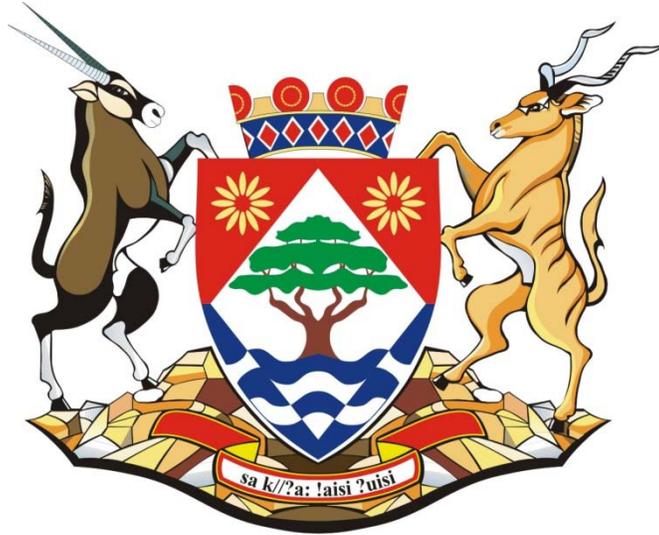


# DEPARTMENT OF SPORT, ARTS & CULTURE



## ANNUAL REPORT 2013/2014





**Northern Cape**

**DEPARTMENT OF  
SPORT, ARTS AND  
CULTURE**

**VOTE 7**

**ANNUAL REPORT**

**2013/14**

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## **PART A: GENERAL INFORMATION**

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## 1. DEPARTMENT GENERAL INFORMATION

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**WEBSITE ADDRESS :** <http://ncsac.gov.za/>

## **2. LIST OF ABBREVIATIONS/ACRONYMS**

AGSA	Auditor General of South Africa
AO	Accounting Officer
BBBEE	Broad Based Black Economic Empowerment
CFO	Chief Financial Officer
MEC	Member of Executive Council
HOD	Head of Department
PFMA	Public Finance Management Act
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
SMME	Small Medium and Micro Enterprises
SCM	Supply Chain Management
EU	European Union
SITA	State Information Technology Agency
SDIP	Service Delivery Improvement Plan

### **3. FOREWORD BY THE MEC**

We have and continue to provide services to our people, consciously reminded of the obligation to effect changes on their material conditions, informed by the implementation and acceleration of the National Development Plan. Central to this agenda of the National Development Plan is the advancement of Social Cohesion. Concomitantly, we acknowledge, commemorate and celebrate the gallantry advances we have made through the Sport, Arts and Culture sector to rekindle the soul of our people.



**Lebogang Motlhaping  
MEC Sport, Arts and Culture**

The submission of this Annual Report and its reflection highlights the efforts we have accomplished during the term of fourth provincial legislature particularly our achievements in the following projects:

- i. The repatriation and reburial of fallen heroes, heroines and martyrs of the people's Revolution,
- ii. The hosting and celebration of Commemorative Days,
- iii. Acceleration of the Geographical Names Changes process in the Province,
- iv. Construction of Libraries to advance the knowledge base of our people,
- v. Construction and opening of the Provincial Archives Repository,
- vi. Implementation of Sport and Recreation programmes to advance healthy, active and winning Nation,
- vii. Implementation of Arts and Culture development programmes through the Mayibuye centre.

We are humbled by these achievements and progress made in the attainment of Social Cohesion, though equally we have noted the challenges confronting this sector. We have already engaged the relevant processes to mitigate the challenges and ensure that we implement proper improvement plans to that effect. We remain vigilant in our quest to create a better, vibrant and inclusive society whilst we march towards operation clean audit and good governance.

In the immortal words of O.R Tambo - *“Let’s intensify the offensive and multiply the gains!!!”*



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**Lebogang Motlhaping**  
**MEC of the Department of Sport, Arts and Culture**

#### 4. REPORT OF THE ACCOUNTING OFFICER

- **Overview of the operations of the department:**

The Department has improved on the 73 percent of targets met for the 2012/2013 financial year. Good internal processes enabled the Department to achieve in areas where challenges could have prevented service delivery. Funding and human resource challenges remains the main reason preventing the department from increasing its service delivery. District offices remained largely incapacitated and a dedicated ICT unit remained a pipedream. Nonetheless, the highlight for the year under review was the promulgation of the following Acts by the Provincial Legislature during the 2013-14 financial year which led to the formalising of the entity structure in the Northern Cape Sport Arts and Culture sector:

- i. The Northern Cape Arts and Culture Council Act;
- ii. The Northern Cape Provincial Archives Act;
- iii. The Northern Cape Heritage Resources Authority Act;
- iv. The Northern Cape Use of Official Languages Act.

The department has four programmes in its structure to which **Programme 1** provides support services to the following service delivery programmes:

- **Programme 2 :**

The hosting of commemorative days by the department during the year under review continues to be the primary vehicle to promote social cohesion. The Mayibuye Centre remains a hub of excellence in the development and preservation of Sport Arts and Culture. In this regard more than three hundred students were enrolled in drama, music, craft and dance programmes at the centre. Our footprint was further extended to neighbouring schools and rehearsal space was provided for more than ten groups.

In addition to equipping students with the necessary arts and culture skills which they can use to further their careers and ensure that our motto of *“A child in sport is a child out of court”* is manifested. These programmes have not only contributed to social cohesion but moreover have contributed to crime reduction and prevention.



We remain committed to the issue of social transformation as manifested by our programme of the Naming and Renaming of government owned buildings. In this regard the department has taken the lead by renaming the following buildings:

- i. The Office of the Member of the Executive Council to the Brian Hermanus House;
- ii. The old William Pescod Hostel to the Mervin James Erlank Sport Precinct;
- iii. The Khotso Flatela Provincial Archives Repository;

Our museums have similarly contributed to the same *dictum* as is evidenced by more than twelve thousand people visiting our provincial museums. Visitors and tourism depend on many external factors which cannot always be predicted. Cognisant of this afore mentioned, it remains our commitment to increase access to our museums through alternative marketing interventions.

In spite of systemic challenges, the Heritage unit continued rendering assistance to the Provincial Heritage Resources Authority (Ngwao Boswa Kapa Bokone) to ensure the preservation of the national and provincial estate. This is evidenced by the successful exhumation of Mr T.P. Nkadimang from the West End cemetery in Kimberley on 14 June 2013 and his reburial in Batlharos, Kuruman on 15 June 2013. The sub-directorate also assisted in the location of the grave of a victim of the Bulhoek Massacre which took place in the Eastern Cape during the 1920's.

The strategy to overcome the systemic challenges has been through collaboration with other programmes on the following projects:

- i. The unveiling of a tombstone in honour of Mr. Dawid Kruiper in Andriesvale on 14 September 2013.
- ii. Unveiling of 6 tombstones in honour of fallen heroes and heroines of the Liberation Struggle in Phillipstown on 24 September 2013.
- iii. Forty two (42) people were capacitated in sign language and additional language training by the Language Services unit.

- **Programme 3**

Access to information and the eradication of illiteracy remain one of the key deliverables of our Library Transformation Service. To combat illiteracy, the unit has established literacy classes in English, Afrikaans and Nama languages for libraries in the Sol Plaatjie and //Khara Hais municipalities. Successful promotional and outreach programmes were held throughout the province. These programmes are, inter alia, the Northern Cape Writers Festival, that attracted more than one thousand participants over the three days; the Run-to-Read and the Skate-to-Read programmes undertaken throughout the five districts of our provinces in collaboration with our Sport counterparts; the Library Week Celebration as well as the National World Book Day that was celebrated in the Northern Cape Province.

Our department's commitment to providing access to information through infrastructure manifested in the completion of the Sternham Library, however due to challenges the library in Churchill could not be completed. Our Library footprint throughout the province remains large due to our continued support to the container and mobile library service. Similarly free public internet access has been rolled out to 137 libraries and 46 979 library materials were procured for the provincial library service. Two hundred and forty eight (248) library staff received training. Furthermore, the department intends to appoint 124 contract library staff permanently.

Our commitment to ensure a provincial archives heritage is preserved culminated in the department hosting the National Oral History Conference which was attended by a number of luminaries and over three hundred delegates. The Archives Week was celebrated successfully and focused primarily on the school children in order to create an awareness of preservation. The process of repatriating the archival heritage of the Northern Cape that is currently held in the Western Cape received a timely boost when the Northern Cape Provincial Archive Repository was formally opened by the Premier.

- **Programme 4**

The department remains true to the clarion call of promoting a healthy, active and winning nation. In this regard the department hosted the following Sport development projects:

- i. Provincial Boxing Indaba on 6th and 7th September 2013 to revive the boxing development in the province
- ii. Supported the Kimberley Diamond Cup Skateboarding championship through the mobilisation of young people;
- iii. Hosted the provincial youth camp to advance social cohesion and nation building amongst youth;
- iv. The implementation of the Aerobics programme for the aged at the Mayibuye Centre to promote active ageing.
- v. Hosted the Provincial School Sport Indaba. To reposition school sport as a bedrock towards sports development in the province.

Cognisant of the important role that our stakeholders play in Sport and Recreation, the department conducted District Sport and Recreation Road shows to consolidate inputs towards the finalisation of the Sport and Recreation Bill.

- **Overview of the financial results of the department:**

**Departmental receipts**

Departmental receipts	2013/2014			2012/2013		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	101	129	(28)	350	107	243
Fines, penalties and forfeits	50	83	(33)	45	92	(47)
Interest, dividends and rent on land	-	-	-	-	1	(1)
Financial transactions in assets and liabilities	-	45	(45)	-	28	(28)
<b>Total</b>	<b>151</b>	<b>257</b>	<b>(106)</b>	<b>395</b>	<b>228</b>	<b>167</b>

The Department has been tasked with the management and running of the AR Abass Stadium. The Stadium will be jointly managed by a stakeholder's forum comprised of the Department and the Universals and Thistles rugby clubs. The proposed tariffs for the utilisation of the Stadium which will be submitted to Provincial Treasury for approval are as follows:

FACILITY		TARIFF
Sport Field A	Daily	R3 000
Sport Field B	Daily	R2 500
Tennis Courts	Daily	R1 150
Netball Courts	Daily	R1 150
Hall (Bar included)	Daily	R1 500
Hall	Daily	R1 200
Cafeteria	Daily	R1 000
Other than Sport	Daily	R3 100
Preparation Fee	Daily	R500
Flood Lights	Hourly	R2 000
Festival Commercial Use	Daily	R20 000

- **Programme Expenditure**

An amount of R235.837 million was allocated to the Department of Sport, Arts and Culture for the 2013/2014 financial year. Through the 2013 Adjustment Estimates an additional amount of R33.377 million was allocated resulting in a total allocation of R269.214 million for the 2013/2014 financial year of which Equitable Share totalled R150.679 million and Conditional Grants R118.535 million. The Adjustment Estimates additional allocation was for the following:

- An amount of R11.093 million was received as roll-over in respect of the Community Library Services Grant for the completion of two newly constructed libraries i.e. Sternham and Churchill.
- R0.249 million was rolled over in order to complete the upgrades at the William Pescod Hostel, now known as the Mervyn J. Erlank House.

- R20.000 million was allocated to address the recreational needs of the province and as such five new sport and recreational facilities are currently being constructed.
- The amount of R1.167 million was allocated in terms of the EPWP grant for the appointment of staff.
- An amount of R0.145 million was allocated toward providing funding for the shortfall in the Improvement of Conditions of Service (ICS).
- R0.440 million was received to fund the re-grading of clerical positions, and
- R0.283 million for the capacitating of the Supply Chain Management office.

The table below is an analysis of appropriated amounts and actual expenditure of equitable share per programme and conditional grants for the 2013/14 and 2012/13 financial years, respectively.

Programme Name	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Administration</b>	54 812	54 627	185	51 739	51 669	70
<b>Cultural Affairs</b>	45 946	45 812	134	45 220	42 934	2 286
<b>Library and Archives Services</b>	107 743	99 522	8 221	97 229	83 856	13 373
<b>Sport and Recreation</b>	60 713	56 690	4 023	45 106	43 449	1 657
<b>Total</b>	<b>269 214</b>	<b>256 651</b>	<b>12 563</b>	<b>239 294</b>	<b>221 908</b>	<b>17 386</b>

- **Virements/Roll-overs**

**Virement**

The following virements were made to defray excess expenditure in Programmes to which the funds were reallocated to:

Unspent funds in Programme 3: Library and Archives Services (R 1.408 million) were utilized to defray the following excess expenditure in Programme 2: Cultural Affairs and Programme 4: Sport and Recreation.

- Programme 2 (Transfers and Subsidies) R 1.245 million
- Programme 4 (Current Payments) R 0.163 million

Unspent funds in Programme 2: Cultural Affairs totalling R 1.616 million were utilized to defray the following excess expenditure in Programme 1: Administration and Programme 4: Sport and Recreation.

- Programme 1 (Current Payments) R 1.376 million
- Programme 4 (Current Payments) R 0.240 million

Virements were approved by the Accounting Officer in terms of section 43 of the Public Finance Management Act, 1999 as reported to the Executive Authority as well as the Provincial Treasury.

**Roll-overs**

The project breakdown of the 2013/14 rollover request is as follows:

Project	Economic Classification	SCoA	Roll-over amount
			R'000
Sport and Recreational Facilities	Payments for Capital Assets	Buildings and other fixed structures	4 014
Construction of Churchill Community Library	Payments for Capital Assets	Buildings and other fixed structures	3 814
Construction of Sternham Community Library	Payments for Capital Assets	Buildings and other fixed structures	1 199
Provision of Internet Access	Payments for Capital Assets	Machinery and Equipment	150
<b>Total</b>			<b>9 177</b>

- **Unauthorised expenditure**

The Department incurred no unauthorised expenditure for the 2013/2014 financial year.

- **Fruitless and wasteful expenditure**

Fruitless and wasteful expenditure to the value of R 232.000 was incurred during the year. This was mainly interest on overdue accounts. The appointment of the state accountant: payments took place during the year and accounts are being paid on time.

- **Future plans of the department**

The Departmental programmes are tailored to promote social cohesion and healthy lifestyles, prevent crime, and contribute towards rural development and promotion of job creation.

We will continue to host commemorative days with the specific purpose of promoting inclusivity and nation building. The Northern Cape Has Talent programme will again be implemented where different genres in arts, crafts, music and dance will be

accommodated. The Mayibuye Centre programmes in dance, music, craft and drama will continue, accommodating 325 students and culminating in 12 academy and nine developmental productions.

Museum services have increased their visitors target to 15500 and will stage two exhibitions and nine outreach programmes. With assistance from the Provincial Heritage Resources unit, we will continue to protect the national and provincial estate and provide for programme to commemorate erstwhile heroes and heroines.

Our Language Service will continue with translations from source documents to the other three official provincial languages. One hundred persons will be empowered in basic sign language and 48 persons trained in a second or third language. Ten book clubs will be established and 4 literary exhibitions conducted.

Ten new library buildings will commence in 2014 and we envisage procuring 60 000 library materials. We will continue to roll out free public internet access to 140 libraries in the province, taking technology and access to information to rural areas. Eight reading promotional activities will be done in the new financial year, as well as 1 Archives awareness project.

In terms of sport development, we will support 50 clubs, 150 athletes (through academy system) and provide equipment and attire to 100 clubs. Our support to the skateboard and golf development will continue.

Our recreation programmes are geared towards building healthy lifestyles in a crime free environment -without a competitive nature. Aerobics and rehab will continue in all districts in partnership with stakeholders. A provincial Youth Camp targeting 300 participants will also be held. In terms of schools sport, we will be supporting 1 350 learners at district and national level and train 135 educators and volunteers to deliver school sport programmes.

The department envisages to functionally decentralise its services to the Districts. The objective in this regard is to ensure that the majority of our people continue to receive better services right at their door step.

- **Public Private Partnerships**

The Department had no Public Private Partnerships for the 2013/2014 financial year.

- **Discontinued activities / activities to be discontinued**

The Department had no discontinued activities /activities to be discontinued for the 2013/2014 financial year.

- **New or proposed activities**

It is envisaged that Arts and Culture talent identification and promotion during the 2014-15 financial year.

**Reasons for new activities**

This event is to be a bi-annual event.

**Effect on the operations of the department**

- None

**Financial implications of each new activity**

- R 0.208 million

- **Supply chain management**

**List all unsolicited bid proposals concluded for the year under review.**

- Career Guidance Software (Unsolicited Bid)

**Indicate whether SCM processes and systems are in place to prevent irregular expenditure**

- Controls for checking tax clearances and BEE certificates.

- Procurement Standards so that purchasing can be planned hence reducing the incidence of Irregular expenditure.

- Advertising of bids for Expired Contracts

- **Challenges experienced in SCM and how they were resolved**

Capacity constraints – The growing procurement needs and legislative burden w.r.t. SCM has meant that are staff complement cannot adequately deal with this increased burden. We have received additional funding from Provincial Treasury to assist with filling posts but minimal funding has been received. The DSAC has also made use of conditional grant contract posts to assist however no permanent appointments in Finance especially SCM has been made by grant managers to deal with the problem in the long term.

- **Gifts and Donations received in kind from non related parties**

The Department received no gifts and donations from non related parties during the 2013/2014 year.

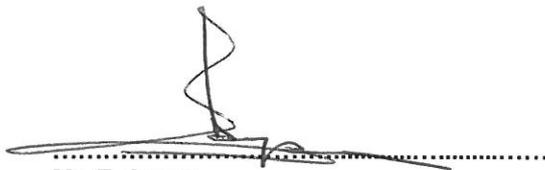
- **Exemptions and deviations received from the National Treasury**

The Department received no exemptions and/or deviations from National Treasury for the 2013/2014 financial year.

- **Events after the reporting date**

The Department had no events that occurred after the 2013/2014 financial year reporting date.

I would like to express my appreciation to all staff of Sport, Arts and Culture for the dedicated work they have delivered, as well as to all stakeholders with whom we had dealt with. However, without the participation of the public, none of this hard work would have come to fruition. I wish for all in Sport, Arts and Culture to continue with the hard work for the new Medium Term Strategic Period.



**Mr. F. Aysen**  
**ACCOUNTING OFFICER: DEPARTMENT OF SPORT, ARTS AND CULTURE**

Date: 26.08.2014

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

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2014.

Yours faithfully



**Faisal Aysen**

**Accounting Officer**

**Date:** 26.08.2014

## 6. STRATEGIC OVERVIEW

### *Vision*

A Department committed to creating a prosperous and empowered Province united in the advancement of its sport, heritage, arts and culture.

### *Mission*

Our mission is to serve all the people of the Northern Cape by promoting, protecting and developing sport and the diverse cultures of our Province and at the same time are catalysts in development programmes, economic empowerment and other activities thereby entrenching nation building and social cohesion.

### *Values*

The values of the South African Constitution  
The Batho Pele principles  
Transformation by ensuring access, equity and redress  
Accountability and transparency  
Service Excellence  
Beneficiary Orientated

## 7. LEGISLATIVE AND OTHER MANDATES

The core objectives of the department are based on the following constitutional and other legislative mandates, functional mandates and the service delivery improvement programme

### **Constitutional mandates**

The Constitution of the Republic of South Africa

### **Legislative mandates**

- The National Archives of South Africa Act (Act 43 of 1996) - In addition to establishing the National Archives, this Act sets out the minimum standards for delivery of archival services and records management at provincial level. Until provincial archives legislation

is passed and a provincial archive service established it is also the Act according to which provincial records management and archiving of materials is handled.

- The National Heritage Resources Act (Act 25 of 1999) - This Act is the legislation according to which the Provincial Heritage Resources Authority functions and sets the standards according to which the South African Heritage Resources Agency will evaluate provincial operations. The Act sets out the system for identification, management, conservation and protection of heritage resources.
- The National Sport and Recreation Act (Act 110 of 1998) – Provides for the promotion and development of sport and recreation and the co-ordination of the relationship between the Sports Commission, national and recreation federations and other agencies; to provide for measures aimed at correcting imbalances in sport and recreation; to promote equity and democracy in sport and recreation and to provide for dispute resolution mechanisms in sport and recreation.
- The Cultural Affairs Act (Act 65 of 1989) - This is the piece of legislation under which the Northern Cape Arts & Culture Council (NCACC) is appointed, receives provincial funding and allocates funds to a variety of areas in living arts in the Province.
- The Pan South African Language Board Act (Act 59 of 1995) – To establish a Pan South African Language Board for the recognition, implementation and furtherance of multilingualism in South Africa.
- Local Government Municipal Structure Act (Act 117 of 1998) – The functions for library and museum services now becomes an exclusive provincial competency.
- Municipal Structures Act, 1999 (Act No. 117 of 1998) (as amended by Act No. 33 of 2000): Excludes libraries, museums and cultural facilities as areas of responsibility of the local authorities, as this Act is based on the legislative framework provided by the Constitution. Local governments argue that they no longer have any legal authority to render these services; should they continue to do so, it would constitute unauthorised expenditure.
- South African Library for the Blind Act, 1998 (Act No. 91 of 1998): Provides for library and information services to blind and print handicapped readers through the South African Library for the Blind.
- National Council for Library and Information Services Act (Act 6 of 2001) – Council established to monitor library services throughout South Africa and advice the Minister of Arts and Culture and Minister of Education on matters relating to library and information services.
- Legal Deposit Act, 1997 (Act No. 54 of 1997): Provides for the preservation of the national documentary heritage through the legal deposit of published documents, thus ensuring the preservation of and access to published documents and government

information emanating from and adapted for South Africa. It makes provision for the establishment of at least one place of legal deposit in each Province.

