338,609 |
| SURPLUS/(DEFICIT) FOR THE YEAR | | 26,436 | 6,984 |
| Reconciliation of Net Surplus/(Deficit) for the year | | | |
| Voted Funds | | 4,253 | 6,984 |
| Annual appropriation | | 4,253 | 6,984 |
| Departmental revenue and NRF Receipts | 15 | 22,183 | - |
| SURPLUS/(DEFICIT) FOR THE YEAR | | 26,436 | 6,984 |

PROVINCIAL TREASURY
VOTE 5
STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2011

| | Note | 2010/11 R'000 | 2009/10 R'000 |
|---|------|------------------|------------------|
| ASSETS | | | |
| Current Assets | | | |
| | | 11,066 | 21,168 |
| Unauthorised expenditure | 9 | 6,803 | 6,803 |
| Fruitless and wasteful expenditure | 10 | - | 62 |
| Cash and cash equivalents | 11 | 3,731 | 2,356 |
| Prepayments and advances | 12 | - | 10 |
| Receivables | 13 | 532 | 11,937 |
| TOTAL ASSETS | | 11,066 | 21,168 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| | | 10,789 | 9,431 |
| Voted funds to be surrendered to the Revenue Fund | 14 | 4,253 | 6,984 |
| Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund | 15 | 6,050 | 2,313 |
| Payables | 16 | 486 | 134 |
| TOTAL LIABILITIES | | 10,789 | 9,431 |
| NET ASSETS | | 277 | 11,737 |
| | | | |
| Represented by: | | | |
| Recoverable revenue | | 277 | 11,737 |
| TOTAL | | 277 | 11,737 |

PROVINCIAL TREASURY
VOTE 5
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2011

| | Note | 2010/11 | 2009/10 |
|---|-------------|-----------------|----------------|
| | | R'000 | R'000 |
| Capitalisation Reserves | | | |
| Recoverable revenue | | | |
| Opening balance | | | |
| Transfers | | 11,737 | - |
| Debts recovered (included in departmental receipts) | | (11,460) | 11,737 |
| Debts raised | | (11,460) | - |
| Closing balance | | 277 | 11,737 |
| TOTAL | | 277 | 11,737 |

**PROVINCIAL TREASURY
VOTE 5**

**CASH FLOW STATEMENT
for the year ended 31 March 2011**

| | Note | 2010/11 R'000 | 2009/10 R'000 |
|--|-----------|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | 484,128 | 448,040 |
| Annual appropriated funds received | 1.1 | 362,133 | 344,266 |
| Statutory appropriated funds received | 2 | 1,492 | 1,327 |
| Departmental revenue received | 3 | 120,503 | 102,447 |
| Net (increase)/ decrease in working capital | | 11,829 | 1,040 |
| Surrendered to Revenue Fund | | (123,750) | (120,126) |
| Current payments | | (350,890) | (328,963) |
| Payments for financial assets | | (14) | - |
| Transfers and subsidies paid | | (5,525) | (7,079) |
| Net cash flow available from operating activities | 17 | 15,778 | (7,088) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for capital assets | 8 | (2,943) | (2,567) |
| Proceeds from sale of capital assets | 3.3 | - | 172 |
| Net cash flows from investing activities | | (2,943) | (2,395) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Increase/ (decrease) in net assets | | (11,460) | 11,737 |
| Net cash flows from financing activities | | (11,460) | 11,737 |
| Net increase/ (decrease) in cash and cash equivalents | | 1,375 | 2,254 |
| Cash and cash equivalents at beginning of period | | 2,356 | 102 |
| Cash and cash equivalents at end of period | 11 | 3,731 | 2,356 |

PROVINCIAL TREASURY
VOTE 5
ACCOUNTING POLICIES
for the year ended 31 March 2011

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2010.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. Revenue

2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund. Any amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

Any amount due from the National/Provincial Revenue Fund at the end of the financial year is recognised as a receivable in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Fund is recognised as a payable in the statement of financial position.

No accrual is made for amounts receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure note to the annual financial statements.

PROVINCIAL TREASURY
VOTE 5
ACCOUNTING POLICIES
for the year ended 31 March 2011

3. Expenditure

3.1 Compensation of employees

3.1.1 Salaries and wages

Salaries and wages are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Other employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements at its face value and are not recognised in the statement of financial performance or position.

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time on the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2 Social contributions

Employer contributions to post employment benefit plans in respect of current employees are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

Employer contributions made by the department for certain of its ex-employees (such as medical benefits) are classified as transfers to households in the statement of financial performance.

3.2 Goods and services

Payments made during the year for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

Rental paid for the use of buildings or other fixed structures is classified as *goods and services* and not as *rent on land*.

3.3 Payments for financial assets

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements amounts.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.4 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.5 Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date of approval.

PROVINCIAL TREASURY
VOTE 5
ACCOUNTING POLICIES
for the year ended 31 March 2011

3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

4. Assets

4.1 Cash and cash equivalents

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

Bank overdrafts are shown separately on the face of the statement of financial position.

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

4.2 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and are derecognised as and when the goods/services are received or the funds are utilised.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

4.3 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party (including departmental employees) and are derecognised upon recovery or write-off.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentials irrecoverable are included in the disclosure notes.

4.4 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

4.5 Capital assets

4.5.1 Movable assets

Initial recognition

A capital asset is recorded in the asset register on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets" and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

4.5.2 Immovable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

PROVINCIAL TREASURY
VOTE 5
ACCOUNTING POLICIES
for the year ended 31 March 2011

Subsequent recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as “expenditure for capital assets”. On completion, the total cost of the project is included in the asset register of the department that is accountable for the asset.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

5. Liabilities

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

5.2 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

5.3 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.4 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.5 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

5.6 Lease commitments

Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

6. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

7. Net Assets

7.1 Recoverable revenue

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

8. Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

9. Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes

LIMPOPO TREASURY
VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

| 1 | Annual Appropriation | 2010/11 | | Funds not | Appropriation |
|------------|--|----------------|----------------|----------------|----------------|
| 1.1 | Annual Appropriation | Final | Actual | requested/ | Received |
| | Programmes | Appropriation | Funds | not received/ | 2009/10 |
| | | R'000 | Received | R'000 | R'000 |
| | | | R'000 | | |
| | ADMINISTRATION | 101,528 | 101,528 | - | 90,206 |
| | SUSTAINABLE RESOURCE MANAGEMENT | 32,484 | 32,484 | - | 36,207 |
| | ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT | 118,959 | 118,959 | - | 138,296 |
| | FINANCIAL GOVERNANCE | 109,162 | 109,162 | - | 79,557 |
| | Total | 362,133 | 362,133 | - | 344,266 |
| | | | | 2010/11 | 2009/10 |
| | | | | R'000 | R'000 |
| 2 | Statutory Appropriation | | | | |
| | Member of executive committee/parliamentary officers | | | 1,492 | 1,327 |
| | Total | | | 1,492 | 1,327 |
| | Actual Statutory Appropriation received | | | 1,492 | 1,327 |
| | | | | 2010/11 | 2009/10 |
| | | | | R'000 | R'000 |
| 3 | Departmental Revenue | Note | | | |
| | Sales of goods and services other than capital assets | 3.1 | | 1,256 | 763 |
| | Interest, dividends and rent on land | 3.2 | | 98,797 | 101,405 |
| | Sales of capital assets | 3.3 | | - | 172 |
| | Transactions in financial assets and liabilities | 3.4 | | 20,450 | 279 |
| | Total revenue collected | | | 120,503 | 102,619 |
| | Less: Own revenue included in appropriation | 17 | | 98,320 | 102,619 |
| | Departmental revenue collected | | | 22,183 | - |
| | | Note | | R'000 | R'000 |
| 3.1 | Sales of goods and services other than capital assets | 3 | | | |
| | Sales of goods and services produced by the department | | | 1,252 | 748 |
| | Sales by market establishment | | | 45 | (38) |
| | Other sales | | | 1,207 | 786 |
| | Sales of scrap, waste and other used current goods | | | 4 | 15 |
| | Total | | | 1,256 | 763 |

PROVINCIAL TREASURY
VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

| | Note | 2010/11 R'000 | 2009/10 R'000 |
|---|----------|------------------|------------------|
| 3.2 Interest, dividends and rent on land | 3 | | |
| Interest | | 98,797 | 101,405 |
| Total | | 98,797 | 101,405 |
| | | 2010/11 R'000 | 2009/10 R'000 |
| 3.3 Sales of capital assets | 3 | | |
| Tangible assets | | - | 172 |
| Machinery and equipment | 28 | - | 172 |
| Total | | - | 172 |
| | | 2010/11 R'000 | 2009/10 R'000 |
| 3.4 Transactions in financial assets and liabilities | 3 | | |
| Other Receipts including Recoverable Revenue | | 20,450 | 279 |
| Total | | 20,450 | 279 |
| | | 2010/11 R'000 | 2009/10 R'000 |
| 4 Compensation of Employees | | | |
| 4.1 Salaries and wages | | | |
| Basic salary | | 109,401 | 96,083 |
| Performance award | | 2,217 | 1,528 |
| Service Based | | 8,984 | 423 |
| Compensative/circumstantial | | 1,665 | 1,824 |
| Other non-pensionable allowances | | 16,215 | 20,544 |
| Total | | 138,482 | 120,402 |
| | | 2010/11 R'000 | 2009/10 R'000 |
| 4.2 Social Contributions Employer contributions | | | |
| Pension | | 13,949 | 12,169 |
| Medical | | 5,055 | 4,194 |
| Bargaining council | | 43 | 13 |
| Total | | 19,047 | 16,376 |
| Total compensation of employees | | 157,529 | 136,778 |
| Average number of employees | | 445 | 428 |

PROVINCIAL TREASURY
VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

| | <i>Note</i> | 2010/11 R'000 | 2009/10 R'000 |
|---|-------------|--------------------------|--------------------------|
| 5 Goods and services | | | |
| Administrative fees | | 3,300 | 6,890 |
| Advertising | | 880 | 906 |
| Assets less than R5,000 | 5.1 | 572 | 849 |
| Catering | | 752 | 693 |
| Communication | | 5,885 | 6,560 |
| Computer services | 5.2 | 75,494 | 81,760 |
| Consultants, contractors and agency/outsourced services | 5.3 | 8,522 | 15,116 |
| Entertainment | | 8 | - |
| Audit cost – external | 5.4 | 64,148 | 53,769 |
| Fleet services | | 973 | 1,119 |
| Inventory | 5.5 | 3176 | 4,512 |
| Operating leases | | 376 | 449 |
| Owned and leasehold property expenditure | 5.6 | 17,489 | 8,990 |
| Travel and subsistence | 5.7 | 9,530 | 7,727 |
| Venues and facilities | | 1,239 | 1,541 |
| Training and staff development | | 849 | 1,253 |
| Other operating expenditure | 5.8 | 168 | 51 |
| Total | | 193,361 | 192,185 |
| | | 2010/11 R'000 | 2009/10 R'000 |
| 5.1 Assets less than R5,000 | | 572 | 849 |
| Tangible assets | | 9 | 849 |
| Buildings and other fixed structures | | 9 | 849 |
| Machinery and equipment | | 563 | 849 |
| Total | | 572 | 849 |
| | <i>Note</i> | R'000 | R'000 |
| 5.2 Computer services | 5 | | |
| SITA computer services | | 66,359 | 77,519 |
| External computer service providers | | 9,135 | 4,241 |
| Total | | 75,494 | 81,760 |

PROVINCIAL TREASURY
VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

| | <i>Note</i> | 2010/11 R'000 | 2009/10 R'000 |
|---|-------------|------------------|------------------|
| 5.3 Consultants, contractors and agency or outsourced services | 5 | | |
| Business and advisory services | | 1,026 | 9,568 |
| Legal costs | | 524 | - |
| Contractors | | 236 | 169 |
| Agency and support/outsourced services | | 6,736 | 5,379 |
| Total | | 8,522 | 15,116 |

| | <i>Note</i> | 2010/11 R'000 | 2009/10 R'000 |
|----------------------------------|-------------|------------------|------------------|
| 5.4 Audit cost – external | 5 | | |
| Regularity audits | | 64,148 | 53,769 |
| Total | | 64,148 | 53,769 |

External audit fees are paid by the LPT on behalf of all the provincial departments in Limpopo Province

| | <i>Note</i> | 2010/11 R'000 | 2009/10 R'000 |
|----------------------------|-------------|------------------|------------------|
| 5.5 Inventory | 5 | | |
| Food and food supplies | | 99 | 91 |
| Fuel, oil and gas | | 5 | - |
| Other consumable materials | | 129 | 252 |
| Maintenance material | | 23 | - |
| Stationery and printing | | 2,920 | 4,169 |
| Total | | 3,176 | 4,512 |

| | <i>Note</i> | 2010/11 R'000 | 2009/10 R'000 |
|----------------------------------|-------------|------------------|------------------|
| 5.6 Property payments | 5 | | |
| Municipal services | | 2,039 | 954 |
| Property management fees | | 15,300 | 7,458 |
| Property maintenance and repairs | | 150 | 578 |
| Total | | 17,489 | 8,990 |