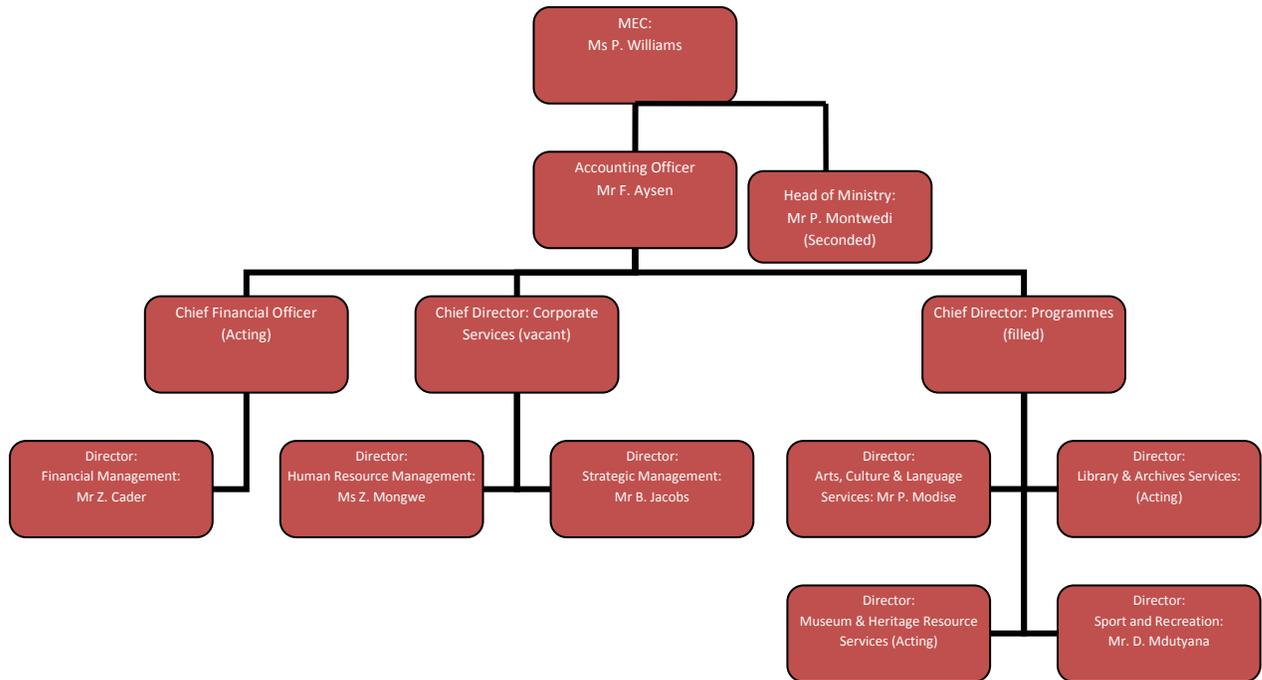
- South African Geographical Names Act (Act 118 of 1998) – Section 2(1) (a) of the Act provides for the establishment of a Provincial Geographical Names Committee. This advisory body advises the Minister of Arts and Culture and the Provincial MECs on the transformation and standardisation of geographical names in South African.
- Electronic Communication and Transactions Act (Act 25 of 2002): This Act seeks to ensure the legitimacy, accuracy, verifiability and functionality of electronic records and transactions.
- World Heritage Convention Act (Act 49 of 1999): - Broadly speaking the Act governs South Africa and therefore the Province's mandate to act under the terms of UNESCO's World Heritage Convention. Section 8 is of specific relevance as it is through via its provisions that the responsibilities of the MEC for Sport, Arts & Culture will be delegated powers to manage the Richtersveld Cultural and Botanical Landscape World Heritage Site.
- Promotion of Access to Information Act 2 of 2000 – To give effect to the constitutional right of access to any information held by the state and any information held by another person and that is required for the exercise or protection of any rights, and to provide for matters connected therewith.
- Administrative Justice Act 3 of 2000 – To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in the Constitution and to provide for matters incidental thereto.

### **Policy Mandates**

- The Museums Ordinance 8 of 1975 – The ordinance establishes the system according to which all museums receiving support from the department are established. It prescribes various systems for the operation of museums at community, local authority and provincial level and sets minimum standards for museological practice.
- The National Sport and Recreation Plan – The NSRP was adopted in 2011 with the emphasis of repositioning of sport and recreation in the country. The plan is geared towards promoting a healthy, active and winning nation. Key to this notion is the promotion of school sport as the bedrock towards sport development
- The White Paper on Arts, Culture and Heritage - Published in 1996, this document is the broad national policy statement for the arts and culture field, which was compiled through processes in which all nine provincial governments participated. It was adopted by the Arts and Culture MINMEC as the broad policy statement for all provinces and the national Department of Arts & Culture.

- Provincial Library Service Ordinance 16 of 1981 – This ordinance establishes the system according to which all libraries receiving support from the Department are established. It prescribes systems for the operation of local authority libraries and the Provincial Library Service and sets minimum standards for library practice.
- Substitution of notice 120 of 1997 concerning norms and rules for Provincial Language Committees – Provides for the establishment of a Provincial Language Committee to regulate and monitor the use of the designated official languages by the government.
- Substitution of notice 121 of 1997 concerning norms and rules for National Language Board – National Language Bodies is established primarily as language development agencies with specific emphasis on standardization in respect of all official languages.
- Blue Print on Mass Participation – This document guides the department to focus on Mass Participation based on Recreational activities and to adhere to DORA (Division of Revenue Act) requirements.
- The Memorandum of understanding on the Integrated Framework for School Sport articulates the promotion of school sport in the country. The framework further defines the roles and responsibilities between the SRSA and the DOBE.
- National Transformation Charter - the vision with this charter is to achieve an active and winning nation in which equitable access to, and opportunities and support in sport and recreation activities contribute to the development of a healthy, productive, united, non-racist, non-sexist South Africa.
- Convention Concerning the World Cultural and Natural Heritage (UNESCO 1972): – The convention sets out the basic operations of UNESCO's World Heritage programme, including the broad responsibilities of state parties to the Convention.
- Operational Guidelines for the Implementation of the World Heritage Convention (UNESCO WHC. 05/2 February 2005): – Amongst other things these Guidelines set out the specific responsibilities of state parties to the World Heritage Convention for the management and administration of World Heritage Sites.
- Official Notice 5 of 2003 (Northern Cape Provincial Gazette 744, Notice 5): – Establishes 'Ngwao Boswa Kapa Bokone' as the Provincial Heritage Resources Authority in terms of Section 23 of the National Heritage Resources Act and sets our procedures in terms of which its Council is appointed and ways in which it is required to function.

## 8. ORGANISATIONAL STRUCTURE



## 9. ENTITIES REPORTING TO THE MEC

The information furnished in this section correlates with information provided in the related party transactions disclosure note to the financial statements and the information on the entities. The following Departmental Agencies reports to the Department.

The table below indicates the entities that report to the MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
<b>Northern Cape Arts and Culture Council</b>	<p>*To encourage and provide opportunities for persons to practice the arts</p> <p>*To promote the appreciation, understanding and</p>	The Department provides limit financial resources for administrative purposes	<p>*Introduce the Annual Arts Awards for the province</p> <p>*Establishment of facilities for the benefit of arts practitioners</p>

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
	<p>enjoyment of the arts</p> <p>*To promote the general application of the arts in communities</p> <p>*To uphold and promote the rights of persons to freedom in the practice of the arts</p> <p>*To address historical imbalances in the provision of funding for the promotion of arts</p> <p>*To develop and promote the arts and encourage excellence in performance and expression in the art works and forms</p> <p>*To encourage and recognize innovation and creativity in all art works and forms</p>		<p>*Establish strategic partnerships for the benefit of art practitioners of the province</p> <p>*One job creation project per municipality for artists</p> <p>*Develop and implement funding model</p>
<p><b>Provincial Geographic Names Committee</b></p>	<p>Naming and renaming of geographical sites in the Province</p>	<p>The Department provides limit financial resources for administrative purposes</p>	<p>*Support to renaming of derogatory provincial features</p> <p>*Support to renaming of streets and municipal features</p>
<p><b>Provincial Language Committee</b></p>	<p>Promotion of multi-lingualism in the Province</p>	<p>The Department provides limit financial resources for administrative purposes</p>	<p>*To bring about parity of esteem in languages and to promote previously marginalised and</p>

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
			indigenous languages
<b>McGregor Museum Board</b>	Custodians of heritage collections on behalf of the Province	The Department provides limit financial resources for administrative purposes	<p>*Research: Anthropology, archaeology, botany, history, zoology with specific reference to the cultural and natural history of the Northern Cape</p> <p>*Outreach: Displays, articles, brochures, exhibitions, school visits to museum, curriculum –based research for educators</p> <p>*Conservation: Conservation of the following collections that form part of the National Estate:  Archaeological material, plant material, historical documents and the archiving thereof, audio- visual historic material, photographs, African and western cultural material and zoological specimens.</p> <p>*Maintenance of Province –aided Museums:  Maintenance of museums buildings and displays infrastructure of McGregor and other</p>

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
			museums throughout the Province, rendering financial support and professional and technical services and assistance to smaller museums, phased upgrading of smaller museums in Province
<b>Northern Cape Sport Council</b>	<p>*Establishing of a link between government and civil society.</p> <p>*Talent identification and sport development through accredited courses.</p> <p>*To streamline and coordinate the school sport programme in the Province.</p>	The Department provides limited financial resources for administrative purposes	<p>*Facilitate the affiliation of sport federations, clubs and or individuals.</p> <p>*Coordinate sport developmental programmes and advance transformation.</p> <p>*Responsible for education and training in sport specific training (coaches, referees, technical).</p>
<b>Northern Cape Academy Of Sport</b>	Talent identification and sport development through accredited courses	The Department provides limited financial resources for administrative purposes	<p>*Deliver high performance and specialized services/programmes to talented/high performance athletes.</p> <p>*Education and training in sport specific training (coaches, referees, technical).</p>
<b>Ngwao Boswa Kapa Bokone</b>	*To accelerate the transformation of the country's heritage landscape	The Department provides limited financial resources for administrative purposes	<p>-Declaration of Heritage Sites</p> <p>-Declaration of burial sites</p>

## **PART B: PERFORMANCE INFORMATION**

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## 1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 130 of the Report of the Auditor General, published as Part E: Financial Information.

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### *Service Delivery Environment*

#### **Programme 1: Administration**

This programme is structured into two sub-programmes: Office of the MEC and Corporate Services.

The sub-programme Office of the MEC provides administrative, client liaison and other general support services to the MEC.

The sub-programme Corporate Services renders an internal and external communication and marketing service and is responsible for the overall administration of the Department which includes the Office of HOD, Financial Management, Strategic Management and Human Resources Management. The Strategic Management is still very diverse as it caters for Policy and Planning, Communication and Special Programmes, District Management and Registry and Messenger Services. A glaring need exist for a fully fledged risk management component. The appointment of an assistant director for asset management relieved much pressure on the Supply Chain Management and will assist in improving on asset management systems.

Corporate Services is tasked with a many compliance issues for which effective planning is essential. A system of policy development and adoption is being developed to ensure wider stakeholder input and adoption before the end of the first quarter of a financial year. Improvement plans are also in place to respond to the requirements for the Monitoring Performance Assessment Tool (MPAT). However, it is to be noted that financial – and human resource constraints by en large hampers efforts to decentralise functions to the districts where service delivery is rolled out. The Department is doing everything in its

power to overturn its deficits, especially with regards to the audit opinions of the past few years. However, there still exist capacity constraints which results in staff having to go the extra mile to perform additional tasks.

The Department is effectively utilising the social media, internal newsletters and local radio to promote its functions in communities.

### **Programme 2: Cultural Affairs**

This programme is structured into three (3) sub-programmes: Arts and Culture, Museum and Heritage Resource Services and Language Services.

The Arts and Culture sub-programme promotes and advances arts and culture through the development of visual arts, crafts and performing arts. The Mayibuye Centre resorts under the Arts and Culture sub-programme and has been able to focus its attention on providing excellence enhancing and accredited programmes in music, drama, craft and dance. Additionally, the Centre also provides rehearsal space and support for local groups. This model, however, exists only in one district and should to be rolled out to other districts in the future. The Arts and Culture unit is also a main contributor towards the hosting of commemorative days. Many of the artists and crafters of the province are afforded an opportunity to showcase their skills during these events which provides an excellent opportunity for social cohesion and nation building.

The sub-programmes Museum Services and Heritage Resource Services (MHRS) focus on the promotion and preservation of the provincial heritage estate. It provides for the conservation, promotion and development of the culture and heritage. Museum Services have a close link with tourism and the increase in provincial -, national - and international visitor numbers is of the utmost importance. Furthermore, Outreach - and Educational programmes are offered annually.

MHRS boasts strong research ethic and academic connections despite a shortage of specialists in certain fields. Their presence in this unique Province is felt through well established and recognized institutions and infrastructure. There are altogether 38 museums in the Province. Our work resonates in our strategic vision which is the promotion, development and transformation of Museums and Heritage Resources.

Heritage Resource Management implements the national mandates of the South African Geographical Names Council Act, 1998 and the South African Heritage Resources Act, 1999. The Heritage Resource Services is key to the preservation of cultural heritage and promotion of social cohesion. Cooperation with municipalities is essential with the issue of permits for development, which ensures that the cultural heritage is not lost in the process. Social cohesion is driven through memorials, commemorative lectures and –plaques, book launches and Geographic Name Changes. These require intensive research and consultations. The unit collaborates with Special Programmes, the Provincial Heritage Resources Authority (PHRA) and other stakeholders in effecting its mandate and reduces

cost in the process. Heritage/museums, rural development and world heritage have a unique relationship and tremendous potential.

The Language Services sub programme renders language services to ensure the constitutional rights of the people are met through the utilization of the main languages of the Province. The unit renders translation and interpretation services on request. Translations from source documents to other official provincial languages are done at our language laboratory, which is also constraint with resources. The unit also offer capacity building in sign language and training of frontline officials in a 2nd or 3rd language. Internal collaboration results in literature exhibitions, creative writing workshops and the establishment of book clubs.

### **Programme 3: Library and Archives Service**

The Library and Archives Services (LAS) Directorate has a transformation agenda geared to serve communities. Our vision is based on our belief that we are part of a global community and that needs to find expression in what we do locally. The Directorate is committed to create an enabling, conducive and transformed environment towards attaining an empowered knowledge based Northern Cape society.

Our programmes are geared to respond to rural development, crime prevention and education priorities. The provision of library infrastructure and materials, free public internet access, holiday - and reading promotion programmes goes a long way in attaining that in a vast, mostly rural and impoverished province.

The Archives Repository has officially been opened and gradual activation and repatriation of archival records is in progress. Archive Services also focuses on training and ensuring compliance national records management policies.

### **Programme 4: Sport and Recreation**

The functions of the Sport and Recreation Directorate is in the process of being aligned to Sport and Recreation South Africa's (SRSA) "Road Map to Optimal Performance and Functional Excellence" whereby 6 key strategic areas have been identified to accelerate service delivery:

- Transformation
- School Sport
- Institutional Facilities
- Mass Mobilisation (e.g. Magnificent Fridays)
- Recreation
- Funding

The Directorate partners, especially the Department of Economic Affairs and Tourism, in hosting major national and international events. The Department concentrates mostly on developmental aspects of skateboarding. Additionally, the Department has started a golf development initiative which has been very successful. Support to Federations, clubs and

athletes, together with the staging of leagues and talent identification programmes forms a part of the basket of services provided.

The Recreation sub programme is responsible for Corporate Recreation and Rehab (targeting to assist with the rehabilitation of targeted groups). The equitable share budget for this sub- programme is very limited and they depend on partnerships with other provincial departments and NGO's to effect these functions.

The role of School Sport is limited to rendering support to learners for provincial and national participation, as well as high performance programmes. Cooperation with the provincial DoE is very important and a lack thereof often leads to non delivery and poor reporting.

***Service Delivery Improvement Plan***

The departmental has completed a three year service delivery improvement plan at the end of the 2013-14 financial year. The tables below highlight the service delivery plan and the achievements to date.

*Main services and standards*

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
To promote respect for cultural diversity and the advancement of artistic disciplines into viable Industries	Northern Cape artistic community and buyers of those products	Talent search and development project was reprioritised for financial year. However, other outreach programmes to school and community groups achieved. Rehearsal space provided for more than 10 groups.  Training six (6) departmental officials in Arts	1000 participants for talent search  375 for training	329 Students enrolled for training

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
		and business Administration		
To provide free equitable, accessible library and information services in support of people development and lifelong learning and contributes to improvement of quality of life.	Public of the Northern Cape	Not all libraries on SITA Library Information Systems	All Community Libraries with Sita Library Information Systems	44 Community Libraries provided with Sita Library Information Systems

*Batho Pele arrangements with beneficiaries (Consultation access etc.)*

Current/actual arrangements	Desired arrangements	Actual achievements
Consultations through District offices. Pamphlets and registrations forms distributed through District offices and libraries. Interaction with communities through meetings and training sessions.	Use of ICT, website and social media and reducing costly manual systems. Meeting with artists and update database. Assisting the craft and music	Talent search and development project was reprioritised for financial year. However, other outreach programmes to school and community groups achieved. Rehearsal space provided for more than 10 groups.
Based on feasibility	Consultations with municipalities (meetings)	Public can access Sita Library Information System (SLIMS) at 44 Community libraries

*Service delivery information tool*

Current/actual information tools	Desired information tools	Actual achievements
Flyers, pamphlets and service points	Use of ICT, website and social media and reducing costly manual systems. Information available upon request	Flyers, pamphlets and service points complemented with local radio stations, local newspapers and social media
Information available upon request from local library. Information published on dept website	Use of ICT, website and social media and reducing costly manual systems. Information available upon request	Information indeed available upon request from local library. SLIMS linked to dept website and social media

*Complaints mechanism*

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Links for complaints on Departmental website.  Presidential hotline	Easily accessible complaints and compliments mechanism (eg free internet access at libraries)  Suggestion boxes	Links for complaints on Departmental website  Presidential hotline Social media

**Organisational environment**

The Department functioned for practically the entire financial year without an appointed Chief Financial Officer. An Acting CFO was appointed which left a void in the lower ranks, resulting that functions were spread within the financial management unit.

District decentralisation remained unresolved as we did not have adequate funding to effect this. Thus, most planning was still done at head office and districts were then roped in for the execution. Under performance was also addressed by internal reshuffling of staff to where they would best perform to achieve the outcomes of the Department.

Under staffing and shortage of specialist personnel, especially in the museums sector, remains a problem. We are in talks with the Sol Plaatje University to try and resolve this. The functioning of Departmental Agencies remains problematic and pressure is on Departmental staff to deliver on outcomes.

***Key policy developments and legislative changes***

In order to maximise our footprint in the province, the Department embarked on transforming our Departmental Agencies into Public Entities. These will be done through the following approved Bills;

- **Northern Cape Arts and Culture Council Bill** – 2013 will
  - establish the Northern Cape Arts and Culture Council
  
- **Northern Cape Heritage Resources Authority Bill** – 2013 will
  - Establish the Northern Cape Heritage Resources Authority
  
- **The Northern Cape Archives Bill** -2013 will provide
  - a legal framework according to which the Northern Cape's Archival Heritage is properly secured and made accessible to the people of the Northern Cape
  - the proper management and care of the records of governmental bodies.
  
- **Northern Cape Use of Languages Bill** -2013 will provide for
  - the regulation and monitoring of the use of official languages by provincial government,
  - the adoption of a provincial language policy by the Executive Council,
  - the establishment and functions of a provincial Language Unit,
  - monitoring and reporting on use of official languages by provincial government.

### 3. STRATEGIC OUTCOME ORIENTED GOALS

The Department of Sport, Arts and Culture responds primarily to Outcome 12B - An empowered, fair and inclusive citizenship. Additionally, it also contributes to Outcomes 1, 2, 3, 4, 5, 7, 10 and 12A at a transversal level. Programmes are developed to promote social cohesion through interaction and dialogue between different races and cultures. Currently, we only measure output in terms of performance and the measurement of impact in terms of the contribution of our programmes towards fostering social cohesion will require more financial and human resource input.

The successes of our commemorative days, sport and arts programmes will be captured under the respective programmes.

### 4. PERFORMANCE INFORMATION BY PROGRAMME

#### *Programme 1: Administration*

##### **Purpose/Aim**

Efficient and effective administration and support

#### *Sub-Programme 1.1.1: Office of the MEC*

The sub-programme Office of the MEC provides administrative, client liaison and support services to the Executive Authority.

#### *Sub-Programme 1.1.2: Corporate Services*

The sub-programme Corporate Services renders an internal and external communication and marketing service and manages the overall administration of the Department which includes Office of HOD, financial management, human resources management and development, registry, messenger services and transport services.

##### **Strategic objectives, performance indicators, planned targets and actual achievements**

The following strategic objectives were recorded under the review of strategic plans in the 2013-14 Annual Performance Plans:

1.1.2 An unqualified audit opinion for the department through a sound financial and human resource administration

The Department, like all other Departments, have an obligation towards the public in ensuring transparent and effective governance. In this regard, we respond to Outcome 12A. The Department was qualified on assets in the previous audit outcome, but has since put measures in place to prevent a repeat of this outcome. Required policies are in place to regulate the Human Resource, Finance and Policy and Planning environment.

**Strategic objectives:**

Programme Name					
Strategic objectives	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
An unqualified audit opinion for the department through a sound financial and human resource administration	0	1	1	-	

**Performance indicators**

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Number of in year monitoring reports submitted to Provincial Treasury	12	12	12	-	
Number of monitoring and evaluation sessions to validate progress on performance information	4	4	4	-	
Number of assessment sessions per sub programme conducted to determine the risks which may	1	1	1	-	

impact the achievement of objectives					
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**Strategy to overcome areas of under performance**

Although no under performance has been recorded, the Department will continue to strengthen the Asset Management component, which has been the main reason for adverse opinions in the past. Likewise, continuous monitoring of risks, finance, human resource and performance management compliance issues through MPAT process will be done.

**Changes to planned targets**

None

**Linking performance with budgets**

The programme spent 99.8% of its final budget in comparison to the 99.9% of the previous financial year. This level of expenditure relates directly to the 100% of targets met in this programme.

**Sub-programme expenditure**

Sub Programme Name	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	11 625	11 556	69	9 392	9 363	29
Corporate Services	43 187	43 071	116	42 347	42 306	41
<b>Total</b>	<b>54 812</b>	<b>54 627</b>	<b>185</b>	<b>51 739</b>	<b>51 669</b>	<b>70</b>

**Programme 2: Cultural Affairs**

**Purpose/Aim**

To promote culture, conserve and manage the cultural, historical assets and resources of the province by rendering various services.

#### 4.2.1 Arts and Culture

##### **Purpose/Aim**

Assistance to organisations for the conservation, promotion and development of culture in terms of the Cultural Commission and Cultural Councils Act and the South African Geographical Names Act, and Cultural management support services.

##### **Strategic objectives, performance indicators, planned targets and actual achievements**

The following strategic objectives were recorded under the review of strategic plans in the 2013-14 Annual Performance Plans:

- 4.2.1.1 To support the establishment and development of community arts centres, cultural facilities and cultural entities
- 4.2.1.2 Capacity Building for artists and crafters
- 4.2.1.3 To create platform for the enhancement of the performing and visuals arts through excellence enhancing programmes for artists and crafters

The Department continued to host 6 Commemorative Days in order to promote social cohesion (Outcome 12B). The Mayibuye Centre remains a hub of excellence which we hope to replicate in other districts. More than three hundred students were enrolled in drama, music, craft and dance. Our footprint was further extended to neighbouring schools and rehearsal space was provided for more than ten groups. In addition to equipping students with the necessary skills which they can use to further their careers, these programmes also contribute to crime prevention (Outcome 3) and social cohesion (Outcome 12B).

The skills that our learners acquire should stand them in good stead to enter a competitive job market (Outcome 5).

##### **Strategic objectives:**

Programme Name					
Strategic objectives	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
To support the establishment and development of community arts centres, cultural facilities and	0	1	0	-1	NCACC did not submit updated statements for transfer to be effected; however, they were assisted with payment of their debtors.

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Province of the Northern Cape*

cultural entities					
Capacity Building for artists and crafters	528	300	329	29	Facilitators agreed to accommodate additional students due to high demand
To create platform for the enhancement of the performing and visuals arts through excellence enhancing programmes for artists and crafters	6	4	4	4	

**Performance indicators**

Programme / Sub-programme: Arts and Culture					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Number of Structures supported	0	1	0	-1	
Nr of students enrolled for the academic year	329	300	329	29	Facilitators agreed to accommodate additional students due to high demand
Number of sponsorships/bursaries awarded	4	4	4	-	
Nr of programmes per facility	6	4	4	-	
Number of significant days hosted in the cultural calendar	6	7	7	-	

**Strategy to overcome areas of under performance**

Despite a very small budget, this sub programme has managed to achieve on its set targets. However, more can be done. Closer collaboration with the Northern Cape Arts and Culture Council will be effected to ensure the support to the arts fraternity and especially the establishment and functioning of Arts and Culture Councils. Staff are often willing to work beyond the confines of their workplans to ensure service delivery. It is to be noted Workers

Day was not recorded in quarterly reports but regarded as target met as department role was reduced to financial support although it was a National event.

**Changes to planned targets**

None

**Linking performance with budgets**

The Sub Programme: Arts and Culture spent 99.99% (2012/13:98.39%) of its budget which is directly aligned to the sub programme performance for the 2013/14 financial year.

**Sub-programme expenditure**

Sub Programme Name	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Arts and Culture	26 696	26 676	20	24 025	23 639	386
<b>Total</b>	<b>26 696</b>	<b>26 676</b>	<b>20</b>	<b>24 025</b>	<b>23 639</b>	<b>386</b>

**4.2.2 Museum Services**

**Purpose/Aim**

To render a Provincial Museum Service to Provincial Museums in terms of Ordinance 8 of 1975, Province –aided museums in terms of Ordinance 8 of 1975 and Local museums in terms of Ordinance 8 of 1975.

**Strategic objectives, performance indicators, planned targets and actual achievements**

The following strategic objectives were recorded under the review of strategic plans in the 2013-14 Annual Performance Plans:

4.2.2.1 Providing a transformed museum services by increasing the number of museum visitors

Through its preservation of the national cultural estate, museum and heritage services contribute largely to promoting social cohesion (Outcome 12B). It also has an education function which it fulfils through outreach programmes.

**Strategic objectives:**

Programme Name: Museum Services					
Strategic objectives	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Providing a transformed museum services by increasing the number of museum visitors	19568	15000	12942	-2058	The museums are dependent on tourist visiting our city and sites. Not all visitors sign the attendance book as they are not compelled to.

**Performance indicators**

Programme / Sub-programme: Museum Services					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Number of people visiting the facilities	19568	15000	12942	-2058	The museums are dependent on tourist visiting our city and sites. Not all visitors sign the attendance book as they are not compelled to.
Number of outreach programmes implemented	14	8	8	-	
Number of brochures and Publications distributed	4	2	2	-	
Number of exhibitions staged	5	1	4	3	Additional exhibitions could be done in collaboration with internal and external partners.

**Strategy to overcome areas of under performance**

Museum services are experiencing staff shortages in specialised fields which affects its optimal functioning. We are negotiating with the new Sol Plaatje University to fulfill in this

shortage and ensure that a constant supply of specialists is on hand. The Department's Museums cannot accurately predict the visitor numbers as this depend on many factors such as the economic climate. Advertising through brochures, outreach programmes and collaboration with the Northern Cape Tourism Authority are the best ways in which to ensure that the cultural estate is shared with many provincial, national and international visitors. Accurate recording of visitor numbers also proves to be problematic at times. The Department will look into electronic, less cumbersome means of monitoring visitor numbers.

**Changes to planned targets**

None

**Linking performance with budgets**

The Sub Programme: Museum Services spent 99.99% (2012/13:99.99%) of its 2013/14 budget. Although not all targets were met, this level of expenditure must be considered while taking into account that approximately 75% of the budget relates to personnel expenditure with the remainder being in the form of a transfer to the McGregor Museum for administrative purposes.

**Sub-programme expenditure**

Sub Programme Name	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Museum Services	11 890	11 889	1	12 539	12 538	1
<b>Total</b>	<b>11 890</b>	<b>11 889</b>	<b>1</b>	<b>12 539</b>	<b>12 538</b>	<b>1</b>

**4.2.3 Heritage Resource Services**

**Purpose/Aim**

Providing assistance to Heritage Council for Heritage Resource management in the province in terms of the National Resources Act.

**Strategic objectives, performance indicators, planned targets and actual achievements**

The following strategic objectives were recorded under the review of strategic plans in the 2013-14 Annual Performance Plans:

4.2.3.1 Heritage preservation: To accelerate the transformation of the country's heritage landscape by maintaining 1 heritage site per annum until 2014

4.2.3.2 Honouring Heroes and Heroines: To conserve and expand the National Estate by honouring heroes and heroines through memorials, declaration of burial sites, commemorative plaques and lectures.

Through its preservation of the national cultural estate, museum and heritage services contribute largely to promoting social cohesion (Outcome 12B). All commemorative programmes are done through thorough consultations with affected communities. The work also contributes to Outcome 10 which relates to protection of the environment through issue of permits before development projects can be effected by municipalities.

**Strategic objectives:**

Programme Name: Heritage Resource Services					
Strategic objectives	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Heritage preservation	0	1	1	-	
Honouring Heroes and Heroines	0	1	1	-	

**Performance indicators**

Programme / Sub-programme: Heritage Resource Services					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Number of World Heritage sites sustained	0	1	1	-	
Number of departmental agencies supported	0	1	1	-	

**Strategy to overcome areas of under performance**

A very small budget remains problematic in effecting a very important national function. However, through strategic partnerships with internal and external stakeholders, this unit

continues to deliver quality programmes. There are also plans to strengthen the Provincial Heritage Authority in performing its functions.

**Changes to planned targets**

None

**Linking performance with budgets**

The Heritage Resource Services sub programme spent 95.58% of its budget which is a significant increase if compared to the 63.86% of the 2012/13 financial year. The sub programme managed to achieve all its targets with the under-spending being related to the failure of the Provincial Heritage Authority to comply fully with the Department's transfer requirements.

**Sub-programme expenditure**

Sub Programme Name	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Heritage Resource Services	2 537	2 425	112	3 728	2 381	1 347
<b>Total</b>	<b>2 537</b>	<b>2 425</b>	<b>112</b>	<b>3 728</b>	<b>2 381</b>	<b>1 347</b>

**4.2.4 Language Services**

**Purpose/Aim**

Assistance to the Provincial Language Committee in terms of the Languages Act.

**Strategic objectives, performance indicators, planned targets and actual achievements**

The following strategic objectives were recorded under the review of strategic plans in the 2013-14 Annual Performance Plans:

4.2.4.1 To promote multilingualism, redress past linguistic imbalances and develop the previously marginalized languages

4.2.4.2 Capacity building in interpretation, translation, sign language and language

In promoting the use of all official languages of the province, Language Service strives to contribute towards promoting a sense of belonging (Outcome 12). Apart from the set performance targets, the unit also conduct creative writing workshops and the establishment of book clubs.

**Strategic objectives:**

Programme Name: Language Service					
Strategic objectives	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
To promote multilingualism, redress past linguistic imbalances and develop the previously marginalized languages	0	2	1	-1	PLC- did not function optimally throughout the year and their financial statements were not received.
Capacity building in interpretation, translation, sign language and language	1	2	2	-	

**Performance indicators**

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Number of Coordinating Structures supported	0	2	1	-1	PLC- did not function optimally throughout the year and their financial statements were not received.
Number of documents translated	6	4	4	-	

**Strategy to overcome areas of under performance**

The PLC did not operate optimally during the financial year in question. Measures will be put in place to ensure sufficient support is rendered in the new strategic term that will ensure that there is no repeat of this problem. Staffing will also have to be addressed in future.

**Changes to planned targets**

None

**Linking performance with budgets**

Language Services spent 100% of its budget which is also reflective of their achievements for the year under review.

**Sub-programme expenditure**

Sub Programme Name	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Language Services	2 531	2 531	-	3 081	2 531	550
<b>Total</b>	<b>2 531</b>	<b>2 531</b>	<b>-</b>	<b>3 081</b>	<b>2 531</b>	<b>550</b>

**Programme 3: Library and Archive Services**

**Purpose/Aim**

Assist local library authorities in rendering of public library services and providing of an Archive service in the province.

**4.3.1 Library Services**

**Purpose/ Aim**

This sub-programme provides for library and information services in line with relevant applicable legislation and Constitutional mandates.

**Strategic objectives, performance indicators, planned targets and actual achievements**

The following strategic objectives were recorded under the review of strategic plans in the 2013-14 Annual Performance Plans:

**Strategic Objectives:**

- 4.3.1.1 Support to new and existing libraries
- 4.3.1.2 Provision of library materials in all formats
- 4.3.1.3 Promote the use of libraries and inculcate a reading culture

Library Services contribute towards Outcome 1 (Education- through provision of literature to communities), Outcome 7 (sustainable rural communities- building infrastructure) and Outcome 4 (all South Africans feel free and safe- holiday programmes).

**Strategic objectives:**

Programme Name					
Strategic objectives	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Support to new and existing libraries	262	264	263	-1	The building in Churchill not completed due to the contractor being terminated by DRPW. DRPW interacted with the contractor and are dealing with the process to complete the project in the new financial year.
Provision of library materials in all formats	55522	50 000	46 979	-3 021	Procurement started late in the year due to the Asset counting exercise conducted for library books in quarter one. Some materials procured in quarter 4 only delivered in new financial year (2014-15)
Promote the use of libraries and inculcate a reading culture	180 550	200 000	232 069	32 069	Library promotional programmes contributed to increase in membership

**Performance indicators**

Programme / Sub-programme: Library Services					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Number of new libraries constructed(CG)	-	2	1	-1	The building in Churchill not completed due to the contractor being

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					terminated by DRPW. DRPW interacted with the contractor and are dealing with the process to complete the project in the new financial year.
Number of libraries providing free public internet access	7	140	137	-3	Three libraries burnt down and infrastructure could not be installed.. Alternative sites that are ready will be concluded in the new financial year.
Number of Library materials procured	55 522	50 000	46 979	-3 021	Procurement started late in the year due to the Asset counting exercise conducted for library books in quarter one. Some materials procured in quarter 4 only delivered in new financial year(2014-15)
Number of promotional projects conducted	7	8	8	-	
Number of (library) monitoring visits done	4	4	7	3	Synchronized visits with other programmes so that more visits could be fitted in without significant additional expenditure.
Number of library staff members trained	427	420	248	-172	Training was done but performance information not provided.
Nr of new staff appointed as job creation initiative	124	132	114	-18	Adverts were placed, interviews were held but appointments were not concluded in time.

**Strategy to overcome areas of under performance**

Appointments in strategic positions and rigorous monitoring of programmes are envisaged. Planning must also adhere to SMART principles in future.

**Changes to planned targets**

None

**Linking performance with budgets**

The Sub Programme: Library Services spent 92.10% (2012/13:84.45%) of its final budget during the year under review. Bulk of the sub programme's under-spending relates to the area of infrastructure development. The 2013/14 financial year saw the construction of the two new library facilities continuing but due to unforeseen circumstance the construction of the Churchill library was delayed. Interventions are underway to ensure the speedy finalisation of this project and the unspent amount of R5 million has been requested as a roll-over. The other area of concern in terms of expenditure relates to the Department's inability to fill vacancies in the Library Services environment. As such an amount of R1.866 million remained unspent in terms of Compensation of Employees.

**Sub-programme expenditure**

Sub Programme Name	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Library Services	102 727	94 142	8 585	85 977	72 606	13 371
<b>Total</b>	<b>102 727</b>	<b>94 142</b>	<b>8 585</b>	<b>85 977</b>	<b>72 606</b>	<b>13 371</b>

**4.3.2 Archive Services**

**Purpose/ Aim**

To render Archive support services in terms of the National Archives Act and other relevant legislation.

**Strategic objectives, performance indicators, planned targets and actual achievements**

The following strategic objectives were recorded under the review of strategic plans in the 2013-14 Annual Performance Plans:

**Strategic Objectives:**

4.3.2.1 The promotion, development and transformation of sustainable Archives services

Archives Services main a rich repository of knowledge for research purposes (Outcome 1). Through training of client offices, this unit also contributes to clean governance (Outcome 12A)

**Strategic objectives:**

Programme Name					
Strategic objectives	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
The promotion, development and transformation of sustainable Archives services	48	50	50	-	

**Performance indicators**

Programme / Sub-programme: Archive Services					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Number of records managers trained	52	20	25	5	More training was requested locally at no additional cost
Number of governmental bodies inspected	20	12	15	3	More clients could be accommodated without significant additional cost
Number of record classification systems approved	13	4	4	-	
Number of awareness and promotional projects/ programmes rolled out to communities	1	1	1	-	

**Strategy to overcome areas of under performance**

Although this unit has been meeting its targets, one cannot discount the staff shortages experienced.

**Changes to planned targets**

None

**Linking performance with budgets**

The Sub Programme spent 97.88% of its budget in the year under review which is aligned to the level of performance.

**Sub-programme expenditure**

Sub Programme Name	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Archives	4 748	5 118	(370)	11 028	11 027	1
<b>Total</b>	<b>4 748</b>	<b>5 118</b>	<b>(370)</b>	<b>11 028</b>	<b>11 027</b>	<b>1</b>

**Programme 4: Sport**

**Purpose/Aim**

The programme provides assistance to provincial sport associations and other relevant bodies to stimulate the development of sport. Formulate inputs regarding sport policy and promote sport programmes. Stimulate and present capacity building projects. Control, promote and develop the provincial sport academy. Develop and contribute towards sport marketing strategies. Facilitate development of facilities with a view to improving the life of the disadvantaged. Promote and develop sport tourism through major events.

**4.4.1 Sport**

**Purpose/Aim**

The programme provides assistance to provincial sport associations and other relevant bodies to stimulate the development of sport. Formulate inputs regarding sport policy and promote sport programmes. Stimulate and support capacity building programmes. Control, promote and develop the provincial sport academy. Develop and contribute towards sport marketing strategies. Facilitate development of facilities with a view to improving the life of the disadvantaged. Promote and develop sport tourism through major events.

**Strategic objectives, performance indicators, planned targets and actual achievements**

The following strategic objectives were recorded under the review of strategic plans in the 2013-14 Annual Performance Plans:

**Strategic Objectives:**

- 4.4.1.1 Support to Federations: To support 50 affiliated sport Federations through the Northern Cape Sports Confederation by the end of 2014
- 4.4.1.2 High Performance: Programmes To develop and support 851 athletes over the five year period in high performance
- 4.4.1.3 Capacity Building: Training of 1800 Sport officials over the Strategic plan period

By its very nature, Sport is a catalyst for social cohesion and nation building (Outcome 12B). Furthermore, getting the nation to be physically active and keeping kids off the streets are our main contributions towards Outcome 2 (Healthy Lifestyles) and Outcome 3 (Safe environment). Through capacity building, we are also contributing to Outcome 5 (a Skilled and capable workforce).

**Strategic objectives:**

Programme Name					
Strategic objectives	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Support to Federations	18	20	20	-	
High Performance Programmes	110	110	118	18	More athletes could be accommodated at no additional cost
Capacity Building	382	247	254	8	Additional training conducted by federations had no additional financial implications for the department

**Performance indicators**

Programme / Sub-programme: Sport					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Number of accredited sport Academies supported	1	1	1	-	
Number of elite athletes supported through the provincial	-	110	118	8	More athletes could be accommodated at no additional cost

academy system					
Number of talented athletes supported within a structured Development program by sport federations	335	360	370	10	More athletes could be accommodated at no additional cost
Number of formal talent identification programmes supported	-	8	8	-	
Number of jobs created	-	30	18	-12	Verification of performance information reduced the submitted total
Number of functional provincial and local Sports Councils supported	1	1	1	-	
Number of affiliated Provincial Federations Supported	18	20	20	-	
Number of affiliated functional clubs per sporting code supported	-	30	30	-	

**Strategy to overcome areas of under performance**

Improve planning, monitoring and evaluation systems for new financial year. Electronic capturing of participation will be investigated.

**Changes to planned targets**

None

**Linking performance with budgets**

The Sport sub programme spent 99.99% of its budget in comparison to the 113.15% of the 2012/13 financial year.

**Sub-programme expenditure**

Sub Programme Name	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Sport	11 345	11 340	5	15 875	17 962	(2 087)
<b>Total</b>	<b>11 345</b>	<b>11 340</b>	<b>5</b>	<b>15 875</b>	<b>17 962</b>	<b>(2 087)</b>

**4.4.2 Recreation**

**Purpose/ Aim**

To provide financial assistance to sport federations for development programmes and special incentives to those sport people from the province. Manage and present specific development programmes. Provide assistance to recreation bodies for specific development purposes. Use sport and recreation to address HIV/ AIDS pandemic, introduce activities to promote and encourage an active and healthy lifestyle.

**Strategic objectives, performance indicators, planned targets and actual achievements**

The following strategic objectives were recorded under the review of strategic plans in the 2013-14 Annual Performance Plans:

**Strategic Objectives:**

- 4.4.2.1 Corporate recreation
- 4.4.2.2 Recrehab
- 4.4.2.3 Community Sport and Recreation (under Conditional Grant)

By its very nature, Sport and Recreation is a catalyst for social cohesion and nation building (Outcome 12B). Furthermore, getting the nation to be physically active and keeping kids off the streets are our main contributions towards Outcome 2 (Healthy Lifestyles) and Outcome 3 (Safe environment). Recreation has the added bonus that it takes out the competitive edge out of participation and thus draws larger crowds.

**Strategic objectives:**

Programme Name					
Strategic objectives	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Corporate recreation	1374	250	267	17	Additional mini - marathon held at no

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					extra cost.
Recrehab	278	100	152	52	The increased number of participants was due to the demand of the programme. Minimal cost due to collaboration with Social Development and Correctional Services

**Performance indicators**

Programme / Sub-programme: Recreation					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Number of sustainable active Recreation programmes organised and implemented	7	1	1	-	
Number of people actively participating in organised active recreation events.	1374	250	267	17	Additional mini - marathon held at no extra cost.
Number of recreational activities held for persons at risk	3	2	2	-	
Number of participants targeted in rehab activities	278	100	152	52	The increased number of participants was due to the demand of the programme. Minimal cost due to collaboration with Social Development and Correctional Services

**Strategy to overcome areas of under performance**

Improve planning, monitoring and evaluation systems for new financial year. Electronic capturing of participation will be investigated.

**Changes to planned targets**

None

**Linking performance with budgets**

The sub programme spent 85.92% (2012/13:107.60%) of its budget during the 2013/14 financial year. The under-spending in this sub programme refers to the funding received during the 2013 adjustment budget for the construction of five multi-purpose sport and recreational facilities in the province. Although construction was at an advanced stage the project was incomplete at year end and as such the amount of R4.014 million has been included in the department's request for roll-over.

**Sub-programme expenditure**

Sub Programme Name	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Recreation	28 530	24 513	4 017	12 783	13 754	(971)
<b>Total</b>	<b>28 530</b>	<b>24 513</b>	<b>4 017</b>	<b>12 783</b>	<b>13 754</b>	<b>(971)</b>

**4.4.3 School Sport**

**Purpose/ Aim**

Develop policies and conduct research regarding school sport. Monitor and evaluate all programmes pertaining to school sport and promote adequate facilities. Ensure that all learners have access to sport activities and benefits associated with school sports accrue to all learners.

**Strategic objectives, performance indicators, planned targets and actual achievements**

The following strategic objectives were recorded under the review of strategic plans in the 2013-14 Annual Performance Plans:

**Strategic Objectives:**

4.4.3.1 Active participation, development and talent identification for school learners

By its very nature, Sport is a catalyst for social cohesion and nation building (Outcome 12B). Furthermore, getting the nation to be physically active and keeping kids off the streets are our main contributions towards Outcome 2 (Healthy Lifestyles) and Outcome 3 (Safe environment). Our efforts to ensure that learners compete at the highest levels cannot go unnoticed.

**Strategic objectives:**

Programme Name					
Strategic objectives	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Active participation, development and talent identification for school learners	1628	1320	590	-730	Challenges experienced with obtaining performance information from stakeholders. School Sport Indaba was held to improve working relationship with stakeholders.
Establish Sport Focus Schools in the Province	0	1	0	-1	SRSA changed indicator to support to focus schools whereby 5 is recorded under Conditional Grant

**Performance indicators**

Programme / Sub-programme: School Sport					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Number of learners participating in school sport tournaments at district level	1628	1320	590	-730	Challenges experienced with obtaining performance information from stakeholders. School Sport Indaba was held to improve working relationship with stakeholders.
Number of educators trained to deliver school sport programmes	90	60	60	-	

**Strategy to overcome areas of under performance**

Improve planning, monitoring and evaluation systems for new financial year. Electronic capturing of participation will be investigated. Information on people trained and equipment provided was submitted late and thus not included in quarterly reporting.