PROVINCIAL TREASURY
VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

| | <i>Note</i> | 2010/11 R'000 | 2009/10 R'000 |
|---|------------------|--------------------------|--------------------------|
| 5.7 Travel and subsistence | 5 | | |
| Local | | 9,340 | 7,487 |
| Foreign | | 190 | 240 |
| Total | | 9,530 | 7,727 |
| 5.8 Other operating expenditure | 5 | | |
| Professional bodies, membership and subscription fees | | 23 | 15 |
| Resettlement costs | | 47 | 26 |
| Other | | 98 | 10 |
| Total | | 168 | 51 |
| 6 Payments for financial assets | Note | 2010/11 R'000 | 2009/10 R'000 |
| Debts written off | 6.1 | 14 | - |
| Total | | 14 | - |
| 7 Transfers and Subsidies | Note | 2010/11 R'000 | 2009/10 R'000 |
| Households | ANNEX- URE 1H | 5,525 | 7,079 |
| Total | | 5,525 | 7,079 |
| 8 Expenditure for capital assets | | | |
| Tangible assets | | 2,943 | 2,488 |
| Buildings and other fixed structures | 8.1 | 8 | 58 |
| Machinery and equipment | 8.1 | 2,935 | 2,430 |
| Software and other intangible assets | | - | 79 |
| Computer software | 8.2 | - | 79 |
| Total | | 2,943 | 2,567 |

PROVINCIAL TREASURY
VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

8.1 Analysis of funds utilised to acquire capital assets - 2010/11

| | Voted Funds R'000 | Aid assistance R'000 | TOTAL R'000 |
|--------------------------------------|-------------------------|-------------------------|----------------|
| Tangible assets | 2,943 | - | 2,943 |
| Buildings and other fixed structures | 8 | - | 8 |
| Machinery and equipment | 2,935 | - | 2,935 |
| Total | 2,943 | - | 2,943 |

8.2 Analysis of funds utilised to acquire capital assets - 2009/10

| | | | |
|---|--------------|---|--------------|
| Tangible assets | 2,488 | - | 2,488 |
| Buildings and other fixed structures | 58 | - | 58 |
| Machinery and equipment | 2,430 | - | 2,430 |
| Software and other intangible as- sets | 79 | - | 79 |
| Computer software | 79 | - | 79 |
| Total | 2,567 | - | 2,567 |

| | Note | 2010/11 R'000 | 2009/10 R'000 |
|--|------|------------------|------------------|
| 9 Unauthorised Expenditure | | | |
| 9.1 Reconciliation of unauthorised expenditure | | | |
| Opening balance | | 6,803 | 19,502 |
| Less: Amounts approved by Parlia- ment/Legislature without funding and written off in the Statement of Financial Performance | | - | (12,699) |
| Current | | (12,699) | (12,699) |
| Unauthorised expenditure awaiting authorisa- tion / written off | | 6,803 | 6,803 |
| 9.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification | | | |
| Current | | 6,803 | 6,803 |
| Total | | 6,803 | 6,803 |

PROVINCIAL TREASURY
VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

9.3 Analysis of unauthorised expenditure awaiting authorisation per type

| | | |
|---|--------------|--------------|
| Unauthorised expenditure relating to overspending of the vote or a main division within the vote | 6,803 | 6,803 |
| Unauthorised expenditure incurred not in accordance with the purpose of the vote or main division | | |
| Total | 6,803 | 6,803 |

| | <i>Note</i> | R'000 | R'000 |
|--|-------------|-------------|-----------|
| 10 Fruitless and wasteful expenditure | | | |
| 10.1 Reconciliation of fruitless and wasteful expenditure | | | |
| Opening balance | | 62 | 62 |
| Less: Amounts condoned | | (62) | - |
| Current | | (62) | - |
| Fruitless and wasteful expenditure awaiting condonement | | - | 62 |
| 10.2 Analysis of awaiting condonement per economic classification | | | |
| Current | | | 62 |
| Total | | - | 62 |

The write off of fruitless and wasteful expenditure has been approved.

| | <i>Note</i> | 2010/11 R'000 | 2009/10 R'000 |
|--|-------------|------------------|------------------|
| 11 Cash and Cash Equivalents | | | |
| Consolidated Paymaster General Account | | (10,219) | (12,257) |
| Disbursements | | (9,209) | (3,608) |
| Cash with commercial banks (Local) | | 23,159 | 18,221 |
| Total | | 3,731 | 2,356 |

| | <i>Note</i> | 2010/11 R'000 | 2009/10 R'000 |
|------------------------------------|-------------|------------------|------------------|
| 12 Prepayments and Advances | | | |
| Travel and subsistence | | - | 10 |
| Total | | - | 10 |

PROVINCIAL TREASURY
VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

| | Note | 2010/11 | | | Total R'000 | 2009/10 R'000 |
|-------------------------|-----------------|-----------------------------|-----------------------------|---------------------------------|----------------|------------------|
| | | Less than one year R'000 | One to three years R'000 | Older than three years R'000 | | |
| 13 Receivables | | | | | | |
| Claims recoverable | 13.1 Annex 3 | | | - | 11,405 | |
| Recoverable expenditure | 13.2 | 6 | | 6 | 1 | |
| Staff debt | 13.3 | 102 | 106 | 51 | 531 | |
| Other debtors | 13.4 | 25 | 67 | 175 | - | |
| Total | | 133 | 173 | 226 | 532 | |

| | Note | 2010/11 R'000 | 2009/10 R'000 |
|--------------------------------|------|------------------|------------------|
| 13.1 Claims recoverable | 13 | | |
| Public entities | | | 11,405 |
| Total | | - | 11,405 |

| | Note | 2010/11 R'000 | 2009/10 R'000 |
|--|------|------------------|------------------|
| 13.2 Recoverable expenditure (disallowance accounts) (Group major categories, but list material items) | 13 | | |
| Sal:Tax Debt | | | 1 |
| Pensions Recoverable | | 6 | |
| Total | | 6 | 1 |

| | Note | 2010/11 R'000 | 2009/10 R'000 |
|---|------|------------------|------------------|
| 13.3 Staff debt (Group major categories, but list material items) | 13 | | |
| overpayment on salaries | | - | 38 |
| Excess on cellphone account | | 2 | 3 |
| Salary Deductions Dissallowance | | - | 6 |
| T&S advance | | - | 36 |
| State guarantee | | - | 37 |
| GG Accident, Loss ,Damage and Misuse of Stata Property | | 1 | 33 |
| | | - | |

PROVINCIAL TREASURY
VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

| | | | |
|---|-------------|----------------|----------------|
| Salary reversal | | | 48 |
| Salary Tax Debt | | - | 27 |
| Other | | 97 | - |
| Subsidized Transport | | 215 | 303 |
| Total | | 315 | 531 |
| | | 2010/11 | 2009/10 |
| | <i>Note</i> | R'000 | R'000 |
| 13.4 Other debtors | 13 | | |
| (Group major categories, but list material items) | | | |
| Other | | 211 | - |
| Total | | 211 | - |
| | <i>Note</i> | R'000 | R'000 |
| 14 Voted Funds to be Surrendered to the Revenue Fund | | | |
| Opening balance | | 6,984 | 16,930 |
| Transfer from statement of financial performance | | 4,253 | 6,984 |
| Paid during the year | | (6,984) | (16,930) |
| Closing balance | | 4,253 | 6,984 |
| | <i>Note</i> | R'000 | R'000 |
| 15 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund | | | |
| Opening balance | | 2,313 | 2,890 |
| Transfer from Statement of Financial Performance | | 22,183 | - |
| Own revenue included in appropriation | | 98,320 | 102,619 |
| Paid during the year | | (116,766) | (103,196) |
| Closing balance | | 6,050 | 2,313 |
| | <i>Note</i> | 2010/11 | 2009/10 |
| | | R'000 | R'000 |
| 16 Payables - current | | | |
| Clearing accounts | | - | 1 |
| Other payables | 16.2 | 486 | 133 |
| Total | | 486 | 134 |
| | <i>Note</i> | 2010/11 | 2009/10 |
| | | R'000 | R'000 |
| 16.1 Clearing accounts | | | |
| Sal: ACB Recalls:CA | 16 | - | 1 |
| Total | | - | 1 |

PROVINCIAL TREASURY
VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

| | <i>Note</i> | 2010/11 R'000 | 2009/10 R'000 |
|--|-------------|--------------------------|--------------------------|
| 16.2 Other payables (Identify major categories, but list material amounts) | | | |
| Sal:Pension fund:CL | | 7 | - |
| Sal: Income tax | | 479 | 133 |
| Total | | 486 | 133 |
| | | 2010/11 R'000 | 2009/10 R'000 |
| 17 Net cash flow available from operating activities | <i>Note</i> | | |
| Net surplus/(deficit) as per Statement of Financial Performance | | 26,436 | 6,984 |
| Add back non cash/cash movements not deemed operating activities | | (10,658) | (14,072) |
| (Increase)/decrease in receivables – current | | 11,405 | (11,610) |
| (Increase)/decrease in prepayments and advances | | 10 | (10) |
| (Increase)/decrease in other current assets | | 62 | 12,699 |
| Increase/(decrease) in payables – current | | 352 | (39) |
| Proceeds from sale of capital assets | | - | (172) |
| Expenditure on capital assets | | 2,943 | 2,567 |
| Surrenders to Revenue Fund | | (123,750) | (120,126) |
| Own revenue included in appropriation | | 98,320 | 102,619 |
| Net cash flow generated by operating activities | | 15,778 | (7,088) |
| | | 2010/11 R'000 | 2009/10 R'000 |
| 18 Reconciliation of cash and cash equivalents for cash flow purposes | <i>Note</i> | | |
| Consolidated Paymaster General account | | (10,219) | (12,257) |
| Disbursements | | (9,209) | (3,608) |
| Cash with commercial banks (Local) | | 23,159 | 18,221 |
| Total | | 3,731 | 2,356 |

PROVINCIAL TREASURY
VOTE 5
DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

| | | Note | 2010/11 R'000 | 2009/10 R'000 |
|-----------|--|---------------|------------------|------------------|
| 19 | Contingent liabilities and contingent assets | | | |
| | 19.1 Contingent liabilities | | | |
| | Liable to | Nature | | |
| | Housing loan guarantees | Employees | 723 | 1,007 |
| | Claims against the department | | 50,325 | 50,325 |
| | Other departments (interdepartmental unconfirmed balances) | | - | 507 |
| | Total | | 51,048 | 51,839 |

The Provincial Treasury is currently involved in litigation with one of the services providers regarding a claim against the department.

| | | Note | 2010/11 R'000 | 2009/10 R'000 |
|-----------|--|------|------------------|------------------|
| 20 | Commitments | | | |
| | Current expenditure | | | |
| | Approved and contracted | | 837 | 506 |
| | | | 837 | 506 |
| | Capital Expenditure (including transfers) | | | |
| | Total Commitments | | 837 | 506 |

| | | | | 2010/11 R'000 | 2009/10 R'000 |
|-----------|--|----------------|-----------------|------------------|------------------|
| 21 | Accruals | | | | |
| | Listed by economic classification | 30 days | 30+ days | Total | Total |
| | Goods and services | 2,029 | 1,187 | 3,216 | 17,587 |
| | Transfers and subsidies | 1,851 | | 1,851 | - |
| | Capital assets | 15 | | 15 | - |
| | Total | 3,895 | 1,187 | 5,082 | 17,587 |

| | | Note | 2010/11 R'000 | 2009/10 R'000 |
|--|-------------------------------------|----------------|------------------|------------------|
| | Listed by programme level | | | |
| | Administration | | 4,032 | 4,981 |
| | Sustainable Resource Management | | 596 | 129 |
| | Assets and Liabilities | | 124 | 62 |
| | Financial Governance | | 330 | 12,415 |
| | Total | | 5,082 | 17,587 |
| | Confirmed balances with departments | <i>Annex 4</i> | - | 27 |
| | Total | | - | 27 |

PROVINCIAL TREASURY
VOTE 5
DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

| | <i>Note</i> | 2010/11 R'000 | 2009/10 R'000 |
|-----------------------------------|-------------|------------------|------------------|
| 22 Employee benefits | | | |
| Leave entitlement | | 4,799 | 4,337 |
| Service bonus (Thirteenth cheque) | | 4,401 | 3,844 |
| Performance awards | | 2,819 | 3,003 |
| Capped leave commitments | | 33,859 | 32,193 |
| Total | | 45,878 | 43,377 |

23 Lease commitments

23.1 Operating leases expenditure

| 2010/11 | Specia- lised mil- itary as- sets R'000 | Land R'000 | Buildings and other fixed struc- tures R'000 | Machi- nery and equip- ment R'000 | Total R'000 |
|--|---|---------------|---|---|----------------|
| Not later than 1 year | | | 9,893 | 272 | 10,165 |
| Later than 1 year and not later than 5 years | | | 27,879 | | 27,879 |
| Total lease commitments | - | - | 37,772 | 272 | 38,044 |

| 2009/10 | Specia- lised mil- itary as- sets R'000 | Land R'000 | Buildings and other fixed struc- tures R'000 | Machi- nery and equip- ment R'000 | Total R'000 |
|--|---|---------------|---|---|----------------|
| Not later than 1 year | | - | 8,162 | - | 8,162 |
| Later than 1 year and not later than 5 years | | - | 37,311 | - | 37,311 |
| Later than five years | | - | 8,245 | - | 8,245 |
| Total lease commitments | - | - | 53,718 | - | 53,718 |

| | <i>Note</i> | 2010/11 R'000 | 2009/10 R'000 |
|---|-------------|------------------|------------------|
| 24 Receivables for departmental revenue | | | |
| Sales of goods and services other than capital assets | | 23 | - |
| Sale of capital assets | | 343 | - |
| Total | | 366 | - |