**Changes to planned targets**

None

**Linking performance with budgets**

The Sub Programme: School Sport spent 99.99% of its annual budget in comparison to 68.26% in the 2012/13 financial year.

**Sub-programme expenditure**

Sub Programme Name	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
School Sport	17 911	17 910	1	13 511	9 223	4 288
<b>Total</b>	<b>17 911</b>	<b>17 910</b>	<b>1</b>	<b>13 511</b>	<b>9 223</b>	<b>4 288</b>

## 4 TRANSFER PAYMENTS

***Transfer payments to public entities***

No funding was provided to Public Entities during the 2013/14 financial year.

***Transfer payments to all organisations other than public entities***

The table below reflects the transfer payments made for the period 1 April 2013 to 31 March 2014. The information captured under "amounts spent" is not based on the actuals as this information is not available to this office.

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Name of transferee	Type of Organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1)(j) of the PFMA	Amount Transferred (R'000)	Amount Spent by entity (R'000)	Reasons for the funds unspent by the entity
JOE MOROLONG	Municipality	Library Services	Yes	590	590	
GA-SEGONYANA	Municipality	Library Services	Yes	940	940	
GAMMAGARA	Municipality	Library Services	Yes	495	495	
JOHN TAOLE GAETSEWE	Municipality	Library Services	Yes	67	67	
RICHTERSVELD	Municipality	Library Services	Yes	693	693	
NAMA KHOI	Municipality	Library Services	Yes	1 089	1 089	
KAMIESBERG	Municipality	Library Services	Yes	462	462	
HANTAM	Municipality	Library Services	Yes	559	559	
KAROO HOOGLAND	Municipality	Library Services	Yes	901	901	
KHAHMA	Municipality	Library Services	Yes	554	554	
UBUNTU	Municipality	Library Services	Yes	766	766	
UMSOBOMVU	Municipality	Library Services	Yes	708	708	
EMTHANJENI	Municipality	Library Services	Yes	679	679	
KAREEBERG	Municipality	Library Services	Yes	773	773	
THEMBELIHE	Municipality	Library Services	Yes	603	603	
SYATHEMBA	Municipality	Library Services	Yes	953	953	
SYANCLUMA	Municipality	Library Services	Yes	630	630	
IKAII GARIB	Municipality	Library Services	Yes	630	630	
IKHARA HAIS	Municipality	Library Services	Yes	931	931	
IKHEJS	Municipality	Library Services	Yes	332	332	
TSANTSABANE	Municipality	Library Services	Yes	622	622	
KGATELOPELE	Municipality	Library Services	Yes	457	457	
SOL PLAATJE	Municipality	Library Services	Yes	1 781	1 781	
MAGARENG	Municipality	Library Services	Yes	481	481	
PHOKWANE	Municipality	Library Services	Yes	987	987	
NC ACADEMY OF	Agency	Sport	Yes	2 287	2 287	
NC ARTS AND CULTURE	Agency	Arts and Culture	Yes	2 848	2 848	
COUNCIL		Development				
MCGREGOR MUSEUM	Agency	Museum Services	Yes	2 913	2 913	
NC SPORT COUNCIL	Agency	Sport	Yes	1 340	1 340	
		Administration				
NC PROVINCIAL	Agency	Heritage Services	Yes	900	900	
HERITAGE AUTHORITY						
NC PROVINCIAL	Agency	Provincial Name	Yes	500	500	
GEOGRAPHICAL NAMES		Changes				
COMMITTEE						
NAMA KHOI	Municipality	Rates and Taxes	No	46	46	
SOL PLAATJE	Municipality	Vehicle licenses	No	1	1	
SABC	Public	TV Licences	No	5	5	
PSETA	Corporation	Training and	No	195	195	
	Public	Development				
NON PROFIT	Corporation	Donations and	No	2 318	2 318	
INSTITUTIONS	Non Profit	Sponsorships				
HOUSEHOLDS	Institutions	Donations and	No	279	279	
	Households	Sponsorships				
HOUSEHOLDS	Households	Claims against the	No	2	2	
		state				
HOUSEHOLDS	Households	Bursaries - non	No	607	607	
		employees				
HOUSEHOLDS	Households	Leave Gratuity	No	372	372	
<b>TOTAL</b>				<b>32 296</b>	<b>32 296</b>	

The table below reflects the transfer payments which were budgeted for in the period 1 April 2013 to 31 March 2014, but no transfer payments were made.

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Name of transferee	Purpose for which funds were to be used	Amount budgeted for (R'000)	Amount Transferred (R'000)	Reasons why funds were not transferred
RENOSTERBERG	Library Services	531	-	Non Compliance
MIER	Library Services	396	-	Non Compliance
DIKGATLONG	Library Services	822	-	Non Compliance
NC PROVINCIAL LANGUAGE COMMITTEE	Language Administration	100	-	Non Compliance
NC SPORT COUNCIL	Sport Administration	2 079	1 340	Non Compliance
NC PROVINCIAL HERITAGE AUTHORITY	Heritage Services	1 200	900	Non Compliance
<b>TOTAL</b>		<b>5 128</b>	<b>2 240</b>	

## 5 CONDITIONAL GRANTS

### *Conditional grants and earmarked funds paid*

- The table below describes each of the conditional grants and earmarked funds paid by the department.
  
- Conditional Grant 1: Library Services

Department/ Municipality to whom the grant has been transferred	- 24 Local municipalities in Northern Cape
Purpose of the grant	- The advancement and strengthening of community library services
Expected outputs of the grant	<ul style="list-style-type: none"> <li>- Library Development</li> <li>- Staff capacity increase</li> <li>- Infrastructure development</li> <li>- Library usage and promotional programmes</li> <li>- Current awareness</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>- The following outputs were achieved with various levels of success:</li> <li>- Library development</li> <li>- Staff capacity increases</li> <li>- Library usage and promotion</li> <li>- Infrastructure development</li> <li>- Current awareness</li> </ul>
Amount per amended DORA	- R18 453 000.00
Amount transferred (R'000)	- R17 227 000.00
Reasons if amount as per DORA not transferred	- Non compliance to conditions of the grant

Amount spent by the department/ municipality (R'000)	- Municipalities' financial year does not coincide with provincial government and, hence, no final amount could be calculated.
Reasons for the funds unspent by the entity	- Non compliance by recipients to conditions of the grant
Monitoring mechanism by the transferring department	- Monthly reports evaluated, Inspection visits

- Conditional Grant 2: Library Services

Department/ Municipality to whom the grant has been transferred	- Department of Arts and Culture
Purpose of the grant	- To have transformed urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at national, provincial and local government level.
Expected outputs of the grant	<ul style="list-style-type: none"> <li>- Improved coordination and collaboration between national, provincial and local government on library services.</li> <li>- Transformed and equitable library and information services delivered to all rural and urban communities.</li> <li>- Improved library infrastructure and services that reflect the specific needs of communities they serve.</li> <li>- Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs.</li> <li>- Improved culture of reading.</li> <li>- Effective management and coordination of the grant</li> </ul>

Actual outputs achieved	<p><b>Good Coordination of Library Services</b></p> <p>-24 Signed agreements between DSAC and local governments.</p> <p><b>Physical Infrastructure</b></p> <p>-User friendly and accessible library infrastructure for all users.</p> <p><b>Information and Communication Technology:</b></p> <p>-598 Computers purchased and installed in libraries.</p> <p>-Public access terminals currently provided in 23 %of all community libraries.</p> <p><b>Library Resources / Material:</b></p> <p>-45 724 relevant literacy materials provided in libraries.</p> <p>-Up-to-date educational support material provided in community libraries.</p> <p><b>Human Resource:</b></p> <p>-Competent library staff delivering quality services.</p> <p>-114 Conditional Grant appointees.</p>
Amount per amended DORA	- R86 689 000.00
Amount transferred (R'000)	- R86 689 000.00
Reasons if amount as per DORA not transferred	-
Amount spent by the department/ municipality (R'000)	- R 73 644 000.00
Reasons for the funds unspent by the entity	<ul style="list-style-type: none"> <li>- Infrastructure projects not completed</li> <li>- Transfers not executed to three (3) municipalities</li> </ul>
Monitoring mechanism by the transferring department	- Monitoring visits, Monthly reports,

-  
-

- Conditional Grant 3: Library Services (EPWP)

Department/ Municipality to whom the grant has been transferred	- Department of Public Works
Purpose of the grant	- Reduce poverty through the alleviation and reduction of unemployment
Expected outputs of the grant	- creating work opportunities for unemployed persons
Actual outputs achieved	- work opportunities created for 85 persons
Amount per amended DORA	-
Amount transferred (R'000)	- R550 000.00
Reasons if amount as per DORA not transferred	-
Amount spent by the department/ municipality (R'000)	- R733 000.00
Reasons for the funds unspent by the entity	-
Monitoring mechanism by the transferring department	- Quarterly reports, Inspection/Site visits

- Conditional Grant 4: Sport and Recreation (EPWP Social Sector)

Department/ Municipality to whom the grant has been transferred	- Sport, Arts & Culture
Purpose of the grant	- To incentivise Provincial Social Sector departments identified in the 2013 Social Sector EPWP Log-Frame to increase job creation by focusing on the strengthening and expansion of social service programmes that have employment potential.
Expected outputs of the grant	- 26 people employed and receiving income through EPWP

Actual outputs achieved	- 57 people employed and receiving income through EPWP
Amount per amended DORA	- R 490 000.00
Amount transferred (R'000)	- R 490 000.00
Reasons if amount as per DORA not transferred	- N/A
Amount spent by the department/ municipality (R'000)	- R 512 277.82
Reasons for the funds unspent by the entity	- N/A
Monitoring mechanism by the transferring department	- Monitoring & Evaluation/ Sporadic Site Visits

***Conditional grants and earmarked funds received***

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2013 to 31 March 2014.

- Conditional Grant: Library Services

Department who transferred the grant	- Department of Arts and Culture
Purpose of the grant	- To have transformed urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at national, provincial and local government level.

Expected outputs of the grant	<ul style="list-style-type: none"> <li>- Improved coordination and collaboration between national, provincial and local government on library services.</li> <li>- Transformed and equitable library and information services delivered to all rural and urban communities.</li> <li>- Improved library infrastructure and services that reflect the specific needs of communities they serve.</li> <li>- Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs.</li> <li>- Improved culture of reading.</li> <li>- Effective management and coordination of the grant</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>- 1 new library building have been completed</li> <li>- 248 library workers have been trained</li> <li>- 46 979 books have been procured</li> <li>- ICT Internet access have been provided to 137 libraries</li> <li>- 8 promotional events took place during the year to inculcate a culture of reading and library usage</li> </ul>
Amount per amended DORA	- R86 689 000.00
Amount received (R'000)	- R86 689 000.00
Reasons if amount as per DORA was not received	-
Amount spent by the department (R'000)	- R 73 644 000.00
Reasons for the funds unspent by the entity	<ul style="list-style-type: none"> <li>- One library under construction have not been completed</li> <li>- Not all transfers have been executed due to non compliance with funding conditions</li> <li>- Not all library books on order have been delivered by the end of the reporting period</li> </ul>

Reasons for deviations on performance	- One library under construction have not been completed
Measures taken to improve performance	- Intervention strategies were designed non performance but was not effective enough or was implemented too late to effect a positive outcome
Monitoring mechanism by the receiving department	- Monitoring visits, monthly reports and quarterly reporting to Departmental M&E

- Conditional Grant: Club Development

Department who transferred the grant	- Sport and Recreation SA
Purpose of the grant	- To facilitate Sport and Recreation participation and empowerment in partnership with relevant stakeholders
Expected outputs of the grant	<ul style="list-style-type: none"> <li>- Training club officials.</li> <li>- Support to Clubs</li> <li>- Club tournaments held.</li> <li>- Clubs provided with equipment and/ or attire.</li> <li>- Increase number of participants in Club tournaments.</li> <li>- Support athletes through District Academies.</li> <li>- Support accredited sport academies (existing, new and established)</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>- 255 people trained as part of the club development programme</li> <li>- 15 tournaments and leagues staged</li> <li>- 81 clubs supplied with equipment and/or attire</li> <li>- 1 Academy supported</li> <li>- 4537 athletes supported through an athlete support programme</li> </ul>

Amount per amended DORA	- R 7 372 000.00
Amount received (R'000)	- R 7 372 000.00
Reasons if amount as per DORA was not received	- N/A
Amount spent by the department (R'000)	- R 7 375 000.00
Reasons for the funds unspent by the entity	-
Reasons for deviations on performance	- Challenges experienced with obtaining credible and uniform performance information from stakeholders.
Measures taken to improve performance	- More specific on expectations in SLAs. Design uniform reporting forms.
Monitoring mechanism by the receiving department	- Monthly and quarterly visits to the Districts especially when programmes are implemented, - Monthly expenditure reports inclusive of detailed project plans of all approved activities to be undertaken. - Quarterly reporting to Departmental M&E

- Conditional Grant: Community Sport

Department who transferred the grant	- Sport and Recreation SA
Purpose of the grant	- To facilitate sports participation and empowerment within hubs in partnership with relevant stakeholders.
Expected outputs of the grant	- Facilitation of Youth Camp - Implementation of outreach programmes - Training of coaches, referees and administrators - Capacity building in Life Skills, Events Management and First Aid - Increase participation in sport

Actual outputs achieved	<ul style="list-style-type: none"> <li>- 304 Youth attending the annual youth camp</li> <li>- 5 Sport and Recreation programmes held</li> <li>- 120 People trained as part of community sport</li> </ul>
Amount per amended DORA	- R 6 618 000.00
Amount received (R'000)	- R 6 618 000.00
Reasons if amount as per DORA was not received	- N/A
Amount spent by the department (R'000)	- R 6 616 000.00
Reasons for the funds unspent by the entity	-
Reasons for deviations on performance	- Equipment was procured and delivered to the 5 district offices. Some municipalities do not have proper structures to ensure safekeeping of equipment and implementing of programmes. Hence, delivery of equipment delayed.
Measures taken to improve performance	- Equipment will be handed to municipalities once their structures are in place. Use of equipment is controlled from district offices as an interim measure.
Monitoring mechanism by the receiving department	<ul style="list-style-type: none"> <li>- Monthly and quarterly visits to the Districts especially when programmes are implemented,</li> <li>- Monthly expenditure reports inclusive of detailed project plans of all approved activities to be undertaken.</li> <li>- Quarterly reporting to Departmental M&amp;E</li> </ul>

- Conditional Grant: School Sport

Department who transferred the grant	- Sport and Recreation SA
Purpose of the grant	- To facilitate sports participation and empowerment within schools in partnership with relevant stakeholders.

Expected outputs of the grant	<ul style="list-style-type: none"> <li>- Training educators trained to deliver School Sport programmes</li> <li>- School Sport Cluster Coordinators supported.</li> <li>- -School Sport Coordinators appointed through SLA's with the Federations.</li> <li>- Schools provided with equipment and/ or attire.</li> <li>- Schools sport code structures supported.</li> <li>- School teams delivered to National competitions.</li> <li>- Sport Focus school supported and/ or established.</li> <li>- Increase participants in the School Sport programme.</li> <li>- School Sport District Tournaments held.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>- 669 athletes supported to participate national school competitions</li> <li>- 113 schools provided with equipment and/or attire</li> <li>- 2154 athletes supported to participate in district and provincial school competitions</li> <li>- 94 people trained</li> <li>- 5 Sport Focus Schools supported</li> <li>- 6 school sport coordinators remunerated</li> <li>- 11 school sport structures supported</li> </ul>
Amount per amended DORA	- R 16 816 000.00
Amount received (R'000)	- R 16 816 000.00
Reasons if amount as per DORA was not received	- N/A
Amount spent by the department (R'000)	- R 16 816 000.00
Reasons for the funds unspent by the entity	-

Reasons for deviations on performance	- Challenges experienced with obtaining performance information from stakeholders.
Measures taken to improve performance	- School Sport Indaba was held to improve working relationship with stakeholders
Monitoring mechanism by the receiving department	<ul style="list-style-type: none"> <li>- Monthly and quarterly visits to the Districts especially when programmes are implemented,</li> <li>- Monthly expenditure reports inclusive of detailed project plans of all approved activities to be undertaken.</li> <li>- Quarterly reporting to Departmental M&amp;E</li> </ul>

## 6 DONOR FUNDS

### *Donor Funds Received*

No donor funding was received during the year under review.

## 7 CAPITAL INVESTMENT

### *Asset management plan*

#### **Progress made on implementing the asset management plan**

The asset management plan has been implemented successfully to a large extent. The verifications were completed on time and the disposal committee was established and is now functioning. The asset management unit has also been capacitated by an Assistant Manager whom was appointed on 1 February 2014 and two state accountants appointed on 1 April and 1 May 2014 respectively.

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

No disposals have occurred for the 2013/2014 financial year. Around R1.911m capital assets were procured for the financial year.

#### **Measures taken to ensure that the department's asset register remained up-to-date during the period under review**

The Asset Management unit has been capacitated with three additional staff members to ensure that monthly reconciliations of assets are done. Stricter adherence is required to deadlines on asset reconciliation submissions to Senior Management and Provincial Treasury.

### **Capital investment and maintenance**

#### **New Community Libraries**

Good progress can be reported in relation to the construction of the community library in Sternham. At year end the practical completion stage was reached, leaving only the retention amount outstanding on this project. On the other hand though, the Churchill project was severely compromised with the contractor absconding; leaving the project only 30 per cent completed at year end. Efforts are currently underway to secure the services of an alternative contractor in order for the project to be completed.

#### **Northern Cape Theatre**

The upgrading of the NC Theatre is lagging behind schedule due to delays in the transfer of funding from the Department of Arts and Culture. At present the Department of Roads and Public Works are engaging various role players for the amendment of the original specifications and the appointment of a suitable contractor to complete the upgrade. It is expected that the appointment process will be concluded by mid September 2014.

#### **Sport and Recreational Facilities**

The Department secured funding for the construction of five Outdoor Multi – purpose facilities (one each to be implemented in each district), during the latter part of the financial year. The facilities will be developed at a cost of approximately R23 million and at the end of the financial year the Department can report a reasonable degree of progress. The facilities in the John Taolo Gaetsewe and Frances Baard districts have been completed which the other being in progress. The only problematic site is the one in Port Nolloth in the Namakwa district where role-players are seeking to find a collective resolution in order to commence with the project.

#### **Maintenance**

There are no plans to close down any infrastructure. Maintenance is a major challenge across the board as budgets are not available for routine maintenance.

The ideal situation would be for every line function directorate to be able to budget 1% of value of infrastructure annually for routine maintenance to do minor repairs. The Mayibuye Centre maintenance / upgrade was not completed by due date and thus new funding must be sought and collective decision be taken to fund this urgent need. Maintenance backlogs are increasing due to budgets not available.

Annual Report for 2013/14 Financial Year  
Vote 7: Department of Sport, Arts and Culture  
Province of the Northern Cape

Infrastructure Projects	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
<b>New and Replacement assets</b>	48 270	39 493	8 777	28 777	14 118	14 659
<b>Existing infrastructure assets</b>						
Upgrades and additions	249	597	(348)	4 832	3 995	837
Rehabilitation, renovations and refurbishment	587		587			
Maintenance and repairs						
<b>Infrastructure Transfers</b>						
Current						
Capital						
<b>Total</b>	<b>49 106</b>	<b>40 090</b>	<b>9 016</b>	<b>33 609</b>	<b>18 113</b>	<b>15 496</b>

## **PART C: GOVERNANCE**

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## **1. INTRODUCTION**

Effective governance is a commitment to Outcome 12A that all government Departments should respond to. This commitment is further entrenched in the Departmental improvement plans made in the Monitoring of Performance Management Tool (MPAT). The Department is committed to ensure good governance by putting the relevant structures in place. This is partly hampered by financial constraints; however, staff at times going the extra mile to deliver on requirements.

## **2. RISK MANAGEMENT**

The Department has an approved Risk Management Policy and Strategy. Quarterly Risk assessments are conducted by updating the risk registers of each Directorate within the department. The top 10 risks are identified and prioritised with mitigating strategies.

The Department has an appointed Risk Committee with an externally appointed Chairperson who holds regular meetings where mitigation strategies and prevention strategies are discussed and thereafter conveyed to the accounting officer and the senior management team for implementation. The appointed Internal Audit Committee conducts regular audits to inform and guide management accordingly.

With the assistance of the Provincial Risk Unit, Risk registers are updated regularly and a quarterly Risk management report is submitted to the Accounting officer regarding progress made or challenges faced during the quarter.

Based on this the department has made great strides in curbing recurring risks.

To further prevent potential risks the following have been developed

- (a) Risk policy.
- (b) Risk strategy.
- (c) Strategic and operational risk registers
- (d) Risk mitigation plan

The Department is in the process of appointing a Risk Manager

## **3. FRAUD AND CORRUPTION**

The department has an approved Fraud prevention policy. The Risk Management Committee developed an Anti Fraud and Corruption Strategy to guide on the process for dealing with unlawful activities as outlined in the Fraud prevention Policy. The department appointed a senior official to deal with such cases which are then reported to DPSA for guidance on legal action. Cases are reported to the office of the DG Via the Provincial Hot-Line. These cases in turn are then forwarded to the office of the HoD for further intervention.

#### **4. MINIMISING CONFLICT OF INTEREST**

The Department appointed two Ethics officers to facilitate the Financial Disclosures of the senior management and serves as link between the department and DPSA in terms of:

- Verification on the electronic disclosure system
- Advise executive authority on disclosures
- Draw reports from system for the department
- Facilitate the registration and “online” disclosures of new senior managers
- Final Submission of disclosures to DPS
- 

#### **5. CODE OF CONDUCT**

The purpose of this Code of Ethics and Conduct is:

- o To serve as a brief description of the Department of Sport, Arts and Culture’s core values;
- o To provide a framework for identifying conduct that is ethical and acceptable for the employees and officials of the Department who act as its agents at all levels. To create the context for the ethical use of authority. To support all efforts aimed at curbing moral degeneration.

This Code of Ethics and Conduct is driven by the following key underlying principles:

To ensure that all stakeholders within the Department are aware of the basic values cherished by the Department and its employees, including management and officials and to ensure accountability within the Department in terms of fundamental ethical values and value systems.

The Department through this Code of Ethics and Conduct strives towards upholding the following values and ideals:

- 5.1 Absolute integrity;

- 5.2 A culture of honesty;
- 5.3 Loyalty;
- 5.4 Professionalism;
- 5.5 Acceptance of responsibility and accountability;
- 5.6 A positive public image;
- 5.7 Confidence from the public;
- 5.8 Striving for and maintaining credibility;
- 5.9 High standards of service delivery;
- 5.10 A sense of pride in belonging to the Department;
- 5.11 Sanctioning bad, and rewarding good behavior; and
- 5.12 All other positive attributes contributing toward sound ethical standards.

Failure to adhere to the Code of Conduct will result in officials being disciplined according to the Department's Disciplinary Code and Procedure in line with Resolution 1 of 2003.

## 6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Employee Health and Wellness unit has established a Health and Safety Committee. The Head of Department has appointed Health and Safety Representatives as required by the OHS Safety Act 85 of 1993. The Safety Representatives will receive relevant training including First Aid Level I & II and Fire fighter training as guided by the mentioned Act, to deal efficiently with health and safety related incidents in the workplace

## 7. PORTFOLIO COMMITTEES

A Schedule of meetings is communicated to the department via the quarterly Legislature framework. Formal notifications are forwarded to the Department one month before presentations

## 8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1.	Performance information	The Department should put proper and effective systems in place to guarantee credibility of performance information	The Department implemented an effective M&E system guided by an approved M&E Framework	<b>Yes</b>
2.	Irregular expenditure	The Department should implement measures to prevent irregular expenditure. In addition, the	The Department is currently implementing a pre approval procurement	In progress

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		Accounting Officer must ensure adequate planning and conduct regular checks as required in terms of section 38 of the PMFA to minimise the risk of incurring irregular expenditure	system that will curb the risk of irregular expenditure. A checklist will also be developed and implemented to capacitated supply chain officials. The approved service standards are also been implemented to curb the risk of incurring irregular expenditure	
3.	Supply Chain Management Policy	The Accounting Officer should also strengthen and enforce supply chain management policies at all times. Furthermore, officials who are found to disregard laws and regulations must be disciplined.	Training for supply chain officials and senior management will be conducted to strengthen and enforce prescripts and regulations. Officials are disciplined who are found to be in contravention of supply chain laws and regulations	In progress
4.	Review of SCM documents	The Accounting Officer should ensure that officials in the supply management unit review all supply chain management documents to ensure compliance with supply chain management policies.	Delegations are implemented in the Department to ensure that documents are reviewed at various management and senior management levels	Yes

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Nature of qualification - Library material asset register	2012/2013	Library material asset register has been compiled and submitted for 2013/2014.
Emphasis of matter – Under spending of budget	2012/2013	Under spending has decreased significantly for 2013/2014.
Non Compliance – Annual financial statements	2012/2013	A project plan was implemented to review the 2013/2014 financial

		statements.
Non compliance – Procurement, contract and expenditure management	2012/2013	For the 2014/2015, the Department is implementing more stringent controls to address this non compliance.
Non compliance – Asset management and liability management	2012/2013	A project was initiated to ensure the Department has a library material asset register on the library services database system.
Non compliance – Human resource management and compensation	2012/2013	Posts were advertised in line with the PSR (2008) and the departmental recruitment and selection policy. Where other recruitment methods were utilised excluding advertisements, appropriate approval was requested and gained from the Executive Authority.

## **10. INTERNAL CONTROL UNIT**

The Department's internal audit function is performed by the Shared Provincial Internal Audit Unit which fulfils an independent assurance function. The internal audit unit follows a risk-based audit approach in providing management and the audit committee with assurance on the adequacy and effectiveness of governance, risk management and internal control processes. The internal audit unit is guided by an Internal Audit Charter approved by the Audit Committee and performs its functions as provided in the Public Finance Management Act (PFMA) and the internal audit charter.

The internal audit unit compiles a rolling three year risk-based plan and prepares an annual plan after taking into consideration the risks facing the department, strategic objectives, the department's mandate, audit issues and inputs by management. The audit committee approves the Internal Audit Plan for implementation.

The internal audit reviews performed for the financial year under review, were all in line with the approved annual audit plan and are detailed in the Audit Committee annual report.

Internal audit findings were communicated timely and management implemented measures to mitigate the risks. Significant matters identified during the audit were reported to the Audit Committee.

## **11. INTERNAL AUDIT AND AUDIT COMMITTEES**

Throughout the year under review, the Audit Committee operated in terms of an approved Audit Committee Charter, which was the committee's approved terms of reference.

The Audit Committee has, as part of its oversight responsibility on a quarterly basis, followed up on audit findings to ensure that issues raised were addressed timely.

Further information relating to the Audit Committee, as required by the PFMA and Treasury Regulations is included in the Audit Committee's Report, which is incorporated in the annual report of the department.

## 12. AUDIT COMMITTEE REPORT

### 1. REPORT OF THE AUDIT COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2014. The Audit Committee was operational throughout the year and had several engagements with management on crucial financial management, internal control, risk management and governance issues during the year. The Audit Committee acknowledges the attendance and participation of senior management including the Accounting Officer in the Audit Committee meetings

### 2. AUDIT COMMITTEE MEMBERS AND ATTENDANCE

In terms of PFMA, section 77(b), an audit committee must meet at least twice a year. In addition, Treasury Regulations, section 3.1.16, provides that an audit committee must meet at least annually with the Auditor-General. The audit committee met five times during the year in compliance with the PFMA and also met with the Auditor General.

The names of the members of the audit committee as well as the number of meetings attended by the members are tabulated below

#	Name	Internal or external member	Qualifications	Date appointed	Number of meetings attended
1	Mr. Hyacinth Chineme Ogu	Chairperson - Independent Member	B.sc (Hons.) Accountancy, CA, MBA, CIA	1/10/ 2011	4 out of 4
2.	Mr. Zola Luxolo Fahlani	Independent Member	B.Comm, B.Compt (Hons), M.Comm, H.DipTax, CA (SA)	1/10/ 2011	4 out of 4
3.	Adv. Frans van der Westhuizen	Independent Member	Dip.Juris, B. Juris, LLB	1/10/ 2011	4 out of 4

### **3. AUDIT COMMITTEE RESPONSIBILITY**

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

### **4. THE EFFECTIVENESS OF INTERNAL CONTROL**

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the department revealed certain weaknesses, which were then raised with the Department.

#### **4.2 The following internal audit work was completed during the year under review:**

- 4.2.1 Management Performance Assessment Tool (MPAT) 1.3
- 4.2.2 Review of Interim Financial Statements for the period ended 30 September 2013
- 4.2.3 Audit of Performance Information
- 4.2.4 Audit of Risk Management
- 4.2.5 Audit of Records management
- 4.2.6 Information Technology governance audit
- 4.2.7 Contract Management
- 4.2.8 Human Resource Management
- 4.2.9 Audit of Library Books
- 4.2.10 Follow up audits on the following:
  - ✓ Conditional grants management
  - ✓ King III

#### **4.3 Other internal audit management responsibilities performed during the year relate to the following:**

- 4.3.1 Assurance was provided to Audit Committee on standing items in the Audit Committee packs
- 4.3.2 Audit strategy, planning, interaction, review and administration
- 4.3.3 Development of 2014/2016 three year rolling and 2014/15 risk based internal audit plan
- 4.3.4 Attendance and reporting to the AC

**4.4 The following were areas of concern:**

- 4.4.1 Inadequate controls exist over verification of employee appointments
- 4.4.2 Lack of approved HR plan
- 4.4.3 Some standards for KPA 2 and 3 of MPAT 1.3 remains a challenge
- 4.4.4 Lack of Risk management unit in the organogram and consequently no planned targets on the Annual Performance Plan
- 4.4.5 No Fraud prevention strategy is in place
- 4.4.6 Lack of evaluation of performance of Risk Management Committee members
- 4.4.7 Continuous payment of service providers whose contracts had lapsed.
- 4.4.8 Control weaknesses around short term car rentals
- 4.4.9 Lack of controls over Asset verification
- 4.4.10 Several internal control weaknesses over Conditional grants including lack of conditional grants procedure manual, lack of regulation reconciliation of conditional grants as well as late or non submission of business plan for conditional grants
  
- 4.4.11 Controls over library books were either lacking or ineffective.
- 4.4.12 Several Information Technology related weaknesses were noted

Management has however develop a pragmatic action plan to address the above issues within a reasonable time period

**5. IN-YEAR MANAGEMENT AND MONTHLY/QUARTERLY REPORT**

The department has been reporting monthly and quarterly to the Treasury as is required by the PFMA. We had engagements with the Department's management to provide clarity on completeness and quality of the monthly and quarterly reports during our quarterly meetings and officials of the Department were able to clarify areas of concern raised by the audit committee.

**6. EVALUATION OF FINANCIAL STATEMENTS**

6.1 The audit committee has reviewed the unaudited financial statements for the year ended 31 March 2014 and has discussed matters of concern with management. The audit committee has further reviewed the audited financial statements and discuss the statements with the Auditor-General as well as the Accounting Officer

6.2 The audit committee has reviewed the Auditor-General's management report and management responses thereto and has directed management to develop a comprehensive action plan to address all issues raised by the Auditor-General. The audit committee will review the action plan and monitor implementation thereof during the quarterly audit committee meetings.

6.3 The audit committee has reviewed the accounting policies applied in the compilation of the annual financial statements and is satisfied that the policies are consistent with those of prior year, have been consistently applied and are in accordance with the National Treasury guidelines.

6.4 The audit committee reviewed the department's compliance with legal and regulatory provisions during the quarterly audit committee meetings and management has been directed to implement remedial measures where instances of non compliance were noted.

6.5 The audit committee has reviewed the information on predetermined objectives to be included in the annual report as part of the review of the audited financial statements.

6.6 The audit committee has reviewed significant adjustments resulting from the audit as part of the review of the audited financial statements

6.8 The audit committee hereby indicates its concurrence with the Auditor-General's conclusion on the annual financial statement as well as the qualified audit opinion of the Auditor-General.

## **7. INTERNAL AUDIT**

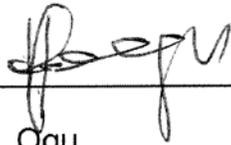
The audit committee is satisfied as to the effectiveness of internal audit function during the year and that the internal audit activity has to a large extent addressed the risks pertinent to the Department.

## **8. AUDITOR-GENERAL SOUTH AFRICA**

We have reviewed the Department's implementation plan for audit issues raised in the prior year and we are satisfied that the matters have been adequately resolved except for the following:

- Ineffective asset management, i.e. minor and major, including reconciliation
- Payment of invoices within 30 days
- Under- achievement of targets on APP

The audit committee met with representatives from the Office of the Auditor-General South Africa during the year to discuss issues of mutual concern and ensure that there are no unresolved issues.



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C. Ogu

Chairperson of the Audit Committee

Date: 2014-08-01

## **PART D: HUMAN RESOURCE MANAGEMENT**

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# PART D:

## HUMAN RESOURCE MANAGEMENT

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### 1. INTRODUCTION

#### The value of human resources in the Department

Our people are the foremost contributors to the achievements of DSAC and to the successes of the Northern Cape Government Service excellence depends on the well-being of our organization and its people. Therefore, we:

- value people who act with integrity, and are engaged, caring, competent, accountable and responsive;
- see people management to be the responsibility of everyone;
- ground the management of our people in the principles of dignity, respect, transparency and equity;
- grow, develop, empower and enable our people to reach and use their full potential; and
- embrace diversity and have a deep respect for one another's culture, individuality, language, values and beliefs.

### 2. OVERVIEW OF HUMAN RESOURCES

People are a key element for achieving the strategic objectives of the Department. Therefore DSAC utilises human resource planning to ensure that it has the right people, with the right skills, at the right place at the right time.

It is within this context that the Department's strategic HR Plan was developed and implemented for the period 1 April 2010 to 31 March 2014. The HR Plan was reviewed to determine whether the human resource strategic objectives were still valid and whether it addressed the HR priorities in the department. Bi-annual progress reports monitored the implementation of the key activities contained within the HR Plan and were submitted to the DPSA (with approval of our Executive Authority) as directed.

## 2.1 Set human resource priorities for the year under review and the impact of these priorities

Nr.	HR Priority	Impact
1	➤ Ensure that HR policies, Procedures and Strategies are in place.	Approved HR Policies
2	➤ Capacitating Human Resource in order to carry out its functions in the critical areas e.g. Capacitating of the OD unit.	Establishment of the OD and EHW Units
3	➤ Focus on Retention and Recruiting Critical and Scarce Skills.	Identification of departmental scarce skills
4	➤ Ensure that staff establishment is aligned to the Organogram.	Aligned and reviewed organogram.
5	➤ Align WSP to the Strategic Objectives of the department.	Approved Workplace Skills Plan
5.1	➤ Capacitating internal workforce in order to improve service delivery and closing the gap of supply of scarce skills.	Scarce skills aligned study bursaries approved
5.2	➤ Recruit interns and learnership to assist in the critical and scarce skills areas.	Interns recruited for scarce skills sectors i.e heritage Learnership

## 2.2 Employee Performance Management Framework

The cornerstones of the Employee Performance Management Development System (EPMDS) are the basic requirement that all employees are obliged to do what is expected of them. These expectations and the required performance standards are concretized by means of job descriptions, performance agreements, business plans and/ or service level agreements.

Rewards and incentives are therefore only granted for work that qualitatively and quantitatively surpasses expected performance. Employees who are nominated for performance bonuses are assessed by moderation panels, who then examine the evidence of superior performance. Under-performing staff members are required to complete the actions stipulated in a Performance Improvement Plan and these are closely monitored to ensure absolute compliance with acceptable performance standards.

This system represents a more equitable, fair and open process. Moreover, it sets the framework in which both the employer and employee can equally realise their goals and objectives.

## 2.3 Employee wellness

Developing a wellness culture in DSAC is of strategic importance to ensure that employees achieve optimum levels of performance while feeling cared for and supported in the work context. The DSAC's transversal Employee Health and Wellness Programme (EHWP) follow a holistic approach to employee wellbeing and is largely preventative in nature, offering both primary and secondary services.

The Programme is monitored in the Department through monthly utilisation reports for primary services (24/7/365 Line management observation and monitoring and reporting) and secondary services (face-to-face counseling, trauma and critical incidents, training and targeted intervention, executive coaching and advocacy). A quarterly report is prepared by the EHWP section that provides a trend analysis of utilisation, risk such reporting focuses on four areas namely, HIV/AIDS, Health and Productivity, Wellness Management and SHEQ [Safety Health Environment, Risk and Quality] Management.

## 2.4 Policy development

The following policies were adopted during the performance year under review:

Nr.	Policy	Précis'
1	Recruitment & Selection	Provide the framework for the implementation of R&S in the department
2	R&S Circular on the Management of Candidates with Criminal Records	Provides the framework for the implementation and management recruiting candidates with criminal or disciplinary records
3	Policy on Job Rotation	Provides the framework for staff rotations for and multi-skilling purposes in the department
4	Policy on Special Leave	Provides the framework for special leave implementation in the department
5	Policy on Resettlement	Provides the framework for implementing staff resettlement benefits in the department
6	Policy on Remunerative Work outside of the Public Service	Provides the frameworks for conditions according to which the employer may approve for an employee to work outside of the public service
7	Policy on Gifts, Donations and Hospitality	Provides the framework for staff to receive gifts donations and hospitality including the declarations of such gifts hospitality and donations
8	Policy of Ethics	Provides a framework for ethics and conduct by departmental staff
9	Policy on Employment Equity	Provides a framework for the implementation of employment equity in the department.
10	Policy on Disciplinary Code & Procedure	Provides the code and procedure for implementing discipline in the department
11	J.E Policy	Provides the framework according to which Job Evaluation is concluded in the department
12	Overtime Policy	Provides the framework for working and claiming overtime in the department
13	Bereavement Policy	Provides the framework for dealing with the death of an employee and or the death of an immediate family member of an employee
14	HIV/AIDS, TB, STi Policy	Provides the framework to recognize the serious impact of HIV/AIDS in the workplace
15	EAP/Employee Wellness Policy	Provides the framework to offer constructive assistance in the form of confidential counseling and referral to employees experiencing personal as well as work related problems
16	Policy and Guidelines on Retention of Skills	Provides the framework to prevent the loss of competent staff scarce and critical skills from the department which could have an adverse effect on

		service delivery
17	Study Assistance Policy	Provides the framework to promote educational growth and development for employees for effective performance in their duties and tasks. Further to promote the acquisition of scarce and critical skills for the Department and the sector

### 3. HUMAN RESOURCES OVERSIGHT STATISTICS

#### 3.2 Personal Related Expenditure

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

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

*Table 3.1.1 Personnel expenditure by programme for the period 1 April 2013 and 31 March 2014*

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure
Administration	58,206	29 177	198	-	50.1
Cultural Affairs	45 812	21 147	62	-	46.2
Library and Archives Services	99 522	20 962	236	-	21.1
Sport and Recreation	56 690	9 654	13	-	17
<b>Total</b>	<b>256 651</b>	<b>80 940</b>	<b>509</b>	<b>-</b>	<b>31.5</b>

*Table 3.1.2 Personnel costs by salary band for the period 1 April 2013 and 31 March 2014*

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	3 004	3.6	100,133
Skilled (Levels 3-5)	8 510	10.2	163,654
Highly skilled production (Levels 6-8)	13 649	16.6	293,319
Highly skilled supervision (Levels 9-12)	23 634	28.5	447,811
Senior management (Levels 13-16)	8 664	10.5	1,095, 500
Contract (Levels 1-2)	9 262	11.1	66,6 33
Contract (Levels 3-5)	8 356	10.1	144,069
Contract (Levels 6-8)	2 331	2.9	243,100
Contract (Levels 9-12)	909	1.1	303,00
Contract (Levels 13-16)	1 040	1.3	520,000
Periodical appointments	4	0	2,000
Abnormal appointments	1 577	1.9	6,283
<b>Total</b>	<b>80 940</b>	<b>97.9</b>	<b>12,4240</b>

*Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2013 and 31 March 2014*

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Administration	19 704	91.6	-	-	622	2.1	1,230	5.7
Cultural Affairs	14 846	89.1	-	-	769	3.6	1,112	6.7
Library and Archives Services	14 405	96.7	-	-	204	0.9	296	2
Sport and Recreation	6467	97.3	-	-	107	1.1	90	1.4
<b>Total</b>	<b>55 422</b>	<b>92.8</b>	<b>-</b>	<b>-</b>	<b>1 702</b>	<b>2</b>	<b>2,728</b>	<b>3.3</b>

*Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2013 and 31 March 2014*

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Lower skilled (Levels 1-2)	1573	56.6	-	-	248	8.2	386	12.8
Skilled (Levels 3-5)	5 176	65.1	-	-	515	6	833	9.7
Highly skilled production (Levels 6-8)	9 240	71.7	-	-	474	3.4	790	5.7
Highly skilled supervision (Levels 9-12)	13 645	60.8	-	-	361	1.5	625	2.5
Senior management (Levels 13-16)	6 570	80.7	-	-	104	1.1	94	1
Contract (Levels 1-2)	7 133	86.4	-	-		-	-	-
Contract (Levels 3-5)	7 480	95.2	-	-		-	-	-
Contract (Levels 6-8)	2 187	97.2	-	-		-	-	-
Contract (Levels 9-12)	805	97.7	-	-		-	-	-
Contract (Levels 13-16)	910	97.5	-	-		-	-	-
Periodical Appointments	4	100				-	-	-
Abnormal appointments	699	67.5	-	-		-	-	-
<b>Sub Total</b>	<b>55 422</b>	<b>73.6</b>	-	-	<b>1702</b>	<b>2</b>	<b>2,728</b>	<b>3.3</b>

### 3.3 Employment and Vacancies

*Table 3.2.1 Employment and vacancies by programme as on 31 March 2014*

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment	Vacancy Rate taking additional staff into account
Administration	81	75	7.4	4	-
Cultural Affairs, Permanent	81	72	11.1	10	-

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment	Vacancy Rate taking additional staff into account
Library and Archives Services, Permanent	29	27	6.9	170	-
Sport and Recreation, Permanent	12	11	8.3	29	-
Sport and Recreation EPWP (Social Sector) Incentive Grant	-	-	-	61	-
Library EPWP (Environment) Incentive Grant	-	-	-	188	-
<b>Total</b>	<b>203</b>	<b>185</b>	<b>8.9</b>	<b>462</b>	<b>-</b>

**NB:Table 3.2.1** Vacancy rate taking additional staff into account reflects as zero as these post are additional posts. According to the DPSA calculation for vacancy rate is only applicable to permanent appointments.