PROVINCIAL TREASURY
VOTE 5
DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

| | | 2010/11 R'000 | 2009/10 R'000 |
|-----------|--|------------------|------------------|
| 25 | Fruitless and wasteful expenditure | | |
| | 25.1 Reconciliation of fruitless and wasteful expenditure | | |
| | Opening balance | 29 | |
| | Fruitless and wasteful expenditure – relating to current year | | 29 |
| | Fruitless and wasteful expenditure awaiting condonement | 29 | 29 |

26 Related party relationships

Provincial Treasury makes use of the office building at 46 Hans van Rensburg Street, Tender Advice Center offices in Mopani and Vhembe that belongs to the Provincial department of Public Works. The Department of Public Works does not charge the department any rental for the use of these buildings

| | | 2010/11 R'000 | 2009/10 R'000 |
|-----------|---|------------------|------------------|
| 27 | Key management personnel | | |
| | Political office bearers (provide detail below) | 1 | 1,427 |
| | Officials: | | |
| | Level 15 to 16 | 5 | 4,783 |
| | Level 14 (incl CFO if at a lower level) | 6 | 5,147 |
| | Total | 10,724 | 11,357 |

28 Movable Tangible Capital Assets

28.1 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

| | Opening balance | Curr year adjustments to prior year balances | | Additions | Disposals | Closing balance |
|--|-----------------|--|--------------|--------------|-----------|-----------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| MACHINERY AND EQUIPMENT | 25,802 | - | 4,620 | 1,013 | | 29,409 |
| Transport assets | 5,798 | | 806 | 538 | | 6,066 |
| Computer equipment | 16,242 | | 3,263 | 389 | | 19,116 |
| Furniture and office equipment | 2,371 | | 521 | 86 | | 2,806 |
| Other machinery and equipment | 1,391 | | 30 | - | | 1,421 |
| TOTAL MOVABLE TANGIBLE CAPITAL ASSETS | 25,802 | - | 4,620 | 1,013 | | 29,409 |

PROVINCIAL TREASURY
VOTE 5
DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

28.2 ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

| | Cash R'000 | Non-cash R'000 | (Capital work- in-progress current costs and finance lease pay- ments) R'000 | Received current, not paid (Paid cur- rent year, received prior year R'000 | Total R'000 |
|---|---------------|-------------------|--|---|----------------|
| MACHINERY AND EQUIPMENT | 2,783 | 1,837 | - | - | 4,620 |
| Transport assets | 623 | 183 | | | 806 |
| Computer equipment | 1,888 | 1,375 | | | 3,263 |
| Furniture and office equipment | 242 | 279 | | | 521 |
| Other machinery and equipment | 30 | | | | 30 |
| TOTAL ADDITIONS TO MOV- ABLE TANGIBLE CAPITAL ASSETS | 2,783 | 1,837 | - | - | 4,620 |

28.3 DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

| | Sold for cash R'000 | Transfer out or de- stroyed or scrapped R'000 | Total dis- posals R'000 | Cash re- ceived Actual R'000 |
|--|---------------------------|---|-------------------------------|------------------------------------|
| MACHINERY AND EQUIPMENT | 1,013 | - | 1,013 | |
| Transport assets | 538 | - | 538 | |
| Computer equipment | 389 | - | 389 | |
| Furniture and office equipment | 86 | - | 86 | |
| Other machinery and equipment | | | | |
| TOTAL DISPOSAL OF MOVA- BLE TANGIBLE CAPITAL AS- SETS | 1,013 | - | 1,013 | |

PROVINCIAL TREASURY
VOTE 5
DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

Movement for 2009/10

28.4 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

| | Opening balance R'000 | Addi- tions R'000 | Disposals R'000 | Closing bal- ance R'000 |
|--|-----------------------------|-------------------------|--------------------|-------------------------------|
| MACHINERY AND EQUIPMENT | 23,909 | 2,430 | 537 | 25,802 |
| Transport assets | 5,759 | 260 | 221 | 5,798 |
| Computer equipment | 14,681 | 1,788 | 227 | 16,242 |
| Furniture and office equipment | 2,194 | 266 | 89 | 2,371 |
| Other machinery and equipment | 1,275 | 116 | - | 1,391 |
| TOTAL MOVABLE TANGIBLE CAPITAL ASSETS | 23,909 | 2,430 | 537 | 25,802 |

28.5 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

| | Specialised military as- sets R'000 | Intangi- ble assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|---------------------------------|--|---------------------------------|-----------------------------|--|-------------------------------|----------------|
| Opening balance | - | - | - | 8,530 | - | 8,530 |
| Additions | | | | 1,215 | | 1,215 |
| Disposals | | | | 734 | | 734 |
| TOTAL MI- NOR ASSETS | - | - | - | 9,011 | - | 9,011 |

| | Specialised military assets | Intangi- ble assets | Heritage assets | Machinery and equipment | Biological assets | Total |
|---|-----------------------------------|------------------------|--------------------|-------------------------------|----------------------|--------------|
| Number of R1 minor assets | | | | 178 | | 178 |
| Number of minor assets at cost | | | | 5,327 | | 5,327 |
| TOTAL NUM- BER OF MINOR ASSETS | - | - | - | 5,505 | - | 5,505 |

PROVINCIAL TREASURY
VOTE 5
DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

28.6 MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2010

| | Specialised military as- sets | Intangi- ble as- sets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|--------------|-------------------------------------|--------------------------------------|-----------------------------|--|-------------------------------|----------------|
| Minor Assets | | - | - | 8,530 | - | 8,530 |
| TOTAL | - | - | - | 8,530 | - | 8,530 |

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

| | Opening balance R'000 | Addi- tions R'000 | Dis- posals R'000 | Closing balance R'000 |
|--|-----------------------------|-------------------------|-------------------------|--------------------------|
| COMPUTER SOFTWARE | - | 79 | 79 | - |
| TOTAL INTANGIBLE CAPITAL ASSETS | - | 79 | 79 | - |

29 Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

| | Opening balance R'000 | Curr year adjust- ments to prior year balances R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|--|-----------------------------|---|--------------------|--------------------|-----------------------------|
| BUILDINGS AND OTHER FIXED STRUCTURES | 44 | - | 159 | 203 | - |
| Other fixed structures | 44 | | 159 | 203 | - |
| TOTAL IMMOVABLE TANGI- BLE CAPITAL ASSETS | 44 | - | 159 | 203 | - |

Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

| | Cash R'000 | Non- cash R'000 | (Capital work- in-progress cur- rent costs and finance lease payments) R'000 | Received cur- rent, not paid (Paid current year, received prior year) R'000 | Total R'000 |
|---|---------------|-----------------------|---|--|----------------|
| BUILDINGS AND OTHER FIXED STRUCTURES | 159 | - | - | - | 159 |
| Other fixed structures | 159 | | | | 159 |
| TOTAL ADDITIONS TO IM- MOVABLE TANGIBLE CAPI- TAL ASSETS | 159 | - | - | - | 159 |

PROVINCIAL TREASURY
VOTE 5
DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

| | Sold for cash R'000 | Transfer out or de- stroyed or scrapped R'000 | Total dis- posals R'000 | Cash received Actual R'000 |
|--|---------------------------|---|-------------------------------|-------------------------------------|
| BUILDINGS AND OTHER FIXED STRUCTURES | - | 203 | 203 | - |
| Other fixed structures | | 203 | 203 | |
| TOTAL DISPOSAL OF IM- MOVABLE TANGIBLE CAPI- TAL ASSETS | - | 203 | 203 | - |

Movement for 2009/2010

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

| | Opening balance R'000 | Addi- tions R'000 | Disposals R'000 | Closing balance R'000 |
|--|-----------------------------|-------------------------|--------------------|-----------------------------|
| BUILDINGS AND OTHER FIXED STRUCTURES | - | 58 | 14 | 44 |
| Other fixed structures | - | 58 | 14 | 44 |
| TOTAL IMMOVABLE TANGIBLE CAP- ITAL ASSETS | - | 58 | 14 | 44 |

30 TRANSFER OF FUNCTIONS

Internal Audit function which was residing at Premiers Office has been transferred to Provincial Treasury with effect from -1 April 2010

| 30.1 | Statement of Financial Position | Note | Bal per dept 2009/10 AFS before transfer | Functions per dept (transferred) / received | 2009/10 Bal after transfer |
|---------------|---------------------------------|------|--|--|-------------------------------|
| | | | 2009/10 R'000 | 2009/10 R'000 | 2009/10 R'000 |
| ASSETS | | | | | |
| | Current Assets | | - | 92 | 92 |
| | Receivables | | - | 92 | 92 |
| | TOTAL ASSETS | | - | 92 | 92 |
| | NET ASSETS | | - | 92 | 92 |

PROVINCIAL TREASURY
VOTE 5
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

ANNEXURE 1A
STATEMENT OF TRANSFERS TO HOUSEHOLDS

| HOUSEHOLDS | TRANSFER ALLOCATION | | | | | EXPENDITURE 2010/11 | | 2009/10 |
|---------------------------|------------------------------------|------------|-------------|----------------------|----------------------|--|------------------------|---------|
| | Adjusted ap- propriation Act | Roll Overs | Adjustments | Total Availa- ble | Actual Trans- fer | % of Avail- able funds transferred | Appro- priation Act | |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | |
| Transfers | | | | | | | | |
| Leave gratuity | | | | - | 2,055 | | 1,652 | |
| Bursaries (Non-Employees) | | | | - | 3,470 | | 5,427 | |
| | - | - | - | - | 5,525 | | 7,079 | |
| Total | - | - | - | - | 5,525 | | 7,079 | |

ANNEXURE 1B
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

| NAME OF ORGANISATION | NATURE OF GIFT, DONATION OR SPONSORSHIP | 2010/11 | 2009/10 |
|----------------------|---|---------|---------|
| | | R'000 | R'000 |
| Received in kind | | | |
| SILVER EDGE | Office Table and Chair | 11 | |
| FNB | Catering, Advertisements, Tents and Draping | 93 | |
| Subtotal | | 104 | - |
| TOTAL | | 104 | - |

**ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2011 – LOCAL**

| GUARANTOR INSTITUTION | Guarantee in respect of Housing | original guaranteed capital amount R'000 | Opening balance 1 April 2010 R'000 | Guarantees draw downs during the year R'000 | Guaranteed repayments/ cancelled/ reduced/ re-leased during the year R'000 | Revaluations R'000 | Closing balance 31 March 2011 R'000 | Guaranteed interest for year ended 31 March 2011 R'000 | Realised losses not recoverable i.e. claims paid out R'000 |
|-----------------------|---------------------------------|---|---------------------------------------|--|---|-----------------------|--|---|---|
| | | | | | | | | | |
| Standard Bank | Home Loan | | 142 | | 51 | | 91 | | |
| Netbank Limited | Home Loan | | 14 | | 14 | | - | | |
| Firststrand Bank | Home Loan | | 178 | | 125 | | 53 | | |
| ABSA | Home Loan | | 186 | | 130 | | 56 | | |
| People Bank FB | Home Loan | | 18 | | - | | 18 | | |
| Nedban LTD (NBS) | Home Loan | | 60 | | - | | 60 | | |
| FNB Former SA | Home Loan | | 9 | | - | | 9 | | |
| Old Mutual (Net/p) | Home Loan | | 17 | | - | | 17 | | |
| VBS Mutual Bank | Home Loan | | 92 | | 8 | | 84 | | |
| NP Develop. Cor | Home Loan | | 291 | 90 | 126 | | 255 | | |
| Mpumalanga | Home Loan | | - | 80 | | | 80 | | |
| Total | | | 1,007 | 170 | 454 | | 723 | | |

PROVINCIAL TREASURY
VOTE 5
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2011

| Nature of liability | Opening bal- ance April 2010 | Liabilities in- curred during the year | Liabilities paid/ cancelled/ re- duced during the year | Liabilities re- coverable (Provide de- tails here- under) | Closing bal- ance March 2011 |
|--|------------------------------------|--|---|---|------------------------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| Claims against the department Company A | 50,325 | - | - | - | 50,325 |
| TOTAL | 50,325 | - | - | - | 50,325 |

ANNEXURE 3
CLAIMS RECOVERABLE

| Government entity | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | |
|----------------------------------|-------------------------------|------------|---------------------------------|------------|------------|------------|
| | 31/03/2011 | 31/03/2010 | 31/03/2011 | 31/03/2010 | 31/03/2011 | 31/03/2010 |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Other Government Entities | | | | | | |
| National Public Entities | - | 11,405 | - | - | - | 11,405 |
| | - | 11,405 | - | - | - | 11,405 |
| Total | - | 11,405 | - | - | - | 11,405 |

PROVINCIAL TREASURY
VOTE 5
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2011

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

| GOVERNMENT ENTITY | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | |
|-------------------------------|-------------------------------|---------------------|---------------------------------|---------------------|---------------------|---------------------|
| | 31/03/2011 R'000 | 31/03/2010 R'000 | 31/03/2011 R'000 | 31/03/2010 R'000 | 31/03/2011 R'000 | 31/03/2010 R'000 |
| DEPARTMENTS | | | | | | |
| Current | | | | | | |
| South African Police Services | | 1 | | | - | 1 |
| Department of Agriculture | | 27 | | | - | 27 |
| Department of Justice | | 506 | | | - | 506 |
| Subtotal | - | 534 | - | - | - | 534 |
| Total | - | 534 | - | - | - | 534 |

ANNEXURE 5
INVENTORY

| | 2010/11 | | 2009/10 | |
|--|-----------|---------|----------|---------|
| | Quantity | R'000 | Quantity | R'000 |
| Inventory | | | | |
| Opening balance | 190,861 | 2,067 | 81,338 | 2,445 |
| Add/(Less): Adjustments to prior year balances | 6,747 | 14 | (31) | (786) |
| Add: Additions/Purchases - Cash | 109,998 | 3,115 | 175,881 | 4,511 |
| (Less): Disposals | (92,360) | (447) | | |
| (Less): Issues | (160,861) | (4,261) | (66,327) | (4,103) |
| Closing balance | 54,385 | 488 | 190,861 | 2,067 |



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

PART 4

HUMAN RESOURCES MANAGEMENT



PERSONNEL EXPENDITURE

The Department of Limpopo Treasury budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1) and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the department.

The final audited personnel expenditure for all programmes within the department was an indication of the amount spent on personnel costs in terms of each programme R359,372.00m.

The expenditure is summarised hereunder by programmes to provide an indication of the amount spent on personnel costs in terms of each of the programmes or salary band within the department.

TABLE 1.1 - Personnel costs by Programme for the period 1 APRIL 2010 to MARCH 2011

| Programme | Total Expenditure (R'000) | Personnel expenditure (R'000) | Training Expenditure (R'000) | Professional and Special Services (R'000) | Personnel cost as a percent of Total Expenditure | Average cost per Employee (R'000) |
|--|---------------------------|-------------------------------|------------------------------|---|--|-----------------------------------|
| Programme 1 Administration | 101,160 | 56,759 | 211 | 524 | 56.1 | 130 |
| Programme 3 Asset & Liabilities Management | 118,561 | 38,755 | 198 | 0 | 32.7 | 89 |
| Programme 4 Financial Governance | 108,109 | 35,203 | 440 | 8 | 32.8 | 81 |
| Programme 2 Sustainable resource manage | 31,542 | 26,811 | 0 | 1017 | 85 | 62 |
| TOTAL | 359,372 | 157,529 | 849 | 1549 | | |

TABLE 2.2 - Personnel costs by Salary Band

| Salary Bands | Compensation of Em- ployees Cost (R'000) | Percentage of Total Personnel Cost for Depart- ment | Average Compensa- tion Cost per Em- ployee (R) | Total Personnel Cost for Department in- cluding Goods and Transfers (R'000) | Number of Em- ployees |
|--|---|--|--|--|--------------------------|
| Lower skilled (Levels 1-2) | 931 | 0.6 | 133,000 | 160,061 | 7 |
| Skilled (Levels 3-5) | 4,320 | 2.7 | 139,355 | 160,061 | 31 |
| Highly skilled production (Levels 6-8) | 23,654 | 14.8 | 207,491 | 160,061 | 114 |
| Highly skilled supervision (Levels 9-12) | 86,304 | 53.9 | 414,923 | 160,061 | 208 |
| Senior management (Levels 13-16) | 26,336 | 16.5 | 627,048 | 160,061 | 42 |
| Contract (Levels 1-2) | 1,717 | 1.1 | 78,045 | 160,061 | 22 |
| Contract (Levels 3-5) | 704 | 0.4 | 176,000 | 160,061 | 4 |
| Contract (Levels 6-8) | 104 | 0.1 | 104,000 | 160,061 | 1 |
| Contract (Levels 9-12) | 3,201 | 2 | 533,500 | 160,061 | 6 |
| Contract (Levels 13-16) | 3,001 | 1.9 | 3,001,000 | 160,061 | 1 |
| Periodical Remuneration | 3,238 | 2 | 202,375 | 160,061 | 16 |
| TOTAL | 153510 | 95.9 | 339624 | 160061 | 452 |

The following tables provide a summary per programme (Table 2.3) and salary bands (Table 2.4), of expenditure incurred as a result of salaries, overtime, home owners' allowances and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

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

1 APRIL 2010 to MARCH 2011

| Programme | Salaries | | Overtime | | Home Owners' Allowance | | Medical Assistance | | Total Personnel Cost per Programme (R'000) |
|--|------------------|---------------------------------|------------------|---------------------------------|------------------------|----------------------------|----------------------|-------------------------------------|--|
| | 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 | |
| Program 2: sustainable resource management | 21239 | 74.1 | 0 | 0 | 543 | 1.9 | 632 | 2.2 | 28645 |
| Program 3: assets & liabilities management | 30080 | 73.2 | 93 | 0.2 | 627 | 1.5 | 1186 | 2.9 | 41108 |
| Program 4: financial governance | 21747 | 67.4 | 67 | 0.2 | 531 | 1.6 | 787 | 2.4 | 32247 |
| Programme 1: administration | 43600 | 75.1 | 168 | 0.3 | 1218 | 2.1 | 2203 | 3.8 | 58061 |
| | 116666 | 72.9 | 328 | 0.2 | 2919 | 1.8 | 4808 | 3 | 160061 |

TABLE 2.4 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band
1 APRIL 2010 to MARCH 2011

| Programme | Salaries | | Overtime | | Home Owners' Allowance | | Medical Assistance | | Total Personnel Cost per Salary Band (R'000) |
|--|------------------|---------------------------------|------------------|---------------------------------|------------------------|----------------------------|----------------------|-------------------------------------|--|
| | 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 | |
| Lower skilled (Levels 1-2) | 628 | 64.8 | 0 | 0 | 79 | 8.2 | 65 | 6.7 | 969 |
| Skilled (Levels 3-5) | 2749 | 61.6 | 133 | 3 | 197 | 4.4 | 241 | 5.4 | 4462 |
| Highly skilled production (Levels 6-8) | 17330 | 71.6 | 30 | 0.1 | 780 | 3.2 | 1287 | 5.3 | 24216 |
| Highly skilled supervision (Levels 9-12) | 66015 | 73 | 159 | 0.2 | 1233 | 1.4 | 2666 | 2.9 | 90467 |
| Senior management (Levels 13-16) | 22011 | 80.2 | 0 | 0 | 623 | 2.3 | 480 | 1.7 | 27450 |
| Contract (Levels 1-2) | 1708 | 96.3 | 6 | 0.3 | 0 | 0 | 0 | 0 | 1774 |
| Contract (Levels 3-5) | 704 | 99.7 | 0 | 0 | 0 | 0 | 0 | 0 | 706 |
| Contract (Levels 6-8) | 104 | 100 | 0 | 0 | 0 | 0 | 0 | 0 | 104 |
| Contract (Levels 9-12) | 2821 | 84.2 | 0 | 0 | 8 | 0.2 | 27 | 0.8 | 3350 |
| Contract (Levels 13-16) | 2596 | 78.2 | 0 | 0 | 0 | 0 | 42 | 1.3 | 3318 |
| Periodical Remuneration | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3245 |
| TOTAL | 116666 | 72.9 | 328 | 0.2 | 2920 | 1.8 | 4808 | 3 | 160061 |

3. EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts in the establishment, number of employees, the vacancy rate and any staff that are additional to the establishment. Please note that 50 posts were created additional to the establishment to accommodate contract workers as well as the internship program.

TABLE 3.1. Employment and Vacancies by Programme at end of period MARCH 2011

| Programme | Number of Posts | Number of Posts Filled | Vacancy Rate | Number of Posts Filled Additional to the Establishment |
|---|-----------------|------------------------|--------------|--|
| Povincial Internal Audit | 95 | 46 | 51.5 | |
| Program 2: sustainable resource management, Permanent | 90 | 56 | 38 | 0 |
| Program 3: assets & liabilities management, Permanent | 104 | 75 | 28 | 0 |
| Program 4: financial governance, Permanent | 106 | 78 | 26.4 | 0 |
| Programme 1: administration, Permanent | 279 | 160 | 42.6 | 50 |
| TOTAL | 674 | 415 | 38.4 | 50 |

TABLE 3.2 - Employment and Vacancies by Salary band at end of period 1 APRIL 2010 to MARCH 2011

| Programme | Number of Posts | Number of Posts Filled | Vacancy Rate | Number of Posts Filled Additional to the Establishment |
|---|-----------------|------------------------|--------------|--|
| Lower skilled (Levels 1-2), Permanent | 24 | 7 | 71 | 45 |
| Skilled (Levels 3-5), Permanent | 45 | 31 | 31.1 | 4 |
| Highly skilled production (Levels 6-8), Permanent | 222 | 108 | 51.3 | 1 |
| Highly skilled supervision (Levels 9-12), Permanent | 314 | 219 | 28 | 0 |
| Senior management (Levels 13-16), Permanent | 62 | 43 | 31 | 0 |
| Contract (Levels 1-2), Permanent | 0 | 0 | 0 | 0 |
| Contract (Levels 3-5), Permanent | 0 | 0 | 0 | 0 |
| Contract (Levels 6-8), Permanent | 0 | 0 | 0 | 0 |
| Contract (Levels 9-12), Permanent | 6 | 6 | 0 | 0 |
| Contract (Levels 13-16), Permanent | 1 | 1 | 0 | 0 |
| TOTAL | 674 | 415 | 38.4 | 50 |

The information in each case reflects the situation as at 31 March 2011. For an indication of changes in staffing patterns over the year under review, please refer to section 5 of this report.

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

TABLE 3.3 - Employment and Vacancies by Critical Occupation at end of period 2011.

| Critical Occupations | Number of Posts | Number of Posts Filled | Vacancy Rate | Number of Posts Filled Additional to the Establishment |
|--|-----------------|------------------------|--------------|--|
| Administrative related, Permanent | 105 | 57 | 45.7 | 1 |
| Archivists curators and related professionals, Permanent | 1 | 0 | 100 | 0 |
| Cashiers tellers and related clerks, Permanent | 1 | 1 | 0 | 0 |
| Cleaners in offices workshops hospitals etc., Permanent | 31 | 14 | 54.8 | 0 |
| Client inform clerks(switchboard recept. inform clerks), Permanent | 5 | 2 | 60 | 0 |
| Communication and information related, Permanent | 3 | 1 | 66.7 | 0 |
| Computer system designers and analysts., Permanent | 1 | 0 | 100 | 0 |
| Finance and economics related, Permanent | 31 | 22 | 29 | 0 |
| Financial and related professionals, Permanent | 185 | 140 | 24.3 | 0 |
| Financial clerks and credit controllers, Permanent | 56 | 48 | 14.3 | 0 |
| Head of department/chief executive officer, Permanent | 1 | 1 | 0 | 0 |
| Human resources & organisat developm & relate prof, Permanent | 16 | 12 | 25 | 0 |
| Human resources clerks, Permanent | 14 | 8 | 42.9 | 0 |
| Human resources related, Permanent | 9 | 6 | 33.3 | 0 |
| Information technology related, Permanent | 3 | 3 | 0 | 0 |
| Language practitioners interpreters & other commun, Permanent | 4 | 1 | 75 | 0 |
| Legal related, Permanent | 4 | 1 | 75 | 0 |
| Library mail and related clerks, Permanent | 3 | 2 | 33.3 | 0 |
| Light vehicle drivers, Permanent | 2 | 1 | 50 | 0 |
| Logistical support personnel, Permanent | 6 | 4 | 33.3 | 0 |
| Material-recording and transport clerks, Permanent | 4 | 3 | 25 | 0 |
| Messengers porters and deliverers, Permanent | 17 | 12 | 29.4 | 0 |
| Other administrat & related clerks and organisers, Permanent | 21 | 5 | 76.2 | 4 |
| Other administrative policy and related officers, Permanent | 1 | 0 | 100 | 0 |
| Other occupations, Permanent | 41 | 31 | 24.4 | 18 |
| Risk management and security services, Permanent | 7 | 1 | 85.7 | 0 |

| Critical Occupations | Number of Posts | Number of Posts Filled | Vacancy Rate | Number of Posts Filled Additional to the Establishment |
|--|-----------------|------------------------|--------------|--|
| Secretaries & other keyboard operating clerks, Permanent | 54 | 17 | 68.5 | 0 |
| Security officers, Permanent | 9 | 1 | 88.9 | 0 |
| Senior managers, Permanent | 61 | 40 | 34.4 | 0 |
| Social work and related professionals, Permanent | 3 | 2 | 33.3 | 0 |
| TOTAL | 699 | 436 | 37.6 | 23 |