*Table 3.2.2 Employment and vacancies by salary band as on 31 March 2014*

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	26	26	0	139
Skilled (Levels 3-5)	55	50	9.1	58
Highly skilled production (Levels 6-8)	57	49	14	10
Highly skilled supervision (Levels 9-12)	55	53	3.6	3
Senior management (Levels 13-16)	10	7	30	3
Sport and Recreation EPWP (Social Sector) Incentive Grant	-	-	-	61
Library EPWP (Environment) Incentive Grant	-	-	-	188
<b>Total</b>	<b>203</b>	<b>185</b>	<b>8.9</b>	<b>462</b>

**NB:Table 3.2.2.** Number of posts additional to the establishment is comprised of Sport MPP and Library Service Conditional Grants including EPWP environment and Social sector incentive appointments

*Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2014*

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administration related Permanent	50	50	-	6
All artisan in the building,	5	4	20	
Auxiliary and related, Permanent	-	-	-	-
Archivists curators and related professionals	3	3	-	
Biologists botanists, zoologists	1	1	-	
Building and other property caretakers	3	3	-	
Cleaners in offices, workshops hospitals etc	27	26	3.7	
Client inform clerks (switchboard operator, receptionist)	8	8	-	
Conservation, labourers, permanent	-	-	-	
Communication and information related work	3	3	-	
Finance and economics, Permanent	-	-	-	
Financial related professionals	4	4	-	
Financial clerks and credit controllers	10	9	10	5
Food Services aids	1	1	-	
Household and Laundry workers	-	-	-	
Human Resources and organisational development	4	3	25	
Human Resources Clerks, permanent	4	1	75	3
Human Resources related, permanent	5	5	-	2
Language practitioners interpreters	2	2	-	
Librarians & related professionals	2	2	-	
Library Mail and related clerks	23	22	4.3	2

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Material –recording and transport clerks	2	2	-	
Messengers porters and delivers	2	2	-	1
Natural Science and related, permanent	11	11	-	-
Other administrators and related clerks	12	8	33.3	10
Other administrative policy and related officers	2	1	50	-
Other information technology personnel	4	4	-	1
Other occupations, permanent	1	1	-	180
Secretaries & other keyboard operators	1	1	-	-
Security office	1	1	-	-
Senior Managers, permanent	10	7	30	3
Trade labourers, permanent	2	-	100	-
Sport and Recreation EPWP (Social Sector) Incentive Grant	-	-	-	61
Library EPWP (Environment) Incentive Grant	-	-	-	188
<b>Total</b>	<b>203</b>	<b>185</b>	<b>8.9</b>	<b>462</b>

### **3.3 Filling of SMS Posts**

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

*Table 3.3.1 SMS post information as on 31 March 2013*

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Salary Level 16 (Member of the Executive Council)	1	1	100%	-	-
Salary Level 15 (Deputy	1	1	100%	-	-

Director-General/ Head of Department)					
Salary Level 14	2	2	100%	0	-
Salary Level 13	8	6	75%	2	25%
<b>Total</b>	<b>12</b>	<b>10</b>	<b>83.3%</b>	<b>2</b>	<b>16.7%</b>

*Table 3.3.2 SMS post information as on 30 September 2013*

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Salary Level 16 (Member of the Executive Council)	1	1	100%	-	-
Salary Level 15 (Deputy Director General / HOD)	1	1	100%	-	-
Salary Level 14	2	2	100%	-	-
Salary Level 13	8	6	75%	2	25%
<b>Total</b>	<b>12</b>	<b>10</b>	<b>83.3%</b>	<b>2</b>	<b>16.7%</b>

*Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2013 and 31 March 2014*

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Salary Level 16 (Member of the Executive Council)	1	1	100%	-	-
Salary Level 15 (Deputy Director General / HOD)	1	1	100%	-	-
Salary Level 14	2	1	50%	1	50%
Salary Level 13	9	7	77.7%	2	22.2%
<b>Total</b>	<b>13</b>	<b>10</b>	<b>76.9%</b>	<b>3</b>	<b>23.07%</b>

*Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2013 and 31 March 2014*

<b>Reasons for vacancies not advertised within six months</b>
The HR Delegations are centralised to the Executive Authority.

<b>Reasons for vacancies not filled within six months</b>
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The HR Delegations are centralised to the Executive Authority.

#### Notes

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

*Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2013 and 31 March 2014*

Reasons for vacancies not advertised within six months
None. Engagement was concluded with the OTP by the department to advise the Executive Authority in this regard.

Reasons for vacancies not filled within six months
None. Engagement was concluded with the OTP by the department to advise the Executive Authority in this regard.

#### Notes

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

### 3.4 Job Evaluation

*Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2013 and 31 March 2014*

Salary band	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	27	-	-	-	-	-	-
Skilled (Levels 3-5)	57	18	31.6	8	77.7	-	-
Highly skilled production (Levels 6-8)	78	8	10.3	6	75	-	-
Highly skilled supervision (Levels 9-12)	28	-	-	-	-	-	-
Senior management (Levels 13-16)	7	-	-	-	-	-	-
Contract (Levels 1-2)	94	-	-	-	-	-	-

Contract (Levels 3-5)	61	11	18	8	72.7	-	-
Contract (Levels 6-8)	9	-	-	-	-	-	-
Contract (Levels 9-12)	1	-	-	-	-	-	-
Contract (Levels 13-16)	3	-	-	-	-	-	-
<b>Total</b>	<b>365</b>	<b>37</b>	<b>10.1</b>	<b>28</b>	<b>75.7</b>	<b>0</b>	<b>0</b>

*Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2013 and 31 March 2014*

Beneficiaries	African	Asian	Coloured	White	Total
Female	8	-	10	1	19
Male	6	-	3	-	9
<b>Total</b>	<b>14</b>	<b>-</b>	<b>13</b>	<b>1</b>	<b>28</b>
<b>Employees with a disability</b>					<b>-</b>

*Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2013 and 31 March 2014*

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Lower skilled (Levels 1-2)	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-
Highly skilled supervision (Levels 9-12)	-	-	-	-
Senior Management Service Band A,B,C,D	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2013/14</b>				<b>-</b>
<b>Percentage of total employment</b>				<b>-</b>

*Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2013 and 31 March 2014*

Beneficiaries	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

Employees with a disability	-
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Total Number of Employees whose salaries exceeded the grades determined by job evaluation in 2013/14	None
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### **3.5 Employment Changes**

*Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2013 and 31 March 2014*

Salary Band	Number of employees per band as on 1 April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	27	-	-	-
Skilled (Levels 3-5)	57	-	4	7
Highly skilled production (Levels 6-8)	78	1	8	10.3
Highly skilled supervision (Levels 9-12)	28	1	2	7.1
Senior Management Service (13-16)	7	1	2	28.6
Contract (Levels 1-2)	94	-	-	-
Contract (Levels 3-5)	61	-	1	1.6
Contract (Levels 6-8)	9	-	-	-
Contract (Levels 9-12)	1	1	-	-
Contract (Level 13-16)	3	1	-	-
<b>Sub-Total</b>	<b>365</b>	<b>5</b>	<b>17</b>	<b>4.7</b>

Salary Band	Number of employees per band as on 1 April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Sport and Recreation EPWP Incentive Grant	67	-	-	-
Library EPWP Incentive Grant	201	-	-	-
<b>Total</b>	<b>633</b>	<b>5</b>	<b>17</b>	<b>4.7</b>

*Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2013 and 31 March 2014*

<b>Occupation:</b>	<b>Number of employees per occupation as on 1 April 2013</b>	<b>Appointments and transfers into the department</b>	<b>Terminations and transfers out of the department</b>	<b>Turnover rate</b>
Administration related Permanent	54	2	-	-
All artisan in the building,	5	-	1	20
Archivists curators and related professionals	4	-	-	-
Biologists botanists, zoologists	2	-	-	-
Building and other property caretakers	3	-	-	-
Cleaners in offices, workshops hospitals etc	27	-	1	3.7
Client inform clerks (switchboard operator, receptionist)	8	-	-	-
Communication and information related work	3	-	-	-
Financial related professionals	3	-	-	-
Financial clerks and credit controllers	13	-	1	7.7
Food Services aids	1	-	-	-
Human Resources and organisational development	3	-	1	33.3
Human Resources Clerks, permanent	8	1	3	37.5
Human Resources related, permanent	4	-	-	-
Language practitioners interpreters	2	-	-	-
Librarians & related professionals	2	-	-	-
Library Mail and related clerks	24	-	1	4.2
Material –recording and transport clerks	2	-	-	-
Messengers porters and delivers	3	-	-	-
Natural Science and related, permanent	11	-	-	-
Other administrators and related clerks	25	-	4	16

Occupation:	Number of employees per occupation as on 1 April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Other administrative policy and related officers	2	-	1	50
Other information technology personnel	5	-	-	-
Other occupations, permanent	135	-	-	-
Secretaries & other keyboard operators	4	-	-	-
Security office	1	-	-	-
Senior Managers, permanent	9	2	2	22.2
Trade labourers, permanent	2	-	2	100
<b>Sub-Total</b>	<b>365</b>	<b>5</b>	<b>17</b>	<b>4.7</b>
Sport and Recreation EPWP Incentive Grant	67			
Library EPWP Incentive Grant	201			
<b>Total</b>	<b>633</b>	<b>5</b>	<b>17</b>	<b>4.7</b>

*Table 3.5.3 Reasons why staff left the department for the period 1 April 2013 and 31 March 2014*

Termination Type	Number	% of total
Death	2	11.8
Resignation	3	17.6
Expiry of contract	1	5.9
Retirement	5	29.4
Dismissal	1	5.9
Transfer out of department	5	29.4
<b>Total</b>	<b>17</b>	<b>4.7</b>
Total number of employees who left as a % of the total employment		<b>4.7</b>

**Table 3.5.4 Promotions by critical occupation for the period 1 April 2013 and 31 March 2014**

<b>Occupation</b>	<b>Employees as at 1 April 2013</b>	<b>Promotions to another salary level</b>	<b>Salary level promotions as a % of employees by occupation</b>	<b>Progressions to another notch within a salary level</b>	<b>Notch progressions as a % of employees by occupation</b>
Administration related Permanent	54	2	3.7	42	77.8
All artisan in the building,	5	-	-	5	100
Archivists curators and related professionals	4	-	-	3	75
Biologists botanists, zoologists	2	-	-	1	50
Building and other property caretakers	3	-	-	2	66.7
Cleaners in offices, workshops hospitals etc	27	-	-	20	74.1
Client inform clerks (switchboard operator, receptionist)	8	-	-	6	75
Communication and information related work	3	-	-	2	66.7
Financial related professionals	3	-	-	3	100
Financial clerks and credit controllers	13	-	-	3	23.1
Food Services aids	1	-	-	1	100
Human Resources and organisational development	3			3	100
Human Resources Clerks, permanent	4	2	50	4	100
Human Resources related, permanent	8	-	-	8	100
Language practitioners interpreters	2	-	-	2	100
Librarians & related professionals	2	-	-	2	100
Library Mail and related clerks	24	-	-	19	79.2
Material –recording and transport clerks	2	-	-	1	50
Messengers porters and delivers	3	-	-	3	100
Natural Science and related, permanent	11	-	-	10	90.9
Other administrators and related clerks	25	-	-	12	48

Occupation	Employees as at 1 April 2013	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Other administrative policy and related officers	2	-	-	1	50
Other information technology personnel	5	-	-	5	100
Other occupations, permanent	135	-	-	129	95.6
Secretaries & other keyboard operators	4	-	-	4	100
Security Officer	1	-	-	1	100
Senior Managers, permanent	9	-	-	-	-
Trade labourers, permanent	2	-	-	-	-
<b>Sub-Total</b>	<b>365</b>	<b>4</b>	<b>1.1</b>	<b>292</b>	<b>80.4</b>
Sport and Recreation EPWP Incentive Grant	<b>67</b>	-	-	-	-
Library EPWP Incentive Grant	<b>201</b>	-	-	-	-
<b>Total</b>	<b>633</b>	<b>4</b>	<b>1.1</b>	<b>292</b>	<b>80.4</b>

*Table 3.5.5 Promotions by salary band for the period 1 April 2013 and 31 March 2014*

Salary Band	Employees 1 April 2013	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	17	-	-	10	58.8
Skilled (Levels 3-5)	67	-	-	66	98.5
Highly skilled production (Levels 6-8)	40	2	5	36	90
Highly skilled supervision (Levels 9-12)	56	2	3.6	44	78.6
Senior Management Service (13-16)	7	-	-	0	-
Contract (Levels 1-2)	104	-	-	100	96.2

Salary Band	Employees 1 April 2013	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Contract (Levels 3-5)	61	-	-	28	45.9
Contract (Levels 6-8)	9	-	-	7	77.8
Contract (Levels 9-12)	1	-	-	1	100
Contract (Band A)	3	-	-	-	-
<b>Total</b>	<b>365</b>	<b>4</b>	<b>1.1</b>	<b>292</b>	<b>80.4</b>

### 3.6 Employment Equity

*Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2014*

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	4	1	2	-	1	2	-	-	10
Professionals	9	6	1	2	9	2	-	1	30
Technicians and associate professionals	20	12	-	4	13	11	-	8	68
Clerks	10	7	-	1	24	23	-	6	71
Service and sales workers	-	1	-	-	-	-	-	-	1
Craft and related trades workers	2	2	-	-	-	-	-	-	4
Elementary occupations	49	36	-	-	69	59	-	1	214
<b>Total</b>	<b>94</b>	<b>65</b>	<b>3</b>	<b>7</b>	<b>116</b>	<b>97</b>	<b>-</b>	<b>16</b>	<b>398</b>
Sport and Recreation (EPWP Social Sector Incentive Grant)	10	19	0	0	18	20	-	-	67
Library Transformation Service (EPWP Environmental Incentive Grant)	40	16	0	0	65	80	-	-	201
<b>Employees with disabilities</b>	1	1	0	0	1	2	0	0	5

**Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2014**

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	1	-	-	-	1	-	-	2
Senior Management	4	-	1	-	1	-	-	-	6
Professionally qualified and experienced specialists and mid-management	5	9	1	3	5	2	-	2	27
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	20	9	-	3	16	15	-	12	75
Semi-skilled and discretionary decision making	14	11	-	1	12	11	-	1	50
Unskilled and defined decision making	6	4	-	-	10	6	-	-	26
Contract (Senior Manager)	-	-	1	-	-	1	-	-	2
Contract (Professionally qualified)	-	-	-	-	-	-	-	-	
Contract (Skilled technical)	5	1			4	3	-	-	13
Contract (Semi-skilled and discretionary)	22	14			17	5	-	-	58
Contract (Unskilled and defined decision making)	18	16	-	-	51	53	-	1	139
<b>Sub Total</b>	<b>94</b>	<b>65</b>	<b>3</b>	<b>7</b>	<b>116</b>	<b>97</b>		<b>16</b>	<b>398</b>
Sport and Recreation (EPWP Social Sector Incentive Grant)	10	19	0	0	18	20	-	-	67
Library Transformation Service (EPWP Environmental Incentive Grant)	40	16	0	0	65	80	-	-	201
<b>Employees with disabilities</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>5</b>

*Table 3.6.3 Recruitment for the period 1 April 2013 to 31 March 2014*

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	1	-	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management	-	-	-	-	-	--	-	-	-
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	-	-	-	-	1	-	-	-	1
Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Contract (Senior Manager)	-	-	-	-	-	1	-	-	1
Contract (Professionally qualified)	-	-	-	-	-	-	-	-	-
Contract (Skilled technical)	1	-	-	-	1-	-	-	-	2
Contract (Semi-skilled and discretionary)	-	-	-	-	-	-	-	-	-
Contract (Unskilled and defined decision making)	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2</b>				<b>2</b>	<b>1</b>			<b>5</b>
Sport and Recreation (EPWP Social Sector Incentive Grant)	10	19	0	0	18	20	-	-	67
Library Transformation Service (EPWP Environmental Incentive Grant)	40	16	0	0	65	80	-	-	201

*Table 3.6.4 Promotions for the period 1 April 2013 to 31 March 2014*

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management	-	-	-	-	-	-	-	-	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	-	-	-	-	2	2	-	-	4
Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	<b>2</b>	<b>2</b>	-	-	<b>4</b>

**Table 3.6.5 Terminations for the period 1 April 2013 to 31 March 2014**

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	1	1	-	-	-	-	-	-	2
Professionally qualified and experienced specialists and mid-management	-	-	-	-	-	-	-	-	-
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	2	-	1	2	2	-	1	9
Semi-skilled and discretionary decision making	1	2	-	-	1	-	-	-	4
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Contract (Senior Manager)	-	-	-	-	-	-	-	-	-
Contract (Professionally qualified)	-	1	-	-	-	-	-	-	1
Contract (Skilled technical)	-	-	-	-	-	-	-	-	-
Contract (Semi-skilled and discretionary)	-	-	-	-	1	-	-	-	1
Contract (Unskilled and defined decision making)	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3</b>	<b>6</b>		<b>1</b>	<b>4</b>	<b>2</b>		<b>1</b>	<b>17</b>
Sport and Recreation (EPWP Social Sector Incentive Grant)	0	4	0	0	0	2	0	0	6
Library Transformation Service (EPWP Environmental Incentive Grant)	2	2	0	0	2	1	0	0	7
Employees with disabilities	-	-	-	-	-	-	-	-	-

*Table 3.6.6 Disciplinary action for the period 1 April 2013 to 31 March 2014*

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Misconduct – Insubordination	1	-	-	-	-	-	-	-	1
<b>Total</b>	<b>1</b>	-	-	-	-	-	-	-	<b>1</b>

*Table 3.6.7 Skills development for the period 1 April 2013 to 31 March 2014*

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	1	-	1	-	1	-	-	-	3
Professionals	5	6	-	1	3	1	-	-	16
Technicians and associate professionals	-	-	-	-	2	-	-	1	3
Clerks	-	-	-	-	-	-	-	-	-
Elementary occupations	-	-	-	-	-	-	-	-	-
Contract	-	-	-	-	1	-	-	-	1
Interns	-	-	-	-	-	1	-	-	1
<b>Total</b>	<b>6</b>	<b>6</b>	<b>1</b>	<b>1</b>	<b>7</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>22</b>
Employees with disabilities	-	-	-	-	-	1	-	-	1

### 3.1. Signing of Performance Agreements by SMS Members

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

*Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2013*

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Salary Level 16 (Member of the Executive Council )	0	0	0	0
Salary Level 15 (Deputy Director General / Head of Department)	1	1	1	100%
Salary Level 14	2	1	1	50%
Salary Level 13	10	8	8	80%
<b>Total</b>	<b>13</b>	<b>13</b>	<b>10</b>	<b>76.6</b>

#### Notes

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 20ZZ.

*Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2014*

Reasons
<b>Two posts at SMS level vacant funded during this reporting period. In this regard no P.A's were concluded</b>

#### Notes

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

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 20ZZ

Reasons

#### Notes

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

### 3.8 Performance Rewards

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2013 to 31 March 2014

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African Female	33	105	31.4	225	6,818
African Male	21	89	23.6	157	7,476
Asian Female	0	0	0	-	
Asian Male	1	3	33.3	18	18,000
Coloured Female	26	80	32.5	197	7,577
Coloured Male	16	63	25.4	156	9,750
Total Black Female	59	185	31.9	422	7,153
Total Black Male	38	155	24.5	333	8,763
White Female	10	17	58.8	101	10,100
White Male	3	8	37.5	47	15,667
<b>Total</b>	110	365	30.1	901	8191
Employees with a disability	2	4	50		

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2013 to 31 March 2014

Salary Bands	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
Lower skilled (Levels 1-2)	6	27	22.2	26	4,333
Skilled (Levels 3-5)	31	57	54.4	164	5,290
Highly skilled production (Levels 6-8)	25	78	32.1	222	8,880

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Highly skilled supervision (Levels 9-12)	23	28	82.1	375	16,304
Senior Management (level 13-16)	-	7	-	-	-
Contract (Levels 1-2)	9	94	9.6	29	3,222
Contract (Levels 3-5)	13	61	21.3	57	4,385
Contract (Levels 6-8)	2	9	22.2	16	8,000
Contract (Levels 9-12)	1	1	100	12	12,000
Contract (level 13-16)	-	3	-	-	-
<b>Total</b>	<b>110</b>	<b>365</b>	<b>30.1</b>	<b>901</b>	<b>8191</b>

*Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2013 to 31 March 2014*

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administration related Permanent	20	54	37	231	11,550
All artisan in the building,	1	5	20	14	14,000
Archivists curators and related professionals	3	4	75	34	11,333
Biologists botanists, zoologists	1	2	50	11	11,000
Building and other property caretakers	0	3	0	0	0
Cleaners in offices, workshops hospitals	7	27	25.9	35	5,000
Client inform clerks (switchboard operator, receptionist)	2	8	25	9	4,500
Communication and information related work	1	3	33.3	20	20,000
Financial related professionals	3	3	100	50	16,667
Financial clerks and credit controllers	7	13	53.8	42	6,000
Food Services aids	1	1	100	3	3,000
Human Resources and organisational development	3	3	100	34	11,333
Human Resources Clerks, permanent	1	8	12.5	4	4,000
Human Resources related, permanent	5	5	100	55	11,000
Language practitioners interpreters	2	2	100	20	10,000
Librarians & related professionals	2	2	100	17	8,500
Library Mail and related clerks	9	24	37.5	41	4,556
Material –recording and transport clerks	1	2	50	8	8,000
Messengers porters and delivers	3	3	100	17	5,667
Natural Science and related, permanent	7	11	63.6	72	10,286
Other administrators and related clerks	10	25	40	60	6,000
Other administrative policy and related officers	1	2	50	12	12,000
Other information technology personnel	5	5	50	44	8,800

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Other occupations, permanent	13	135	9.6	62	4,769
Secretaries & other keyboard operators	1	4	25	6	6,000
Security office	0	1	0	R 0	
Senior Managers, permanent	0	9	0	R 0	
Trade labourers, permanent	0	2	0	R 0	
<b>Total</b>	<b>110</b>	<b>365</b>	<b>30.1</b>	<b>901</b>	<b>8191</b>

*Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2013 to 31 March 2014*

Salary Band	Beneficiary Profile			Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within band			
				0	0	0
Band A	0	7	0	0	0	0
Band B	0	1	0	0	0	0
Band C	0	1	0	0	0	0
Band D	0	1	0	0	0	0
<b>Total</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 3.10 Leave utilisation

*Table 3.10.1 Sick leave for the period 1 January 2013 to 31 December 2013*

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)	248	29.8	24	16.7	10	17,947.70
Skilled (Levels 3-5)	346	23.1	34	23.6	10	37,021.56
Highly skilled production (Levels 6-8)	315	25.1	38	26.4	8	59,901.14
Highly skilled supervision (Levels 9-12)	332	22.9	39	27.1	9	129,901.14
Senior management (Levels 13-16)	43	16.3	3	2.1	14	35,982.46
Contract (Levels 1-2)	-	-	-	-	-	-
Contract (Levels 3-5)	16	37.5	4	2.8	4	1,820.17
Contract (Levels 6-8)	14	35.5	2	1.4	7	2,198.52
Contract (Levels 9-12)	-	-	-	-	-	-
Contract (Levels 13-16)	-	-	-	-	-	-
<b>Total</b>	<b>1314</b>	<b>24.9</b>	<b>144</b>	<b>100</b>	<b>9</b>	<b>263,913.14</b>

*Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2013 to 31 December 2013*

Salary Band	Total days taken	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	17	100	1	100	17	2,051.41
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	-	-	-	-	-	-
Senior management (Levels 13-16)	-	-	-	-	-	-
<b>Total</b>	<b>17</b>	<b>100</b>	<b>1</b>	<b>100</b>	<b>17</b>	<b>2,051.41</b>

*Table 3.10.3 Annual Leave for the period 1 January 2013 to 31 December 2013*

Salary Bands	Total days taken	Average per employee	Number of employees who took leave
Lower skilled (Levels 1-2)	407	19	21
Skilled Levels 3-5)	1074	22	48
Highly skilled production (Levels 6-8)	1099	23	47
Highly skilled supervision(Levels 9-12)	1125	21	53
Senior management (Levels 13-16)	128	21	6
Contract (Levels 1-2)	-	-	-
Contract ( Level 3-5)	66	11	6
Contract (Levels 6-8)	37	19	2
Contract (Levels 9-12)	25	25	1
Contract (Levels 13-16)	-	-	-
<b>Total</b>	<b>3961</b>	<b>22</b>	<b>184</b>

*Table 3.10.4 Capped leave for the period 1 January 2013 to 31 December 2013*

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2013( R )
Lower skilled (Levels 1-2)	-	-	-
Skilled Levels 3-5)	0.68	0.68	402 641.41
Highly skilled production (Levels 6-8)	21	10.5	584 264.68
Highly skilled supervision(Levels 9-12)	-	-	-
<b>Total</b>	<b>21.68</b>	<b>11.18</b>	

*Table 3.10.5 Leave payouts for the period 1 April 2013 and 31 March 2014*

REASON	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2013/14 due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave payouts on termination of service for 2013/14	107,452.02	4	26,863.00
Current leave payout on termination of service for 2013/14	278,556.00	13	21,427.38
Leave payout for 2013/14 due to long service recognition.	84,480.00	7	12,068.57
<b>Total</b>	<b>470,488.52</b>	<b>24</b>	<b>60,358.95</b>

### 3.11 HIV/AIDS & Health Promotion Programmes

*Table 3.11.1 Steps taken to reduce the risk of occupational exposure*

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

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Ms. Z. Mongwe
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	x		During the financial year, one employee was designated for EHW/HIV AIDS/TB/STI in the Department. The budget is as follows: R49 000-00 : EHW R35 000-00 : OHS
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	x		Health and productivity management Wellness management HIV/AIDS&TB Management Occupational Health and Safety

Question	Yes	No	Details, if yes
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	x		The committee has been established. Names of the members of the committee are: Ms Z Mongwe Ms A Skermand Mr M le Grange Ms C Smith Mr V Midzi Mr T Moipolai Mr R Blaauw Mr S Mngxolo Ms C Pienaar Ms E Braaf
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	x		HIV/AIDS, TB and STI Policy approved in July 2013
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.		x	Training sessions on stigma and discrimination for employees in all districts quarterly
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	x		100% negative results of those tested in the workplace
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	x		Monitored and evaluated by the M&E section in the department on targets set and met.