TABLE 3.4 Advertising and Filling of SMS posts as on 1 April 2010 to 31 March 2011

| SMS Level | Advertising | Filling of Posts | Number of Vacancies per Level not Filled in 6 Months but Filled in 12 Months |
|------------------------------|---|---|--|
| | Number of Vacancies per Level Advertised in 6 Months of Becoming Vacant | Number of Vacancies per Level Filled in 6 Months of Becoming Vacant | |
| Director-General/ HOD | 0 | 0 | 0 |
| Salary Level 16, but not HOD | 0 | 0 | 0 |
| Salary Level 15 | 0 | 0 | 0 |
| Salary Level 14 | 2 | 0 | 0 |
| Salary Level 13 | 7 | 1 | 2 |
| Total | 9 | 1 | 2 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

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

Reasons for vacancies not advertised within six months:

- None

Reasons for vacancies not filled within 12 months:

- Budget constrains
- The advertised posts were affected by Moratorium.
- Review of the Structure

Advertising and Filling of SMS posts as on 01 Oct 2008 to 30 Sep 2009.

| SMS Level | Advertising | Filling of Posts | | Number of Vacancies per Level not Filled in 6 Months but Filled in 12 Months |
|------------------------------|---|---|--|--|
| | Number of Vacancies per Level Advertised in 6 Months of Becoming Vacant | Number of Vacancies per Level Filled in 6 Months of Becoming Vacant | | |
| Director-General/ HOD | 1 | 1 | | 0 |
| Salary Level 16, but not HOD | 0 | 0 | | 0 |
| Salary Level 15 | 0 | 0 | | 0 |
| Salary Level 14 | 0 | 0 | | 0 |
| Salary Level 13 | 7 | 6 | | 0 |
| Total | 8 | 7 | | 0 |

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

Reasons for vacancies not advertised within six months:

- None

Reasons for vacancies not filled within 12 months:

- Posts affected by Moratorium.
- Review of the structure

4. JOB EVALUATION

TABLE 4.1 - Job Evaluation period 1 APRIL 2010 to MARCH 2011

| Salary Band | Number of Posts | Number of Jobs Evaluated | % of Posts Evaluated | Number of Posts Upgraded | % of Upgraded Posts Evaluated | Number of Posts Downgraded | % of Downgraded Posts Evaluated |
|--|-----------------|--------------------------|----------------------|--------------------------|-------------------------------|----------------------------|---------------------------------|
| Lower skilled (Levels 1-2) | 24 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 1-2) | 45 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 3-5) | 4 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 6-8) | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 9-12) | 6 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Band A) | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled (Levels 3-5) | 45 | 2 | 0 | 0 | 0 | 0 | 0 |
| Highly skilled production (Levels 6-8) | 228 | 3 | 0 | 0 | 0 | 0 | 0 |
| Highly skilled supervision (Levels 9-12) | 308 | 4 | 0 | 0 | 0 | 0 | 0 |
| Senior Management Service Band A | 44 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management Service Band B | 12 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management Service Band C | 6 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 724 | 7 | 3 | 0 | 0 | 0 | 0 |

All salary level 12 downwards posts were evaluated during the 2008/2009 and 2009/2010 financial year, the Department evaluated seven (7) appealed posts during 2010/1011 Financial Year.

The structure concerned is approved with 673 posts of which the post of MEC is not counted. 5 Contract posts from salary level 1 to salary level 8 are not structural posts, and are counted outside the Establishment, and in total amounts to 724 of which 45 (Lev. 1-2) consist of intern- and learnership.

TABLE 4.2 - Profile of employees whose positions were upgraded due to their posts being upgraded

| Beneficiaries | African | Asian | Coloured | White | Total |
|------------------------------------|----------|----------|----------|----------|----------|
| Female | 0 | 0 | 0 | 0 | 0 |
| Male | 1 | 0 | 0 | 0 | 1 |
| Total | 0 | 0 | 0 | 0 | 0 |
| Employees with a Disability | 1 | 0 | 0 | 0 | 1 |

TABLE 4.3 - Employees whose salary level exceed the grade determined by Job Evaluation [i.t.o PSR 1.V.C.3]

| Occupation | Number of Employees | Job Evaluation Level | Remuneration Level | Reason for Deviation | No of Employees in Dept |
|---|---------------------|----------------------|--------------------|----------------------|-------------------------|
| Cleaners in offices workshops hospitals etc., Permanent | 7 | 2 | 3 | DPSA REFER | 7 |
| Financial clerks and credit controllers, Permanent | 1 | 5 | 6 | DOWNGRADED 2008/2009 | 1 |
| Financial clerks and credit controllers, Permanent | 2 | 6 | 7 | DOWNGRADED 2008/2009 | 2 |
| Financial clerks and credit controllers, Permanent | 6 | 7 | 8 | DOWNGRADED 2008/2009 | 6 |
| Financial clerks and credit controllers, Permanent | 2 | 7 | 9 | DOWNGRADED 2008/2009 | 2 |
| Financial clerks and credit controllers, Permanent | 3 | 7 | 10 | DOWNGRADED 2008/2009 | 3 |
| Financial clerks and credit controllers, Permanent | 1 | 8 | 9 | DOWNGRADED 2008/2009 | 1 |
| Financial clerks and credit controllers, Permanent | 3 | 8 | 10 | DOWNGRADED 2008/2009 | 3 |
| | 25 | | | | 6.% |

TABLE 4.4 - Profile of employees whose salary level exceeded the grade determined by job evaluation [i.t.o. PSR 1.V.C.3]

| Beneficiaries | African | Asian | Coloured | White | Total |
|-----------------------------|-----------|----------|----------|----------|-----------|
| Female | 9 | 0 | 0 | 0 | 9 |
| Male | 16 | 1 | 0 | 0 | 16 |
| Total | 25 | 0 | 0 | 0 | 25 |
| Employees with a Disability | 0 | 0 | 0 | 0 | 0 |

5. EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year 2010/2011. Turnover rates provide an indication of trends in the employment of the Department of Limpopo Treasury. The following table provides summary of turnover rates by salary band.

TABLE 5.1 - Annual Turnover Rates by Salary Band

| Salary Band | Employment at Beginning of Period (April 2010) | Appointments | Terminations | Turnover Rate |
|---|--|--------------|--------------|---------------|
| Lower skilled (Levels 1-2), Permanent | 7 | 0 | 0 | 0 |
| Skilled (Levels 3-5), Permanent | 33 | 1 | 3 | 9.1 |
| Highly skilled production (Levels 6-8), Permanent | 88 | 5 | 2 | 2.3 |
| Highly skilled supervision (Levels 9-12), Permanent | 207 | 2 | 11 | 5.3 |
| Senior Management Service Band A, Permanent | 28 | 2 | 1 | 3.6 |
| Senior Management Service Band B, Permanent | 5 | 0 | 0 | 0 |
| Senior Management Service Band C, Permanent | 3 | 0 | 1 | 33.3 |
| Senior Management Service Band D, Permanent | 1 | 1 | 1 | 100 |
| Contract (Levels 1-2), Permanent | 15 | 50 | 57 | 380 |
| Contract (Levels 3-5), Permanent | 14 | 8 | 14 | 100 |
| Contract (Levels 6-8), Permanent | 2 | 0 | 1 | 50 |
| Contract (Levels 9-12), Permanent | 6 | 0 | 2 | 33.3 |
| Contract (Band A), Permanent | 3 | 0 | 3 | 100 |
| Contract (Band B), Permanent | 1 | 0 | 1 | 100 |
| Contract (Band C), Permanent | 1 | 0 | 0 | 0 |
| TOTAL | 414 | 69 | 97 | 23.4 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

TABLE 5.2- Annual Turnover Rates by Critical Occupation 1 APRIL 2009 to MARCH 2010

| Occupation | Employment at Beginning of Period (April 2010) | Appointments | Terminations | Turnover Rate |
|--|--|--------------|--------------|---------------|
| Administrative related, Permanent | 36 | 6 | 8 | 22.2 |
| Cashiers tellers and related clerks, Permanent | 0 | 1 | 0 | 0 |
| Cleaners in offices workshops hospitals etc., Permanent | 34 | 0 | 20 | 58.8 |
| Client inform clerks(switchb receipt inform clerks), Permanent | 7 | 0 | 0 | 0 |
| Communication and information related, Permanent | 1 | 0 | 0 | 0 |
| Finance and economics related, Permanent | 34 | 0 | 1 | 2.9 |
| Financial and related professionals, Permanent | 129 | 2 | 8 | 6.2 |
| Financial clerks and credit controllers, Permanent | 20 | 0 | 0 | 0 |
| Head of department/chief executive officer, Permanent | 2 | 0 | 0 | 0 |
| Human resources & organisat developm & relate prof, Permanent | 11 | 0 | 0 | 0 |
| Human resources clerks, Permanent | 7 | 0 | 0 | 0 |
| Human resources related, Permanent | 6 | 0 | 1 | 16.7 |
| Language practitioners interpreters & other commun, Permanent | 2 | 0 | 0 | 0 |
| Legal related, Permanent | 3 | 0 | 1 | 33.3 |
| Library mail and related clerks, Permanent | 2 | 0 | 1 | 50 |
| Logistical support personnel, Permanent | 15 | 0 | 1 | 6.7 |
| Material-recording and transport clerks, Permanent | 1 | 0 | 0 | 0 |
| Messengers porters and deliverers, Permanent | 8 | 2 | 4 | 50 |
| Other administrat & related clerks and organisers, Permanent | 19 | 35 | 40 | 210.5 |
| Other information technology personnel., Permanent | 4 | 0 | 0 | 0 |
| Other occupations, Permanent | 1 | 21 | 3 | 300 |
| Risk management and security services, Permanent | 3 | 0 | 0 | 0 |
| Secretaries & other keyboard operating clerks, Permanent | 35 | 0 | 3 | 8.6 |
| Security officers, Permanent | 1 | 0 | 0 | 0 |
| Senior managers, Permanent | 30 | 2 | 6 | 20 |
| Social work and related professionals, Permanent | 3 | 0 | 0 | 0 |
| TOTAL | 414 | 69 | 97 | 23.4 |

TABLE 5.3 Reasons why staff is leaving the department

| Termination Type | Number | Percentage of Total Resignations | Percentage of Total Employment | Total | Total Employment |
|-------------------------------|-----------|----------------------------------|--------------------------------|-----------|------------------|
| Death, Permanent | 3 | 3.1 | 0.7 | 97 | 414 |
| Resignation, Permanent | 28 | 28.9 | 6.8 | 97 | 414 |
| Expiry of contract, Permanent | 57 | 58.8 | 13.8 | 97 | 414 |
| Retirement, Permanent | 9 | 9.3 | 2.2 | 97 | 414 |
| TOTAL | 97 | 100 | 23.4 | 97 | 414 |

TABLE 5.4 - Promotions by Critical Occupation

| Occupation | Employment at Beginning of Period (April 2010) | Promotions to another Salary Level | Salary Level Promotions as a % of Employment | Progressions to another Notch within Salary Level | Notch progressions as a % of Employment |
|---|--|------------------------------------|--|---|---|
| Administrative related | 36 | 3 | 8.3 | 20 | 55.6 |
| Cashiers tellers and related clerks | 0 | 1 | 0 | 0 | 0 |
| Cleaners in offices workshops hospitals etc. | 34 | 1 | 2.9 | 12 | 35.3 |
| Client inform clerks(switchb receipt inform clerks) | 7 | 0 | 0 | 7 | 100 |
| Communication and information related | 1 | 0 | 0 | 0 | 0 |
| Finance and economics related | 34 | 4 | 11.8 | 24 | 70.6 |
| Financial and related professionals | 129 | 9 | 7 | 94 | 72.9 |
| Financial clerks and credit controllers | 20 | 0 | 0 | 17 | 85 |
| Head of department/chief executive officer | 2 | 0 | 0 | 0 | 0 |
| Human resources & organisat developm & relate prof | 11 | 0 | 0 | 7 | 63.6 |
| Human resources clerks | 7 | 0 | 0 | 3 | 42.9 |
| Human resources related | 6 | 0 | 0 | 3 | 50 |
| Language practitioners interpreters & other commun | 2 | 0 | 0 | 0 | 0 |
| Legal related | 3 | 0 | 0 | 0 | 0 |
| Library mail and related clerks | 2 | 0 | 0 | 1 | 50 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| Occupation | Employment at Beginning of Period (April 2010) | Promotions to another Salary Level | Salary Level Promotions as a % of Employment | Progressions to another Notch within Salary Level | Notch progressions as a % of Employment |
|---|--|------------------------------------|--|---|---|
| Logistical support personnel | 15 | 0 | 0 | 10 | 66.7 |
| Material-recording and transport clerks | 1 | 0 | 0 | 1 | 100 |
| Messengers porters and deliverers | 8 | 0 | 0 | 4 | 50 |
| Other administrat & related clerks and organisers | 19 | 0 | 0 | 7 | 36.8 |
| Other information technology personnel. | 4 | 0 | 0 | 4 | 100 |
| Other occupations | 1 | 0 | 0 | 0 | 0 |
| Risk management and security services | 3 | 0 | 0 | 3 | 100 |
| Secretaries & other keyboard operating clerks | 35 | 0 | 0 | 24 | 68.6 |
| Security officers | 1 | 1 | 100 | 0 | 0 |
| Senior managers | 30 | 10 | 33.3 | 4 | 13.3 |
| Social work and related professionals | 3 | 0 | 0 | 2 | 66.7 |
| TOTAL | 414 | 29 | 7 | 247 | 59.7 |