### 3.12 Labour Relations

*Table 3.12.1 Collective agreements for the period 1 April 2013 and 31 March 2014*

Subject Matter	Date
None	

*Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2013 and 31 March 2014*

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	-	-
Verbal warning	-	-
Written warning	1	100

Final written warning	-	-
Suspended without pay	-	-
Fine	-	-
Demotion	-	-
Dismissal	-	-
Not guilty	-	-
Case withdrawn	-	-
<b>Total</b>	<b>1</b>	<b>100</b>

*Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2013 and 31 March 2014*

Type of misconduct	Number	% of total
<b>Total</b>		

*NB: No misconduct cases were reported for the performance period under review*

*Table 3.12.4 Grievances logged for the period 1 April 2013 and 31 March 2014*

	Number	% of Total
Number of grievances resolved	3	100
Number of grievances not resolved	-	-
<b>Total number of grievances lodged</b>	<b>3</b>	<b>100</b>

*Table 3.12.5 Disputes logged with Councils for the period 1 April 2013 and 31 March 2014*

	Number	% of Total
Number of disputes upheld	-	-
Number of disputes dismissed	2	100
<b>Total number of disputes lodged</b>	<b>2</b>	<b>100</b>

*Table 3.12.6 Strike actions for the period 1 April 2013 and 31 March 2014*

<b>Total number of person working days lost</b>	-
Total cost (R'000) of working days lost	-
Amount (R'000) recovered as a result of no work no pay	

*Table 3.12.7 Precautionary suspensions for the period 1 April 2013 and 31 March 2014*

<b>Number of people suspended</b>	-
Number of people whose suspension exceeded 30 days	-
Average number of days suspended	-
Cost (R'000) of suspensions	-

### 3.13. Skills development

*Table 3.13.1 Training needs identified for the period 1 April 2013 and 31 March 2014*

Occupational Categories	Gender	Number of employees as at 1 April 2014	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Male	6	-	6	-	6
	Female	1	-	1	-	1
Professionals	Male	9	-	9	-	9
	Female	3	-	3	-	3
Technicians and associate professionals	Male	0	-	0	-	0
	Female	6	-	6	-	6
Clerks	Male	-	-	-	-	-
	Female	-	-	-	-	-
Craft and related trades workers	Male	-	-	-	-	-
	Female	-	-	-	-	-
Elementary occupations	Male	-	-	-	-	-
	Female	-	-	-	-	-
Contract Workers	Male	-	-	-	-	-
	Female	-	-	-	-	-
Interns	Male	-	-	-	-	-
	Female	-	-	-	-	-
Sub Total	Male	15	-	15	-	15
	Female	10	-	10	-	10
<b>Total</b>		25	-	<b>25</b>	-	25

*Table 3.13.2 Training provided for the period 1 April 2013 and 31 March 2014*

Occupational Categories	Gender	Number of employees as at 1 April 2013	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	1	-	1	-	1
	Male	2	-	2	-	2
Professionals	Female	6	2	4	-	6
	Male	12	1	11	-	12
Technicians and associate professionals	Female	3	0	3	-	3
	Male	-	-	-	-	-
Clerks	Female	-	-	-	-	-
	Male	1	1	-	-	1
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	-	-	-	-	-
	Male	-	-	-	-	-
Contract Workers	Female	2	1	1	-	2
	Male	3	3	-	-	3
EPWP	Female	3	3	-	-	3
	Male	-	-	-	-	-
Sub Total	Female	15	6	9	-	15
	Male	18	5	13	-	18
<b>Total</b>		<b>33</b>	<b>11</b>	<b>22</b>	-	<b>33</b>

3.14 Injury on duty

*Table 3.14.1 Injury on duty for the period 1 April 2013 and 31 March 2014*

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

3.15 Utilisation of Consultant

*Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2013 and 31 March 2014*

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
n/a	n/a	n/a	n/a

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
n/a	n/a	n/a	n/a

*Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2013 and 31 March 2014*

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

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2013 and 31 March 2014

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
n/a	n/a	n/a	n/a

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
n/a	n/a	n/a	n/a

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2013 and 31 March 2014

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

### 3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2013 and 31 March 2014

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

## PART E: FINANCIAL INFORMATION

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**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**1. REPORT OF THE AUDITOR GENERAL**

**REPORT OF THE AUDITOR-GENERAL TO THE NORTHERN CAPE PROVINCIAL  
LEGISLATURE ON VOTE NO. 7: DEPARTMENT OF SPORT, ARTS AND CULTURE**

**REPORT ON THE FINANCIAL STATEMENTS**

**Introduction**

1. I have audited the financial statements of the Department of Sport, Arts and Culture set out on pages 137 to 201, which comprise the appropriation statement, the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

**Accounting officer's responsibility for the financial statements**

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the *Modified Cash Standard* 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 the Division of Revenue Act of South Africa, 2013 (Act No. 2 of 2013) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor-General's responsibility**

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. 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.
4. 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 and fair presentation 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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

**DEPARTMENT OF SPORT, ARTS AND CULTURE**  
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**ANNUAL FINANCIAL STATEMENTS**  
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**Basis for qualified opinion**

**Movable tangible capital assets**

6. During 2013, I was unable to obtain sufficient appropriate audit evidence for library materials and to confirm the library materials by alternative means. Consequently, I was unable to determine whether any adjustment to library materials stated at R14 210 000 was necessary. My audit opinion on the financial statements for the period ended 31 March 2013 was modified accordingly. My opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures.
7. I was unable to obtain sufficient appropriate audit evidence for movable tangible capital assets and minor assets, as assets could not be physically verified because controls regarding the movement of assets were not effective, the library materials register was incomplete, and assets procured after 1 April 2002 was included at R1 without considering the fair value of these assets in terms of the *Modified Cash Standard* prescribed by National Treasury. I was unable to confirm movable tangible capital assets by alternative means. Consequently, I was unable to determine whether any adjustments to movable tangible capital assets stated at R224 015 000 in note 28 to the financial statements were necessary.

**Immovable tangible capital assets**

8. I was unable to obtain sufficient appropriate audit evidence for immovable tangible capital assets, as controls were not in place to confirm that projects that had been completed were transferred to immovable assets as completed projects. I was unable to confirm immovable tangible capital assets by alternative means. Consequently, I was unable to determine whether any adjustments to immovable tangible capital assets stated at R0 in note 30 to the financial statements were necessary.

**Goods and services**

9. I was unable to obtain sufficient appropriate audit evidence for contractors and local travel and subsistence expenditure, as these expenditure transactions were processed as journals from the prepayments and advances account. I was unable to confirm these expenditure transactions by alternative means. Consequently, I was unable to determine whether any adjustments to contractors expenditure, local travel and subsistence expenditure and prepayment stated at R14 293 000, R17 812 000 and R275 000 in notes 4.3, 4.7 and 11 respectively in the financial statements was necessary.

**Irregular expenditure**

10. The irregular expenditure disclosed in note 24 to the financial statements was understated by R28 985 093 due to payments made in contravention of supply chain management requirements. The department also did not include particulars of irregular expenditure in note 24 to the financial statements, as required by section 40(3) (i) of the PFMA. In addition, I was unable to obtain sufficient appropriate audit evidence that all irregular expenditure had been disclosed in note 24 to the financial statements and I could not confirm this by alternative means. Consequently, I could not determine whether any further adjustments to the irregular expenditure stated at R93 800 000 in the financial statements were necessary.

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**ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2014**

**Fruitless and wasteful expenditure**

11. The department did not include particulars of fruitless and wasteful expenditure in the notes to the financial statements, as required by section 40(3)(i) of the PFMA. The department made payments in contravention of the laws and regulations regarding Value Added Tax (VAT) and human resource policies that were not included in fruitless and wasteful expenditure, resulting in fruitless and wasteful expenditure being understated by R731 276.

**Qualified opinion**

12. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Department of Sport, Arts and Culture as at 31 March 2014 and its financial performance and cash flows for the year then ended, in accordance with the *Modified Cash Standard* prescribed by the National Treasury and the requirements of the PFMA and DoRA.

**Emphasis of matter**

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

**Material underspending of the vote**

14. As disclosed in the appropriation statement, the department materially underspent the budget on Library and Archives Services programme and Sport and Recreation programme by R8 221 000 and R4 023 000 respectively, totalling R12 234 000. Consequently, the department did not achieve its objectives relating to infrastructure projects and sport and recreational facilities.

**Additional matters**

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

**Material inconsistencies in other information included in the annual report**

16. I have not obtained the other information included in the annual report. Consequently I have not been able to identify whether the other information to be included in the annual report contains any material inconsistencies with the information in the financial statements.

**Unaudited supplementary schedules**

17. The supplementary information set out on pages 192 to 201 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.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

18. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express

**DEPARTMENT OF SPORT, ARTS AND CULTURE**  
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**ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2014**

assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

**Predetermined objectives**

19. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2014:

- Programme 2: Library and Archives Services on pages 49 to 54
- Programme 4: Sports and Recreation on pages 54 to 75

20. I evaluated the reported performance information against the overall criteria of usefulness and reliability.

21. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information* (FMPPI).

22. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

23. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected programmes.

**Additional matters**

24. Although I raised no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matters:

**Achievement of planned targets**

25. Refer to the annual performance report on page 31 and from 38 to 75 for information on the achievement of the planned targets for the year

**Unaudited supplementary schedules**

26. The supplementary information set out on pages 192 to 201 does not form part of the annual performance report and is presented as additional information. I have not audited this information and, accordingly, I do not report thereon.

**Compliance with legislation**

27. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**Financial statements, performance and annual reports**

28. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1) (a) of the Public Finance Management Act.
29. Material misstatements of non-current assets; current assets; expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

**Procurement and contract management**

30. Goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations, as required by section 16A6.1 of the Treasury Regulations.
31. Sufficient appropriate audit evidence could not be obtained that all extensions to contracts were approved by a properly delegated official as required by Treasury Regulation 8.1 and 8.2 and section 44 of PFMA.
32. Quotations were awarded to bidders based on points given for criteria that differed from those stipulated in the original invitation for quotations, in contravention of Treasury Regulations 16A6.3(a) and the Preferential Procurement Regulations.
33. Quotations were awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of Preferential Procurement Policy Framework Act and Preferential Procurement Regulations.

**Human resource management and compensation**

34. Appointments were made in posts which were not approved and funded, as required by Public Service Regulation 1/III/ F.1(a) and (d).
35. Sufficient appropriate audit evidence could not be obtained that persons appointed met the requirements for the job or that a deviation was approved as required by section 11(2) of the Public Service Act and Public Service Regulation 1/VII/D.5-8.
36. Employees were appointed without following a proper process to verify the claims made in their applications in contravention of Public Service Regulation 1/VII/D.8.

**Expenditure management**

37. Effective steps were not taken to prevent irregular and fruitless and wasteful expenditure, as required by section 38(1)(c)(ii) of the Public Finance Management Act and Treasury Regulation 9.1.1.
38. Contractual obligations and money owed by the department were not settled within 30 days or an agreed period, as required by section 38(1)(f) of the Public Finance Management Act and Treasury Regulation 8.2.3.
39. Payments were made in advance of the receipt of goods or services, in contravention of Treasury Regulation 15.10.1.2.

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**ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**Transfer of funds**

40. Appropriate measures were not maintained to ensure that transfers and subsidies to entities were applied for their intended purposes, as required by Treasury Regulation 8.4.1.

**Asset management**

41. Proper control systems to safeguard and maintain assets were not implemented, as required by section 38(1)(d) of the Public Finance Management Act and Treasury Regulation 10.1.1(a).

**Liability management**

42. There was no evidence that credit cards were used for the permitted purpose, as set out in Treasury Regulation 15.10.3.6.

**Consequence management**

43. Effective and appropriate disciplinary steps were not taken against officials who made or permitted irregular expenditure and fruitless and wasteful expenditure, as required by section 38(1)(h)(iii) of the Public Finance Management Act and Treasury Regulation 9.1.3.

**Internal control**

44. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the findings on non-compliance with legislation included in this report.

**Leadership**

45. The accounting officer did not adequately oversee financial and performance reporting, compliance with laws and regulations, or internal control. The action plans compiled to address the previous year's audit findings were not adequately monitored and reviewed to determine if the reported progress on the plans was supported by credible information.

46. The accounting officer did not prioritise major issues relating to assets, prepayments and related expenditure, irregular expenditure and fruitless and wasteful expenditure, as communicated in various meetings throughout the financial year. As evidenced by the audit outcome, little was done to respond to the discussions held.

**Financial and performance management**

47. The financial statements and other information to be included in the annual report were not sufficiently reviewed and were subject to material adjustments. The department did not have sufficient controls to detect all irregular as well as fruitless and wasteful expenditure that occurred during the year under review. Pertinent information was not captured in time to support financial reporting. The department had also not implemented proper record keeping system.

48. The financial statements were subject to material corrections resulting from the audit. Root causes of prior year audit findings were not sufficiently addressed in all instances. This was due to challenges in the implementation of the department's action plan, as well as a lack of adequate review by the chief financial officer to ensure the completeness and accuracy of the financial statements before submission for auditing.

49. The department did not adequately review and monitor compliance with applicable laws and regulations.

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**OTHER REPORTS**

**Investigations**

50. During the year under review, the procurement process of the department was investigated. The investigation is in progress and no report has been issued in this regard.

*Auditor-General*

Kimberley

31 July 2014



**AUDITOR - GENERAL  
SOUTH AFRICA**

*Auditing to build public confidence*

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**2. ANNUAL FINANCIAL STATEMENTS**

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**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

Appropriation per programme									
	2014						2013		
	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
<b>1. ADMINISTRATION</b>									
Current payment	52,598	(96)	1,376	53,878	53,404	474	99.1%	51,116	51,076
Transfers and subsidies	426	96	-	522	522	-	100.0%	200	171
Payment for capital assets	412	-	-	412	662	(250)	160.7%	346	345
Payment for financial assets	-	-	-	-	39	(39)		77	77
	53,436	-	1,376	54,812	54,627	185		51,739	51,669
<b>2. CULTURAL AFFAIRS</b>									
Current payment	38,632	(901)	(1,616)	36,115	35,801	314	99.1%	35,243	35,239
Transfers and subsidies	7,626	893	1,245	9,764	9,763	1	100.0%	7,698	5,418
Payment for capital assets	59	8	-	67	248	(181)	370.1%	2,276	2,274
Payment for financial assets	-	-	-	-	-	-		3	3
	46,317	-	(371)	45,946	45,812	134		45,220	42,934
<b>3. LIBRARY &amp; ARCHIVES SERVICES</b>									
Current payment	59,558	(772)	(163)	58,623	56,131	2,492	95.7%	48,287	55,187
Transfers and subsidies	19,734	60	(1,245)	18,549	17,884	665	96.4%	19,797	13,955
Payment for capital assets	29,859	712	-	30,571	25,507	5,064	83.4%	29,145	14,461
Payment for financial assets	-	-	-	-	-	-		-	253
	109,151	-	(1,408)	107,743	99,522	8,221		97,229	83,856

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

Appropriation per programme									
2014								2013	
	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
<b>4. SPORT &amp; RECREATION</b>									
Current payment	35,674	(564)	403	35,513	35,047	466	98.7%	37,155	36,004
Transfers and subsidies	4,119	12	-	4,131	4,126	5	99.9%	4,124	4,135
Payment for capital assets	20,517	552	-	21,069	17,517	3,552	83.1%	3,827	3,247
Payment for financial assets	-	-	-	-	-	-		-	63
	<b>60,310</b>	<b>-</b>	<b>403</b>	<b>60,713</b>	<b>56,690</b>	<b>4,023</b>		<b>45,106</b>	<b>43,449</b>
<b>TOTAL</b>	<b>269,214</b>	<b>-</b>	<b>-</b>	<b>269,214</b>	<b>256,651</b>	<b>12,563</b>	<b>95.3%</b>	<b>239,294</b>	<b>221,908</b>
<b>Reconciliation with statement of financial performance</b>									
<b>ADD</b>									
Departmental receipts				257				228	
<b>Actual amounts per statement of financial performance (total revenue)</b>				<b>269,471</b>				<b>239,522</b>	
<b>Actual amounts per statement of financial performance (total expenditure)</b>					<b>256,651</b>				<b>221,908</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

Appropriation per economic classification									
	2014							2013	
	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
<b>Current payments</b>									
Compensation of employees	87,559	(3,687)	(730)	83,142	80,940	2,202	97.4%	78,175	74,441
Goods and services	98,903	1,171	685	100,759	99,250	1,509	98.5%	93,626	103,042
Interest and rent on land	-	183	5	188	192	(4)	102.1%	-	22
<b>Transfers and subsidies</b>									
Provinces and municipalities	19,433	-	(1,245)	18,188	17,730	458	97.5%	18,624	13,494
Departmental agencies and accounts	9,224	519	1,245	10,988	10,988	-	100.0%	7,829	5,976
Non-profit institutions	2,109	259	-	2,368	2,319	49	97.9%	3,487	2,598
Households	1,139	283	-	1,422	1,259	163	88.5%	1,879	1,611
<b>Payments for capital assets</b>									
Buildings and other fixed structures	47,913	1,193	-	49,106	40,090	9,016	81.6%	33,609	18,113
Machinery and equipment	2,934	79	-	3,013	3,844	(831)	127.6%	1,925	2,153
Intangible assets	-	-	-	-	-	-	-	60	62
<b>Payments for financial assets</b>									
	-	-	40	40	39	1	97.5%	80	396
	<b>269,214</b>	<b>-</b>	<b>-</b>	<b>269,214</b>	<b>256,651</b>	<b>12,563</b>	<b>95.3%</b>	<b>239,294</b>	<b>221,908</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

Detail per Programme 1: ADMINISTRATION									
Detail per sub-programme	2014							2013	
	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
<b>1.1 OFFICE OF THE MEC</b>									
Current payment	9,960	(34)	1,376	11,302	11,193	109	99.0%	9,158	9,171
Transfers and subsidies	200	96	-	296	297	(1)	100.3%	200	148
Payment for capital assets	27	-	-	27	27	-	100.0%	30	40
Payment for financial assets	-	-	-	-	39	(39)		4	4
<b>1.2 CORPORATE SERVICES</b>									
Current payment	42,638	(62)	-	42,576	42,211	365	99.1%	41,958	41,905
Transfers and subsidies	226	-	-	226	225	1	99.6%	-	23
Payment for capital assets	385	-	-	385	635	(250)	164.9%	316	305
Payment for financial assets	-	-	-	-	-	-		73	73
<b>Total</b>	<b>53,436</b>	<b>-</b>	<b>1,376</b>	<b>54,812</b>	<b>54,627</b>	<b>185</b>	<b>99.7%</b>	<b>51,739</b>	<b>51,669</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

Detail per Programme 1: ADMINISTRATION									
2014								2013	
Economic classification	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
<b>Current payments</b>									
Compensation of employees	31,237	(1,913)	-	29,324	29,177	147	99.5%	28,263	28,262
Goods and services	21,361	1,704	1,334	24,399	24,113	286	98.8%	22,853	22,801
Interest and rent on land	-	113	2	115	114	1	99.1%	-	13
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	-	-	-	-	3	(3)		-	1
Departmental agencies and accounts	200	-	-	200	200	-	100.0%	-	14
Non-profit institutions	200	-	-	200	180	20	90.0%	45	64
Households	26	96	-	122	139	(17)	113.9%	155	92
<b>Payment for capital assets</b>									
Machinery and equipment	412	-	-	412	662	(250)	160.7%	346	345
<b>Payments for financial assets</b>									
	-	-	40	40	39	1	97.5%	77	77
<b>Total</b>	<b>53,436</b>	<b>-</b>	<b>1,376</b>	<b>54,812</b>	<b>54,627</b>	<b>185</b>	<b>99.7%</b>	<b>51,739</b>	<b>51,669</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