TABLE 5.5 - Promotions by Salary Band period 1 APRIL 2010 to MARCH 2011

| Salary Band | Employment at Beginning of Period (April 2010) | Promotions to another Salary Level | Salary Level Promotions as a % of Employment | Progressions to another Notch within Salary Level | Notch progressions as a % of Employment |
|---|--|------------------------------------|--|---|---|
| Lower skilled (Levels 1-2), Permanent | 7 | 0 | 0 | 4 | 57.1 |
| Skilled (Levels 3-5), Permanent | 33 | 1 | 3 | 27 | 81.8 |
| Highly skilled production (Levels 6-8), Permanent | 88 | 0 | 0 | 61 | 69.3 |
| Highly skilled supervision (Levels 9-12), Permanent | 207 | 14 | 6.8 | 143 | 69.1 |
| Senior management (Levels 13-16), Permanent | 37 | 13 | 35.1 | 6 | 16.2 |
| Contract (Levels 1-2), Permanent | 15 | 0 | 0 | 0 | 0 |
| Contract (Levels 3-5), Permanent | 14 | 0 | 0 | 0 | 0 |
| Contract (Levels 6-8), Permanent | 2 | 0 | 0 | 0 | 0 |
| Contract (Levels 9-12), Permanent | 6 | 0 | 0 | 6 | 100 |
| Contract (Levels 13-16), Permanent | 5 | 1 | 20 | 0 | 0 |
| TOTAL | 414 | 29 | 7 | 247 | 59.7 |

6. EMPLOYMENT EQUITY

The tables in this section are based on the formats by the EEA.

TABLE 6.1 - Total number of Employees (incl. Employees with disabilities) in each of the following occupational categories as at 31 MARCH 2011

| Occupational Categories | MALE | | | | | FEMALE | | | | | TOTAL |
|---|------------|----------|----------|--------------|----------|------------|----------|----------|--------------|----------|------------|
| | African | Coloured | Indian | Total Blacks | White | African | Coloured | Indian | Total Blacks | White | |
| Legislators, senior officials and managers, Permanent | 17 | 0 | 1 | 18 | 1 | 11 | 0 | 1 | 12 | 0 | 31 |
| Professionals, Permanent | 135 | 0 | 2 | 137 | 3 | 56 | 2 | 0 | 58 | 2 | 200 |
| Technicians and associate professionals, Permanent | 42 | 0 | 0 | 42 | 0 | 32 | 0 | 0 | 32 | 0 | 74 |
| Clerks, Permanent | 29 | 0 | 0 | 29 | 0 | 55 | 1 | 0 | 56 | 2 | 87 |
| Service and sales workers, Permanent | 1 | 0 | 0 | 1 | 1 | 2 | 0 | 0 | 2 | 0 | 4 |
| Elementary occupations, Permanent | 10 | 0 | 0 | 10 | 0 | 29 | 0 | 0 | 29 | 0 | 39 |
| Other, Permanent | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 1 |
| TOTAL | 234 | 0 | 3 | 237 | 5 | 186 | 3 | 1 | 190 | 4 | 436 |
| Occupational Categories | MALE | | | | | FEMALE | | | | | TOTAL |
| | African | Coloured | Indian | Total Blacks | White | African | Coloured | Indian | Total Blacks | White | |
| Employees with disabilities | 1 | 0 | 0 | 1 | 0 | 2 | 0 | 0 | 2 | 0 | 3 |

TABLE 6.2 - Total number of Employees (incl. Employees with disabilities) per Occupational Bands

| Occupational Bands | MALE | | | | | FEMALE | | | | | Total |
|--|------------|----------|----------|--------------|----------|------------|----------|----------|--------------|----------|------------|
| | African | Coloured | Indian | Total Blacks | White | African | Coloured | Indian | Total Blacks | White | |
| Top Management, Permanent | 2 | 0 | 0 | 2 | 1 | 0 | 0 | 1 | 1 | 0 | 4 |
| Senior Management, Permanent | 21 | 0 | 0 | 21 | 1 | 16 | 0 | 0 | 16 | 0 | 38 |
| Professionally qualified and experienced specialists and mid-management, Permanent | 145 | 0 | 1 | 146 | 1 | 57 | 2 | 0 | 59 | 2 | 208 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent | 44 | 0 | 0 | 44 | 0 | 66 | 1 | 0 | 67 | 2 | 113 |
| Semi-skilled and discretionary decision making, Permanent | 11 | 0 | 0 | 11 | 0 | 20 | 0 | 0 | 20 | 0 | 31 |
| Unskilled and defined decision making, Permanent | 1 | 0 | 0 | 1 | 0 | 7 | 0 | 0 | 7 | 0 | 8 |
| Contract (Top Management), Permanent | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Contract (Professionally qualified), Permanent | 0 | 0 | 1 | 1 | 2 | 3 | 0 | 0 | 3 | 0 | 6 |
| Contract (Skilled technical), Permanent | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Contract (Semi-skilled), Permanent | 2 | 0 | 0 | 2 | 0 | 2 | 0 | 0 | 2 | 0 | 4 |
| Contract (Unskilled), Permanent | 7 | 0 | 0 | 7 | 0 | 15 | 0 | 0 | 15 | 0 | 22 |
| TOTAL | 234 | 0 | 3 | 237 | 5 | 186 | 3 | 1 | 190 | 4 | 436 |

Table 6.3. Recruitment 01 April 2010 - 31 March 2011

| 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 |
|--|---------------|----------------|--------------|--------------------|-------------|-----------------|------------------|----------------|----------------------|---------------|-----------|
| Top Management, Permanent | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Senior Management, Permanent | 1 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 | 0 | 2 |
| Professionally qualified and experienced specialists and mid-management, Permanent | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 2 | 0 | 2 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent | 4 | 0 | 0 | 4 | 0 | 1 | 0 | 0 | 1 | 0 | 5 |
| Semi-skilled and discretionary decision making, Permanent | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Contract (Semi-skilled), Permanent | 4 | 0 | 0 | 4 | 0 | 4 | 0 | 0 | 4 | 0 | 8 |
| Contract (Unskilled), Permanent | 23 | 0 | 0 | 23 | 0 | 27 | 0 | 0 | 27 | 0 | 50 |
| TOTAL | 34 | 0 | 0 | 34 | 0 | 35 | 0 | 0 | 35 | 0 | 69 |

TABLE 6.4- Promotions for the period 1 April 2010 to 31 MARCH 2011

| Occupational Bands | MALE | | | | | FEMALE | | | | | Total |
|--|------------|----------|----------|--------------|----------|------------|----------|----------|--------------|----------|------------|
| | A | C | I | Total Blacks | W | A | C | I | Total Blacks | W | |
| Senior Management, Permanent | 9 | 0 | 0 | 9 | 1 | 9 | 0 | 0 | 9 | 0 | 19 |
| Professionally qualified and experienced specialists and mid-management, Permanent | 107 | 0 | 0 | 107 | 0 | 47 | 1 | 0 | 48 | 2 | 157 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent | 17 | 0 | 0 | 17 | 0 | 42 | 0 | 0 | 42 | 2 | 61 |
| Semi-skilled and discretionary decision making, Permanent | 10 | 0 | 0 | 10 | 0 | 18 | 0 | 0 | 18 | 0 | 28 |
| Unskilled and defined decision making, Permanent | 1 | 0 | 0 | 1 | 0 | 3 | 0 | 0 | 3 | 0 | 4 |
| Contract (Top Management), Permanent | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Contract (Professionally qualified), Permanent | 0 | 0 | 1 | 1 | 2 | 3 | 0 | 0 | 3 | 0 | 6 |
| TOTAL | 144 | 0 | 2 | 146 | 3 | 122 | 1 | 0 | 123 | 4 | 276 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

TABLE 6.5- Terminations for the period 1 April 2008 to 31 MARCH 2009

| Occupational Bands | MALE | | | | | FEMALE | | | | | Total |
|--|---------------------------|----------|----------|--------------|----------|-----------|----------|----------|--------------|----------|-----------|
| | A | C | I | Total Blacks | W | A | C | I | Total Blacks | W | |
| | Top Management, Permanent | 0 | 0 | 1 | 1 | 0 | 1 | 0 | 0 | 1 | |
| Senior Management, Permanent | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Professionally qualified and experienced specialists and mid-management, Permanent | 7 | 0 | 0 | 7 | 0 | 3 | 0 | 0 | 3 | 1 | 11 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 2 | 0 | 2 |
| Semi-skilled and discretionary decision making, Permanent | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 3 | 0 | 3 |
| Contract (Senior Management), Permanent | 3 | 1 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| Contract (Professionally qualified), Permanent | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Contract (Skilled technical), Permanent | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 1 |
| Contract (Semi-skilled), Permanent | 8 | 0 | 0 | 8 | 0 | 6 | 0 | 0 | 6 | 0 | 14 |
| Contract (Unskilled), Permanent | 29 | 0 | 0 | 29 | 0 | 28 | 0 | 0 | 28 | 0 | 57 |
| TOTAL | 50 | 1 | 1 | 52 | 0 | 44 | 0 | 0 | 44 | 1 | 97 |

TABLE 6.6 - Disciplinary Action for the period 1 April 2009 to 31 MARCH 2010.

| Disciplinary ac- tion | MALE | | | | FEMALE | | | | Total | | |
|--------------------------|---------|----------|--------|-----------------|--------|---------|----------|--------|-------|-----------------|-------|
| | African | Coloured | Indian | Total Blacks | White | African | Coloured | Indian | | Total Blacks | White |
| TOTAL | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |

TABLE 6.7 - Skills Development for the period 1 April 2010 – 31 March 2011

| 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 | 39 | 0 | 1 | 39 | 1 | 28 | 1 | 0 | 28 | 1 | 7 |
| Professionals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Technicians and Associate Professionals | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Clerks | 15 | 0 | 0 | 15 | 0 | 24 | 0 | 0 | 24 | 01 | 55 |
| Elementary Occupations | 1 | 0 | 0 | 1 | 0 | 10 | 0 | 0 | 10 | 0 | 11 |
| TOTAL | 53 | 0 | 1 | 53 | 1 | 62 | 1 | 0 | 62 | 01 | 139 |
| Employees with disabilities | | | | | | 3 | | | | | 3 |

7. PERFORMANCE REWARDS

In order to encourage good performance, the Department granted the following rewards during the 2010/2011 financial year under review. The information is presented in terms of race, gender and disability.

TABLE 7.1 - Performance Rewards by Race, Gender and Disability

| Demographics | Beneficiary Profile | | | Cost | |
|-----------------------------|-------------------------|------------------|--------------------------------|--------------|----------------------------------|
| | Number of Beneficiaries | Total Employment | Percentage of Total Employment | Cost (R'000) | Average Cost per Beneficiary (R) |
| African, Female | 119 | 184 | 64.7 | 813 | 6,831 |
| African, Male | 142 | 233 | 60.9 | 1,274 | 8,969 |
| Asian, Female | 0 | 1 | 0 | 0 | 0 |
| Asian, Male | 1 | 3 | 33.3 | 26 | 26,014 |
| Coloured, Female | 1 | 3 | 33.3 | 13 | 13,202 |
| Total Blacks, Female | 120 | 188 | 63.8 | 826 | 6,884 |
| Total Blacks, Male | 143 | 236 | 60.6 | 1,300 | 9,088 |
| White, Female | 4 | 4 | 100 | 28 | 6,934 |
| White, Male | 2 | 5 | 40 | 43 | 21,364 |
| Employees with a disability | 3 | 3 | 100 | 21 | 6,998 |
| TOTAL | 272 | 436 | 62.4 | 2,217 | 8,151 |

TABLE 7.2 - Performance Rewards by Salary Band for Personnel below Senior Management Service

| Salary Band | Beneficiary Profile | | | Average cost per employee | Total cost as a % of the total personnel expenditure |
|--|-------------------------|------------------|--------------------------------|---------------------------|--|
| | Number of Beneficiaries | Total Employment | Percentage of Total Employment | | |
| Lower skilled (Levels 1-2) | 7 | 7 | 100 | 12 | 1,714 |
| Skilled (Levels 3-5) | 28 | 31 | 90.3 | 72 | 2,571 |
| Highly skilled production (Levels 6-8) | 68 | 114 | 59.6 | 308 | 4,529 |
| Highly skilled supervision (Levels 9-12) | 161 | 208 | 77.4 | 1,691 | 10,503 |
| Contract (Levels 1-2) | 0 | 22 | 0 | 0 | 0 |
| Contract (Levels 3-5) | 0 | 4 | 0 | 0 | 0 |
| Contract (Levels 6-8) | 0 | 1 | 0 | 0 | 0 |
| Contract (Levels 9-12) | 6 | 6 | 100 | 108 | 18,000 |
| Periodical Remuneration | 0 | 16 | 0 | 0 | 0 |
| TOTAL | 270 | 409 | 66 | 2191 | 8115 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

TABLE 7.3 - Performance Rewards by Critical Occupation

| Critical Occupations | Number of Beneficiaries | Total Employment | Percentage of Total Employment | Cost (R'000) | Average Cost per Beneficiary (R) |
|---|-------------------------|------------------|--------------------------------|--------------|----------------------------------|
| Administrative related | 24 | 59 | 40.7 | 215 | 8,958 |
| Cashiers tellers and related clerks | 0 | 2 | 0 | 0 | 0 |
| Cleaners in offices workshops hospitals etc. | 16 | 16 | 100 | 33 | 2,063 |
| Client inform clerks(switchb receipt inform clerks) | 6 | 7 | 85.7 | 21 | 3,500 |
| Communication and information related | 0 | 2 | 0 | 0 | 0 |
| Finance and economics related | 27 | 48 | 56.3 | 331 | 12,259 |
| Financial and related professionals | 105 | 124 | 84.7 | 1,119 | 10,657 |
| Financial clerks and credit controllers | 17 | 21 | 81 | 77 | 4,529 |
| Head of department/chief executive officer | 0 | 1 | 0 | 0 | 0 |
| Human resources & organisat developm & relate prof | 7 | 11 | 63.6 | 61 | 8,714 |
| Human resources clerks | 4 | 6 | 66.7 | 18 | 4,500 |
| Human resources related | 3 | 5 | 60 | 33 | 11,000 |
| Language practitioners interpreters & other commun | 0 | 2 | 0 | 0 | 0 |
| Legal related | 0 | 1 | 0 | 0 | 0 |
| Library mail and related clerks | 1 | 1 | 100 | 4 | 4,000 |
| Logistical support personnel | 14 | 14 | 100 | 77 | 5,500 |
| Material-recording and transport clerks | 2 | 2 | 100 | 4 | 2,000 |
| Messengers porters and deliverers | 4 | 5 | 80 | 9 | 2,250 |
| Other administrat & related clerks and organisers | 7 | 17 | 41.2 | 28 | 4,000 |
| Other administrative policy and related officers | 1 | 1 | 100 | 11 | 11,000 |
| Other information technology personnel. | 4 | 4 | 100 | 26 | 6,500 |
| Other occupations | 0 | 19 | 0 | 0 | 0 |
| Rank: Unknown | 0 | 1 | 0 | 0 | 0 |
| Risk management and security services | 2 | 3 | 66.7 | 17 | 8,500 |
| Secretaries & other keyboard operating clerks | 24 | 31 | 77.4 | 107 | 4,458 |
| Security officers | 0 | 1 | 0 | 0 | 0 |
| Senior managers | 1 | 29 | 3.4 | 4 | 4,000 |
| Social work and related professionals | 3 | 3 | 100 | 21 | 7,000 |
| TOTAL | 272 | 436 | 62.4 | 2216 | 8147 |

TABLE 7.4 - Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service

| SMS Band | Number of Beneficiaries | | Beneficiary Profile | | Percentage of Total Employment | Average cost per employee | Total cost as a % of the total personnel expenditure | Average cost per employee | Personnel Cost SMS (R'000) |
|--------------|-------------------------|------------------|---------------------|-------------|--------------------------------|---------------------------|--|---------------------------|----------------------------|
| | Number of Beneficiaries | Total Employment | NO. | % | | | | | |
| Band A | 2 | 33 | 6.1 | 1,300 | 0.1 | 19,953 | | | |
| Band B | 0 | 5 | 0 | 0 | 0 | 0 | | | |
| Band C | 0 | 4 | 0 | 0 | 0 | 0 | | | |
| Band D | 0 | 1 | 0 | 0 | 0 | 0 | | | |
| TOTAL | 2 | 43 | 4.7 | 1300 | 0.1 | 19953 | | | |

TABLE 7.5 - Performance agreements submitted for SMS's as at September 2010

| Levels | Number of funded SMS posts | | Number of SMS members | | Vacancies | | Nature of appointment | | Number of members with signed PAs | | Number of members without signed PAs | Reasons for not signing | |
|--|----------------------------|---------------|-----------------------|-----------------------|-----------|-----|-----------------------|------|-----------------------------------|------|--------------------------------------|-------------------------|--|
| | NO. | % | NO. | % | NO. | % | Perm | cont | NO. | % | | | |
| DG/ HoDs | 1 | 2% | 1 | 2% | 0 | 0% | 0 | 1 | 1 | 100% | 0 | 0% | N/A |
| 15 | 4 | 7.2% | 3 | 8% | 1 | 2% | 3 | 0 | 3 | 100% | 0 | 0% | N/A |
| 14 | 10 | 18% | 6 | 15% | 4 | 25% | 5 | 1 | 6 | 100% | 0 | 0% | N/A |
| 13 | 40 | 73% | 29 | 74% | 11 | 69% | 28 | 1 | 28 | 96% | 1 | 4% | Senior Manager for Strategic Planning seconded to office of the Premier. |
| | 55 | | 39 | | 16 | | 36 | 3 | 38 | 97% | 1 | 3% | |
| Total number of all employees on the approved establishment | | | | | | | | | | | | 415 | |
| | Level | Filled/Vacant | Perm/contract | If vacant, since when | | | | | | | | | |
| CFO | | 13 Filled | Permanent | | | | | | | | | | |
| HoD | | 15 Filled | Contract | | | | | | | | | | |

8. Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

TABLE 8.1 - Foreign Workers by Salary Band 2009/2010 for the period 1 April 2009 to 31 MARCH 2010

| Salary Band | Employment at Beginning Period | Percentage of Total | Employment at End of Period | Percentage of Total | Change in Employment | Percentage of Total | Total Employment at Beginning of Period | Total Employment at End of Period | Total Change in Employment |
|--|--------------------------------|---------------------|-----------------------------|---------------------|----------------------|---------------------|---|-----------------------------------|----------------------------|
| Highly skilled supervision (Levels 9-12) | 0 | 0 | 1 | 50 | 1 | 100 | 1 | 2 | 1 |
| Contract (Levels 9-12) | 1 | 100 | 1 | 50 | 0 | 0 | 1 | 2 | 1 |
| TOTAL | 1 | 100 | 2 | 100 | 1 | 100 | 1 | 2 | 1 |

TABLE 8.2 - Foreign Workers by Major Occupation

| Salary Band | Employment at Beginning Period | Percentage of Total | Employment at End of Period | Percentage of Total | Change in Employment | Percentage of Total | Total Employment at Beginning of Period | Total Employment at End of Period | Total Change in Employment |
|----------------------------|--------------------------------|---------------------|-----------------------------|---------------------|----------------------|---------------------|---|-----------------------------------|----------------------------|
| Professionals and managers | 1 | 100 | 2 | 100 | 1 | 100 | 1 | 2 | 1 |
| TOTAL | 1 | 100 | 2 | 100 | 1 | 100 | 1 | 2 | 1 |

9. LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2009 TO 31 DECEMBER 2010

The following tables provide an indication of the rise of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

TABLE 9.1 - Sick Leave for Jan 2010 to 31 Dec 2010

| Salary Band | Total Days | % Days with Medical Certification | Number of Employees using Sick Leave | % of Total Employees using Sick Leave | Average Days per Employee | Estimated Cost (R'000) |
|--|-------------|-----------------------------------|--------------------------------------|---------------------------------------|---------------------------|------------------------|
| Lower skilled (Levels 1-2) | 52 | 88.5 | 7 | 2.6 | 7 | 12 |
| Skilled (Levels 3-5) | 130 | 90 | 19 | 7 | 7 | 41 |
| Highly skilled production (Levels 6-8) | 574 | 88.9 | 74 | 27.1 | 8 | 348 |
| Highly skilled supervision (Levels 9-12) | 1067 | 93 | 123 | 45.1 | 9 | 1,289 |
| Senior management (Levels 13-16) | 206 | 87.9 | 20 | 7.3 | 10 | 594 |
| Contract (Levels 1-2) | 26 | 53.8 | 13 | 4.8 | 2 | 4 |
| Contract (Levels 3-5) | 41 | 85.4 | 9 | 3.3 | 5 | 10 |
| Contract (Levels 6-8) | 2 | 100 | 1 | 0.4 | 2 | 1 |
| Contract (Levels 9-12) | 22 | 81.8 | 5 | 1.8 | 4 | 40 |
| Contract (Levels 13-16) | 3 | 33.3 | 2 | 0.7 | 2 | 9 |
| TOTAL | 2123 | 90.2 | 273 | 100 | 8 | 2348 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

TABLE 9.2 - Disability Leave (Temporary and Permanent) for Jan 2010 to Dec 2010

| Salary Band | Total Days | % Days with Medical Certification | Number of Employees using Disability Leave | % of Total Employees using Disability Leave | Average Days per Employee | Estimated Cost (R'000) |
|--|------------|-----------------------------------|--|---|---------------------------|------------------------|
| Highly skilled supervision (Levels 9-12) | 196 | 100 | 5 | 83.3 | 39 | 186 |
| Senior management (Levels 13-16) | 1 | 100 | 1 | 16.7 | 1 | 4 |
| TOTAL | 197 | 100 | 6 | 100 | 33 | 190 |

TABLE 9.3 - Annual Leave for Jan 2010 to 31 Dec 2010

| Salary Band | Total Days Taken | Average days per Employee | Number of Employees who took leave |
|--|------------------|---------------------------|------------------------------------|
| Lower skilled (Levels 1-2) | 124 | 18 | 7 |
| Skilled (Levels 3-5) | 594 | 19 | 32 |
| Highly skilled production (Levels 6-8) | 2159 | 19 | 115 |
| Highly skilled supervision (Levels 9-12) | 4964 | 23 | 218 |
| Senior management (Levels 13-16) | 833 | 21 | 40 |
| Contract (Levels 1-2) | 363 | 6 | 59 |
| Contract (Levels 3-5) | 213 | 13 | 17 |
| Contract (Levels 6-8) | 11 | 6 | 2 |
| Contract (Levels 9-12) | 143 | 20 | 7 |
| Contract (Levels 13-16) | 83 | 17 | 5 |
| TOTAL | 9487 | 19 | 502 |

TABLE 9.4 - Capped Leave for Jan 2009 to 31 Dec 2009

| Salary Band | Total days of capped leave taken | Average number of days taken per employee | Average capped leave per employee as at 31 December 2009 | Number of Employees who took Capped leave | Total number of capped leave available at 31 December 2009 |
|--|----------------------------------|---|--|---|--|
| Highly skilled production (Levels 6-8) | 25 | 5 | 109 | 5 | 5108 |
| Highly skilled supervision (Levels 9-12) | 306 | 13 | 149 | 24 | 23191 |
| Senior management (Levels 13-16) | 25 | 8 | 100 | 3 | 1692 |
| TOTAL | 356 | 11 | 136 | 32 | 29991 |

TABLE 9.5 - Leave Payouts for Jan 2009 to 31 Dec 2010

| Reason | Total Amount (R'000) | Number of Employees | Average Payment per Employee (R) |
|--|----------------------|---------------------|----------------------------------|
| Capped leave payouts on termination of service for 2010/11 | 412 | 28 | 14714 |
| Current leave payout on termination of service for 2010/11 | 71 | 2 | 35500 |
| TOTAL | 483 | 30 | 16100 |

TABLE 9.6 – Sick Leave: More than 15 days continuously - Jan 2009 to 31 Dec 2009

| Salary Levels | Total days | Total number of employees using more than 15 days | Number of employees using PILIR | Average days per employee |
|---------------|------------|---|---------------------------------|---------------------------|
| (13-16) | 40 | 2 | 1 | 20 |
| (9-12) | 205 | 8 | 3 | 26 |
| (6-8) | 24 | 1 | 0 | 24 |
| (3-5) | 24 | 1 | 0 | 24 |
| (1-2) | 0 | 0 | 0 | 0 |
| TOTAL | 293 | 12 | 4 | 24.4 |

10. HIV AND AIDS AND HEALTH PROMOTION PROGRAMMES

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

| Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any) | Key steps taken to reduce the risk |
|--|---|
| All employees are regarded to be at high risk if they do not practice safe sex. | Distribution of male and female condoms, condom use education, and HCT organised on site. |

TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes [tick Yes/No and provide required information]

| Question | Yes | No | Details, if yes |
|--|-----|----|--|
| 1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position. | Yes | | Ms Anna Oliphant is the SMS member designated to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations 2001 |
| 2. Does the department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose. | Yes | | The department has dedicated a unit for employee health and wellness programme and three posts exist for the co-ordination of Occupational Health and Safety and Wellness Management. The post for the co-ordinator for HIV and AIDS and TB Management is presently vacant. |
| 3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme. | Yes | | An integrated employee health and wellness programme is now being implemented which consists of four pillars namely: HIV and AIDS & TB Management, Health and productivity management, Safety, health, environment, risk and quality management (SHERQ) and wellness management. EAP has become part of wellness management. The key services of the programme are : Monitoring of compliance to OHSA and awareness raising on COVID issues, Implementation of HIV and AIDS awareness campaigns, educational, preventative programmes and provision of psychosocial counseling and support services and promotion of |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| Question | Yes | No | Details, if yes |
|--|-----|----|---|
| | | | healthy lifestyles and fitness. |
| 4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent. | Yes | | However most of the committee members have transferred to other department and others have resigned the committee needs to be reinforced. HIV and AIDS : |
| 5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed. | | NO | Policy review is in process. |
| 6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures. | Yes | | The policy on HIV and AIDS has clauses which address stigmatization and discrimination. |
| 7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved. | Yes | | HIV Counseling and Testing as it is now called is organised on site on quarterly basis. For the financial year 2010/2011 the statistics for employees who availed themselves for testing are 65. Monitoring is done through : the departmental quarterly monitoring and progress reporting tool. EHW readiness assessment tool. National AIDS spending assessment tool NSP midterm review tool DPSA monitoring and evaluation tool. |
| 8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators. | Yes | | |

11. LABOUR RELATIONS FOR THE PERIOD 1 APRIL 2008 TO 31 MARCH 2009

TABLE 11.1 - Collective Agreements

| Subject Matter | Date |
|----------------|------|
| 00 | |

TABLE 11.2 - Misconduct and Discipline Hearings Finalised
Outcomes of disciplinary hearings

| | Number | Percentage of Total | Total |
|-------|--------|---------------------|-------|
| TOTAL | 2 | .50 | 2 |

TABLE 11.3 - Types of Misconduct Addressed and Disciplinary Hearings

| Type of misconduct | Number | Percentage of Total | Total |
|--|--------|---------------------|-------|
| 11.3.1 Fraud | 1 | .25 | 1 |
| 11.3.2 Non-Compliance with DPSA circular | 1 | .25 | 1 |
| TOTAL | .50% | .50% | 2 |

TABLE 11.4 - Grievances Lodged

| Number of grievances addressed | Number | Percentage of Total | Total |
|--------------------------------|--------|---------------------|-------|
| TOTAL | 18 | 4.6% | 18 |

TABLE 11.5 - Disputes Lodged

| Number of disputes addressed | Number | % of total |
|------------------------------|--------|------------|
| Dispute in labour court | 0 | 0 |
| Upheld | 2 | .50 |
| Dismissed | 2 | .50 |
| Total | 4 | 1% |

TABLE 11.6 - Strike Actions

| Strike Actions | |
|--|------------|
| Total number of person working days lost | 439 |
| Total cost(R'000) of working days lost | 255 649.01 |
| Amount (R'000) recovered as a result of no work no pay | 255 649.01 |

TABLE 11.7 - Precautionary Suspensions

| Precautionary Suspensions | |
|--|---|
| Number of people suspended | 0 |
| Number of people whose suspension exceeded 30 days | 0 |
| Average number of days suspended | 0 |
| Cost (R'000) of suspensions | 0 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

SKILLS DEVELOPMENT

TABLE 12.1 – Training Needs identified

| | Gender | Number of employees 1 April – March 2011 | Training needs identified at start of reporting period | | | Total |
|--|---------------|--|--|--|--|-------|
| | | | Learn-er-ships | Skills Programmes & other short courses | Other forms of training | |
| Legislators, senior officials and managers | Female | 12 | | Strategic Capability & Leadership Executive Development Programme Knowledge and understanding of PFMA & MFMA Financial Management & Budgeting Public Sector Performance Management People management & empowerment Mentoring & Coaching Finance for non financial managers Forensic internal auditing Information & knowledge management Problem solving & analysis Programme & Project Management Business Process Analysis Macro economic research Assets & liabilities management Supply Chain Management Khaedu/Service Delivery innovation IT Security | Masters in <ul style="list-style-type: none"> • Public Administration • Management • Public Development • Commerce B.Comm • Management Accounting • Financial Management • Industrial & Organisational Psychology • Economics • Entrepreneurship & Small Business Management • Computer Science B.Tech • Information Technology • Security Management • Internal Audit • Taxation B.Admin National Diploma: <ul style="list-style-type: none"> • Internal Audit • Public Management • Archival Programmes | 12 |
| | Male | 6 | | | | 6 |
| Professionals | Female | 0 | | | | 0 |
| | Male | 0 | | | | 0 |
| Technicians and associate professionals | Female | 01 | | | B.Tech | 01 |
| | Male | 01 | | | <ul style="list-style-type: none"> • Information Technology • Knowledge management | 01 |
| Clerks | Female | 28 | | | ND: | 28 |
| | Male | 14 | | | <ul style="list-style-type: none"> • Public Management • Public Finance & Accounting • Archival • Admin Management • HRM • Office Management & | 14 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| | Gender | Number of employees 1 April – March 2011 | Training needs identified at start of reporting period | | | |
|------------------------|---------------|--|--|---|---|-----------|
| | | | Learner-ships | Skills Programmes & other short courses | Other forms of training | Total |
| | | | | | Technology NHC: Accountancy Specialist HRM Programme Programme in Logistics Management Programme in Project Management Certificate in Labour Law Advanced Certificate in Education B.Tech <ul style="list-style-type: none"> • Internal Auditing • B.Comm • Internal Audit • Strategic Supply Chain Management • Financial Management • Economics • Management Accounting • Accounting Science • Auditing (Hons) LLB BA: Public Administration B.Admin B.Admin (Hons) Masters in Public Management • B.Compt | |
| Elementary occupations | Female | 10 | | | ABET | |
| | Male | 01 | | | B: Comm. Accounting | 11 |
| Gender sub totals | Female | 47 | | 0 | | |
| | Male | 34 | | 0 | | |
| Total | | 81 | | 0 | | 81 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

TABLE 12.2 - Training Provided

| Occupational Categories | Training provided within the reporting period | | | | | Total |
|--|---|------------|--------------|---|--|------------|
| | Gender | Employment | Learnerships | Skills Programmes & other short courses | Other forms of training | |
| Legislators, senior officials and managers | | | | Executive Development Programme Introduction to HIV Project KHAEDU Gender Mainstreaming HRD Implementation Plan Workshop Public Service Trainers Conference Advanced Management Development Programme Orientation to MPA SDBIP & Performance Management Workshop Induction & Orientation Workshop Train the Trainer on Public Service Induction PSI Learning Network | B..Com Acc B.Comm: Financial Mgt B.Admin B.Comm Economics ND: HRM B.Tech Public Management ND: Accounting ND: SCM Cert. Labour Law ND: Security & Investigation LLB MDP B.Comm Financial Management B.Tech Mgt LLB Specialised HR B.Comm Risk Management B.A Hons: Communication Cert. Entrepreneurship B.Compt | |
| | Female | 32 | | | | 32 |
| | Male | 41 | | | | 41 |
| Professionals | Female | 0 | | | | 0 |
| | Male | 0 | | | | 0 |
| Technicians and associate professionals | Female | 1 | | | | |
| | Male | 1 | | | B.Tech • IT • Knowledge Management | 1 |
| Clerks | Female | 26 | | Introduction to HIV HRD Implementation Plan Workshop Train the Trainer on Public Service Induction PSI Learning Network HR Connect Workshop | B. Comm Acc ND: HRD B.Tech HRM B.Admin (Hons) ND: Office Mgt & Technology B.Admin NHC: Accounting Specialised Prog in HRM B.A Public Admin B.Tech IT ND: Office Mgt & Technology B.Comm Financial Accounting ND: Office Mgt & Technology ND: B.Comm B.Admin (Hons) B.Tech Accounting ND: SCM | 26 |
| | Male | 14 | | | | 14 |
| Total | | 114 | | | | 114 |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

13. INJURY ON DUTY

TABLE 13.1 - Injury on Duty

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

ADDITIONAL INFORMATION

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

ACRONYMS

| | |
|---------|---|
| ABET | : Adult Basic Education and Training |
| AFS | : Annual Financial Statements |
| AG | : Auditor General |
| AMF | : Asset Management Forum |
| AMU | : Asset Management Unit |
| APP | : Annual Performance Plan |
| ASGISA | : Accelerated and Shared Growth Initiative for South Africa |
| BAS | : Basic Accounting System |
| BBBEE | : Broad Based Black Economic Empowerment |
| CC | : Close Corporation |
| CCTV | : Closed Circuit Television |
| CFO | : Chief Financial Officer |
| CIMA | : Chartered Institute of Management Accounting |
| CIPRO | : Companies and Intellectual Property Office |
| COLI | : Cost of Living Index |
| CompTIA | : Computing Technology Industry Association |
| CPC | : Central Procurement Committee |
| CPD | : Centralised Procurement Database |
| CPI | : Consumer Price Index |
| CROs | : Chief Risk Officers |
| DORA | : Division of Revenue Act |
| DPSA | : Department of Public Services and Administration |
| DLGH | : Department of Local Government and Housing |
| DPW | : Department of Public Works |
| DWAF | : Department of Water Affairs and Forestry |
| ECD | : Early Childhood Development |
| EE | : Employment Equity |
| EEA | : Employment Equity Act |
| E-GOV | : Electronic Government |
| EHW | : Employee Health Wellness |
| EXCO | : Executive Council |
| FIFA | : Federation of International Football Association |
| FMCMM | : Financial Management Capability Maturity Model |
| GAMAP | : Generally Accepted Municipal Accounting Practice |
| GCIS | : Government Communication and Information System |
| GDE | : Gross Domestic Expenditure |
| GDP | : Gross Domestic Product |
| GEMS | : Government Employee Medical Scheme |
| GNT | : Great North Transport |
| GovTech | : Government Technology |
| GRAP | : Generally Recognised Accounting Practice |
| GVA | : Gross Value Added |
| HDI | : Human Development Index |
| HDIIs | : Historically Disadvantaged Individuals |
| HOA | : Home Owners Allowance |
| HOD | : Head of Department |
| HR | : Human Resource |
| HRD | : Human Resource Development |
| HRM | : Human Resource Management |
| IDIP | : Infrastructure Delivery Improvement Programme |
| IDPS | : Integrated Development Plans |
| IGFR | : Intergovernmental Fiscal Relations |
| IFMS | : Integrated Financial Management System |
| IT | : Information Technology |
| IYM | : In Year Monitoring |
| KABP | : Knowledge, Attitudes, Behaviour and Perception |
| KRA | : Key result Area |
| LAR | : Labour Absorption Rate |
| LEDET | : Limpopo Economic Development, Environment and Tourism |
| LIBSA | : Limpopo Business Support Agency |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

| | |
|--------|---|
| LPPP | : Limpopo Preferential Procurement Policy |
| LPT | : Limpopo Provincial Treasury |
| LSSC | : Legal Shared Service Centre |
| MEC | : Member of Executive Council |
| MDG | : Millennium Development Goals |
| MFMA | : Municipal Finance Management Act |
| MISS | : Minimum Information Security Standards |
| MMS | : Middle Management Scheme |
| M&E | : Monitoring and evaluation |
| MOU | : Memorandum of Understanding |
| MTBPS | : Medium Term Budget Policy Statement |
| MTEF | : Medium Term Expenditure Framework |
| MTREF | : Medium Term Revenue and Expenditure Framework |
| NIA | : National Intelligence Agency |
| NT | : National Treasury |
| OHSA | : Occupational Health and Safety Act |
| PARU | : Provincial Assets Restructuring Unit |
| PERSAL | : Personnel Salary |
| PGDS | : Provincial Growth and Development Strategy |
| PFMA | : Public Finance Management Act |
| PHC | : Primary Health Care |
| PLA | : Provincial Labour Absorption |
| PMG | : Paymaster General |
| PMC | : Project Management Committee |
| PMS | : Performance Management System |
| PPI | : Producer Price Index |
| PPP | : Public Private Partnership |
| PPSC | : Provincial Programme Steering Committee |
| PRF | : Provincial Revenue Fund |
| PTCF | : Provincial Technical Committee on Finance |
| PWG | : Provincial Working Group |
| SBD | : Standard Bidding Documentation |
| SCM | : Supply Chain Management |
| SCOA | : Standard Chart of Accounts |
| SCOPA | : Standing Committee on Public Accounts |
| SCMF | : Supply Chain Management Forum |
| SDIP | : Service Delivery Improvement Programme |
| SITA | : State Information Technology Agency |
| SISP | : Strategic Information System Plan |
| SLA | : Service Level Agreement |
| SMME | : Small Medium Micro Enterprise |
| SMS | : Senior Management Services |
| SOPC | : Strategic Operations and Policy Coordination |
| TAC | : Tender Advice Centre |
| VCT | : Voluntary Counselling and Testing |
| WAN | : Wide Area Network |
| WSP | : Work Skills Plan |

PROVINCIAL TREASURY
VOTE 5
2010/11 ANNUAL REPORT

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Additional Information

*The following documents are also published and can be obtained on the department's website
www.limtreasury.gov.za.*

Transversal Financial Policy
Strategic Plan
Annual Performance Plan



Published by the Provincial Treasury
Private Bag X 9684
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Tel: +27 15 298 7107
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The 2010/11 Provincial Treasury Annual Report is also available on
www.treasury.limpopo.gov.za

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