Detail per Programme 2: CULTURAL AFFAIRS									
Detail per sub-programme	2014							2013	
	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
<b>2.1 MANAGEMENT</b>									
Current payment	1,801	390	-	2,191	2,191	-	100.0%	1,800	1,798
Transfers and subsidies	-	78	-	78	77	1	98.7%	-	-
Payment for capital assets	23	-	-	23	23	-	100.0%	47	47
<b>2.2 ARTS AND CULTURE</b>									
Current payment	24,090	(1,133)	(1,256)	21,701	21,500	201	99.1%	19,820	19,820
Transfers and subsidies	2,520	1,186	1,245	4,951	4,951	-	100.0%	2,059	1,674
Payment for capital assets	36	8	-	44	225	(181)	511.4%	2,143	2,142
Payment for financial assets	-	-	-	-	-	-	-	3	3
<b>2.3 MUSEUM SERVICES</b>									
Current payment	9,696	(606)	(235)	8,854	8,854	1	100.0%	9,583	9,582
Transfers and subsidies	3,006	29	-	3,035	3,035	-	100.0%	2,956	2,956
<b>2.4 HERITAGE RESOURCE SERVICES</b>									
Current payment	1,371	91	(125)	1,337	1,225	112	91.6%	1,983	1,982
Transfers and subsidies	1,500	(300)	-	1,200	1,200	-	100.0%	1,733	388
Payment for capital assets	-	-	-	-	-	-	-	12	11

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

Detail per Programme 2: CULTURAL AFFAIRS CONTINUED									
Detail per sub-programme	2014							2013	
	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
<b>2.5 LANGUAGE SERVICES</b>									
Current payment	1,674	357	-	2,031	2,031	-	100.0%	2,057	2,057
Transfers and subsidies	600	(100)	-	500	500	-	100.0%	950	400
Payment for capital assets	-	-	-	-	-	-		74	74
<b>Total</b>	<b>46,317</b>	<b>-</b>	<b>(371)</b>	<b>45,946</b>	<b>45,812</b>	<b>134</b>	<b>99.7%</b>	<b>45,220</b>	<b>42,934</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

Detail per Programme 2: CULTURAL AFFAIRS									
Economic classification	2014							2013	
	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
<b>Current payments</b>									
Compensation of employees	22,145	(115)	(750)	21,280	21,147	133	99.4%	19,659	19,657
Goods and services	16,487	(808)	(866)	14,813	14,631	182	98.8%	15,584	15,576
Interest and rent on land	-	22	-	22	22	-	100.0%	-	6
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	500	-	-	500	500	-	100.0%	-	-
Departmental agencies and accounts	5,397	519	1,245	7,161	7,161	-	100.0%	5,735	3,886
Non-profit institutions	1,008	259	-	1,267	1,284	(17)	101.3%	1,139	634
Households	721	115	-	836	819	17	98.0%	824	898
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	-	-	-	-	-		2,123	2,123
Machinery and equipment	59	8	-	67	248	(181)	370.1%	93	89
Intangible assets	-	-	-	-	-	-		60	62
<b>Payments for financial assets</b>									
	-	-	-	-	-	-		3	3
<b>Total</b>	<b>46,317</b>	<b>-</b>	<b>(371)</b>	<b>45,946</b>	<b>45,812</b>	<b>134</b>	<b>99.7%</b>	<b>45,220</b>	<b>42,934</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

Detail per Programme 3: LIBRARY AND ARCHIVE SERVICES									
Detail per sub-programme	2014							2013	
	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
<b>3.1 MANAGEMENT</b>									
Current payment	200	68	-	268	262	6	97.8%	217	217
Payment for capital assets	-	-	-	-	-	-		7	6
<b>3.2 LIBRARY SERVICES</b>									
Current payment	56,622	(110)	(163)	56,349	53,962	2,387	95.8%	46,403	53,303
Transfers and subsidies	19,734	42	(1,245)	18,531	17,868	663	96.4%	19,797	13,955
Payment for capital assets	27,847	-	-	27,847	22,312	5,535	80.1%	19,777	5,095
Payment for financial assets	-	-	-	-	-	-		-	253
<b>3.3 ARCHIVES</b>									
Current payment	2,736	(730)	-	2,006	1,907	99	95.1%	1,667	1,667
Transfers and subsidies	-	18	-	18	16	2	88.9%	-	-
Payment for capital assets	2,012	712	-	2,724	3,195	(471)	117.3%	9,361	9,360
<b>Total</b>	<b>109,151</b>	<b>-</b>	<b>(1,408)</b>	<b>107,743</b>	<b>99,522</b>	<b>8,221</b>	<b>92.4%</b>	<b>97,229</b>	<b>83,856</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

Detail per Programme 3: LIBRARY AND ARCHIVE SERVICES									
Economic classification	2014							2013	
	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
<b>Current payments</b>									
Compensation of employees	24,219	(1,177)	(163)	22,879	20,962	1,917	91.6%	18,895	17,813
Goods and services	35,339	357	-	35,696	35,122	574	98.4%	29,392	37,373
Interest and rent on land	-	48	-	48	47	1	97.9%	-	-
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	18,933	-	(1,245)	17,688	17,227	461	97.4%	18,624	13,493
Non-profit institutions	601	-	-	601	397	204	66.1%	773	412
Households	200	60	-	260	260	-	100.0%	400	50
<b>Payment for capital assets</b>									
Buildings and other fixed structures	27,577	712	-	28,289	23,287	5,002	82.3%	28,777	14,062
Machinery and equipment	2,282	-	-	2,282	2,220	62	97.3%	368	400
<b>Payments for financial assets</b>	-	-	-	-	-	-		-	253
<b>Total</b>	<b>109,151</b>	<b>-</b>	<b>(1,408)</b>	<b>107,743</b>	<b>99,522</b>	<b>8,221</b>	<b>92.4%</b>	<b>97,229</b>	<b>83,856</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

Detail per Programme 4: SPORT AND RECREATION									
Detail per sub-programme	2014							2013	
	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
<b>4.1 MANAGEMENT</b>									
Current payment	2,979	(244)	166	2,901	2,901	-	100.0%	2,900	2,474
Payment for capital assets	-	-	-	-	-	-	-	32	32
Payment for capital assets	26	-	-	26	26	-	100.0%	5	4
<b>4.2 SPORT</b>									
Current payment	10,880	(3,946)	205	7,139	7,139	-	100.0%	12,155	14,609
Transfers and subsidies	3,649	12	-	3,661	3,656	5	99.9%	1,498	1,446
Payment for capital assets	966	(421)	-	545	545	-	100.0%	2,222	1,883
Payment for financial assets	-	-	-	-	-	-	-	-	24
<b>4.3 RECREATION</b>									
Current payment	8,747	(744)	32	8,035	8,033	2	100.0%	11,639	12,506
Transfers and subsidies	-	-	-	-	-	-	-	1,144	1,191
Payment for capital assets	19,505	990	-	20,495	16,480	4,015	80.4%	-	18
Payment for financial assets	-	-	-	-	-	-	-	-	39
<b>4.4 SCHOOL SPORT</b>									
Current payment	13,068	4,370	-	17,438	16,974	464	97.3%	10,461	6,415
Transfers and subsidies	470	-	-	470	470	-	100.0%	1,450	1,466
Payment for capital assets	20	(17)	-	3	466	(463)	15533.3%	1,600	1,342
<b>Total</b>	<b>60,310</b>	<b>-</b>	<b>403</b>	<b>60,713</b>	<b>56,690</b>	<b>4,023</b>	<b>93.4%</b>	<b>45,106</b>	<b>43,449</b>

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**APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

Detail per Programme 4: SPORT AND RECREATION									
2014								2013	
Economic classification	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
<b>Current payments</b>									
Compensation of employees	9,958	(482)	183	9,659	9,654	5	99.9%	11,358	8,709
Goods and services	25,716	(82)	217	25,851	25,384	467	98.2%	25,797	27,292
Interest and rent on land	-	-	3	3	9	(6)	300.0%	-	3
<b>Transfers and subsidies to:</b>									
Provinces and municipalities									
Departmental agencies and accounts	3,627	-	-	3,627	3,627	-	100.0%	2,094	2,076
Non-profit institutions	300	-	-	300	458	(158)	152.7%	1,530	1,488
Households	192	12	-	204	41	163	20.1%	500	571
<b>Payment for capital assets</b>									
Buildings and other fixed structures	20,336	481	-	20,817	16,803	4,014	80.7%	2,709	1,928
Machinery and equipment	181	71	-	252	714	(462)	283.3%	1,118	1,319
<b>Payments for financial assets</b>									
	-	-	-	-	-	-		-	63
<b>Total</b>	<b>60,310</b>	<b>-</b>	<b>403</b>	<b>60,713</b>	<b>56,690</b>	<b>4,023</b>	<b>93.4%</b>	<b>45,106</b>	<b>43,449</b>

## **NOTES TO THE APPROPRIATION STATEMENT**

*for the year ended 31 March 2014*

**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-E) 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):**

<b>Programme 3: Library &amp; Archive Services</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Variance as a % of Final Appropriation</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>
Payments for Capital Assets	30,571	25,507	5,064	16.56%

Due to unforeseen circumstances the construction of the Churchill Community Library was delayed and the contract of the contractor terminated. The Department of Roads and Public Works are in the process of appointing an alternative contractor to complete the project and the amount has been included in the Department's request for roll-over. In terms of the Sternham Community Library, the facility has reached the practical completion stage with the retention remaining.

<b>Programme 4: Sport &amp; Recreation</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance R'000</b>	<b>Variance as a % of Final Appropriation</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>
Payments for Capital Assets	21,069	17,517	3,552	16.86%

The Department received an amount of R20 million during the 2013 Adjustment Budget for the construction of five sport and recreational facilities in the province. Due to the late receipt of this funding, the project could not be completed at year end and the amount of R4.014 million has been included in the request for roll-overs.

<b>4.2 Per economic classification</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Variance as a % of Final Appropriation</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>
<b>Current payments</b>				
Compensation of employees	83,142	80,940	2,202	2.65%
Goods and services	100,759	99,250	1,509	1.50%
Interest and rent on land	188	192	(4)	-2.13%
Unauthorised expenditure approved				

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

<b>Transfers and subsidies</b>				
Provinces and municipalities	18,188	17,730	458	2.52%
Departmental agencies and accounts	10,988	10,988	-	-
Non-profit institutions	2,368	2,319	49	2.07%
Households	1,422	1,259	163	11.46%
<b>Payments for capital assets</b>				
Buildings and other fixed structures	49,106	40,090	9,016	18.36%
Machinery and equipment	3,013	3,844	(831)	-27.58%
<b>Payments for financial assets</b>	40	39	1	2.50%

The under-spending on compensation of employees relates to the department's failure to fill a number of vacancies in terms of the Library Service Conditional Grant. This can be attributed to difficulties that are experienced in obtaining suitably qualified applicants in rural areas, a challenge that is being addressed. The Department under-spent by R9.624 million on capital expenditure which relates mostly to three infrastructure projects as explained in the previous section.

<b>4.3 Per conditional grant</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Variance as a % of Final Appropriation</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>
<b>Arts And Culture</b>				
Comm Library Serv Grant	86,689	78,785	7,904	9.12%
<b>Public Works</b>				
Epwp Inter Grnt Prov	550	733	(183)	-33.27%
Soc Sec Epwp Incen Grnt For Prov	490	509	(19)	-3.88%
<b>Sport And Recreation Sa</b>				
Mass Sport&Recr Part Prg	30,806	30,807	(1)	0.00%

The department under-spent significantly on the Library Services Conditional Grant which is attributed to Compensation of employees as well as delays in the construction of the Churchill Community Library. In terms of the EPWP Integrated Grant, the Department overspent by 33% due to previous year's invoices being paid in the current financial year.

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**STATEMENT OF FINANCIAL PERFORMANCE**

*for the year ended 31 March 2014*

	Note	2014	2013
		R'000	R'000
<b>REVENUE</b>			
Annual appropriation	<a href="#">1</a>	269,214	239,294
Departmental revenue	<a href="#">2</a>	257	228
<b>TOTAL REVENUE</b>		<b>269,471</b>	<b>239,522</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	<a href="#">3</a>	80,940	75,607
Goods and services	<a href="#">4</a>	99,250	101,876
Interest and rent on land	<a href="#">5</a>	192	22
<b>Total current expenditure</b>		<b>180,382</b>	<b>177,505</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	<a href="#">7</a>	32,296	23,679
<b>Total transfers and subsidies</b>		<b>32,296</b>	<b>23,679</b>
<b>Expenditure for capital assets</b>			
Tangible assets	<a href="#">8</a>	43,934	20,266
Intangible assets	<a href="#">8</a>	-	62
<b>Total expenditure for capital assets</b>		<b>43,934</b>	<b>20,328</b>
<b>Payments for financial assets</b>	<a href="#">6</a>	39	396
<b>TOTAL EXPENDITURE</b>		<b>256,651</b>	<b>221,908</b>
<b>SURPLUS FOR THE YEAR</b>		<b>12,820</b>	<b>17,614</b>
<b>Reconciliation of Net Surplus for the year</b>			
Voted funds		12,563	17,386
Annual appropriation		4,863	4,746
Conditional grants		7,700	12,640
Departmental revenue and NRF Receipts	<a href="#">14</a>	257	228
<b>SURPLUS FOR THE YEAR</b>		<b>12,820</b>	<b>17,614</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**STATEMENT OF FINANCIAL POSITION  
as at 31 March 2014**

	Note	2014 R'000	2013 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>12,901</b>	<b>17,571</b>
Unauthorised expenditure	<a href="#"><u>9</u></a>	7,428	10,760
Cash and cash equivalents	<a href="#"><u>10</u></a>	2,597	1,186
Prepayments and advances	<a href="#"><u>11</u></a>	275	4,608
Receivables	<a href="#"><u>12</u></a>	2,601	1,017
<b>TOTAL ASSETS</b>		<b>12,901</b>	<b>17,571</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>12,901</b>	<b>17,571</b>
Voted funds to be surrendered to the Revenue Fund	<a href="#"><u>13</u></a>	12,563	17,386
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<a href="#"><u>14</u></a>	51	7
Payables	<a href="#"><u>15</u></a>	287	178
<b>TOTAL LIABILITIES</b>		<b>12,901</b>	<b>17,571</b>
<b>NET ASSETS</b>		<b>-</b>	<b>-</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**CASH FLOW STATEMENT  
for the year ended 31 March 2014**

	Note	2014	2013
		R'000	R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>269,471</b>	<b>239,522</b>
Annual appropriated funds received	<a href="#">1.1</a>	269,214	239,294
Departmental revenue received	<a href="#">2</a>	257	227
Interest received	<a href="#">2.3</a>	-	1
Net (increase)/decrease in working capital		6,190	1,465
Surrendered to Revenue Fund		(17,599)	(6,580)
Current payments		(180,190)	(177,483)
Interest paid	<a href="#">5</a>	(192)	(22)
Payments for financial assets		(39)	(396)
Transfers and subsidies paid		(32,296)	(23,679)
<b>Net cash flow available from operating activities</b>	<a href="#">16</a>	<b>45,345</b>	<b>32,827</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	<a href="#">8</a>	(43,934)	(20,328)
<b>Net cash flows from investing activities</b>		<b>(43,934)</b>	<b>(20,328)</b>
Net increase/(decrease) in cash and cash equivalents		1,411	12,499
Cash and cash equivalents at beginning of period		1,186	(11,313)
<b>Cash and cash equivalents at end of period</b>	<a href="#">17</a>	<b>2,597</b>	<b>1,186</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**ACCOUNTING POLICIES  
for the year ended 31 March 2014**

<b>Summary of significant accounting policies</b>	
<p>The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated.</p> <p>The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.</p> <p>Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.</p> <p>The primary and secondary information to the financial statements is fairly presented.</p>	
<b>1</b>	<p><b>Basis of preparation</b></p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
<b>2</b>	<p><b>Going concern</b></p> <p>The financial statements have been prepared on a going concern basis.</p>
<b>3</b>	<p><b>Presentation currency</b></p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
<b>4</b>	<p><b>Rounding</b></p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
<b>5</b>	<p><b>Foreign currency translation</b></p> <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the exchange rates prevailing at the date of payment / receipt.</p>
<b>6</b>	<p><b>Current year comparison with budget</b></p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
<b>7</b>	<p><b>Comparative figures</b></p> <p>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.</p>
<b>8</b>	<p><b>Revenue</b></p>
<b>8.1</b>	<p><b>Appropriated funds</b></p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments</p>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
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**ACCOUNTING POLICIES  
for the year ended 31 March 2014**

	<p>budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
<b>8.2</b>	<p><b>Departmental revenue</b></p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
<b>8.3</b>	<p><b>Accrued departmental revenue</b></p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> <li>• it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and</li> <li>• the amount of revenue can be measured reliably.</li> </ul> <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p>
<b>9</b>	<p><b>Expenditure</b></p>
<b>9.1</b>	<p><b>Compensation of employees</b></p>
<b>9.1.1</b>	<p><b>Salaries and wages</b></p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
<b>9.1.2</b>	<p><b>Social contributions</b></p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
<b>9.2</b>	<p><b>Other expenditure</b></p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
<b>9.3</b>	<p><b>Accrued expenditure payable</b></p> <p>Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department.</p> <p>Accrued expenditure payable is measured at cost.</p>

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<b>9.4</b>	<b>Leases</b>
<b>9.4.1</b>	<p><b>Operating leases</b></p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
<b>9.4.2</b>	<p><b>Finance leases</b></p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> <li>• cost, being the fair value of the asset; or</li> <li>• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li> </ul>
<b>10</b>	<b>Aid Assistance</b>
<b>10.1</b>	<p><b>Aid assistance received</b></p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>
<b>10.2</b>	<p><b>Aid assistance paid</b></p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
<b>11</b>	<p><b>Cash and cash equivalents</b></p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
<b>12</b>	<p><b>Prepayments and advances</b></p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p>Prepayments are expensed when the goods and/or services are received by the department in the financial year the goods and/or services are received.</p>

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<b>13</b>	<p><b>Loans and receivables</b></p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
<b>14</b>	<p><b>Investments</b></p> <p>Investments are recognised in the statement of financial position at cost.</p>
<b>15</b>	<p><b>Impairment of financial assets</b></p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
<b>16</b>	<p><b>Payables</b></p> <p>Loans and receivables are recognised in the statement of financial position at cost.</p>
<b>17</b>	<p><b>Capital Assets</b></p>
<b>17.1</b>	<p><b>Immovable capital assets</b></p> <p>Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.</p> <p>All assets acquired prior to 1 April 2002 are recorded at R1.</p> <p>Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.</p>
<b>17.2</b>	<p><b>Movable capital assets</b></p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined accurately, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 are recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>

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<b>17.3</b>	<p><b>Intangible assets</b></p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 are recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
<b>18</b>	<p><b>Provisions and Contingents</b></p>
<b>18.1</b>	<p><b>Provisions</b></p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
<b>18.2</b>	<p><b>Contingent liabilities</b></p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
<b>18.3</b>	<p><b>Contingent assets</b></p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
<b>18.4</b>	<p><b>Commitments</b></p> <p>Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>

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<b>19</b>	<p><b>Unauthorised expenditure</b></p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"><li>• approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li><li>• approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li><li>• transferred to receivables for recovery.</li></ul> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
<b>20</b>	<p><b>Fruitless and wasteful expenditure</b></p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>21</b>	<p><b>Irregular expenditure</b></p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefore are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>22</b>	<p><b>Accruals</b></p> <p>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.</p>
<b>23</b>	<p><b>Employee benefits</b></p> <p>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.</p>
<b>24</b>	<p><b>Related party transactions</b></p> <p>Specific information with regards to related party transactions is included in the disclosure notes.</p>

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<b>25</b>	<b>Key management personnel</b> Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.
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**PRIMARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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**1. Annual Appropriation**

**1.1 Annual Appropriation**

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	<b>2014</b>	<b>2013</b>
<b>Final Appropriation</b>	<b>Actual Funds Received</b>	<b>Appropriation received</b>
<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Administration	54,812	51,739
Cultural Affairs	45,946	45,220
Library & Archives		
Services	107,743	97,229
Sport & Recreation	60,713	45,106
<b>Total</b>	<b>269,214</b>	<b>239,294</b>

**1.2 Conditional grants**

	<i>Note</i>	<b>2014 R'000</b>	<b>2013 R'000</b>
Total grants received	46	118,535	104,602
Provincial grants included in Total Grants received		118,535	104,602

**2. Departmental revenue**

	<i>Note</i>	<b>2014 R'000</b>	<b>2013 R'000</b>
Sales of goods and services other than capital assets	2.1	129	107
Fines, penalties and forfeits	2.2	83	92
Interest, dividends and rent on land	2.3	-	1
Transactions in financial assets and liabilities	2.4	45	28
<b>Departmental revenue collected</b>		<b>257</b>	<b>228</b>

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**2.1 Sales of goods and services other than capital assets**

	Note <u>2</u>	2014 R'000	2013 R'000
Sales of goods and services produced by the department		128	104
Other sales		128	104
Sales of scrap, waste and other used current goods		1	3
<b>Total</b>		129	107

**2.2 Fines, penalties and forfeits**

	Note <u>2</u>	2014 R'000	2013 R'000
Fines		83	92
<b>Total</b>		83	92

**2.3 Interest, dividends and rent on land**

	Note <u>2</u>	2014 R'000	2013 R'000
Interest		-	1
<b>Total</b>		-	1

**2.4 Transactions in financial assets and liabilities**

	Note <u>2</u>	2014 R'000	2013 R'000
Other Receipts including Recoverable Revenue		45	28
<b>Total</b>		45	28

**3. Compensation of employees**

**3.1 Salaries and Wages**

	Note	2014 R'000	2013 R'000
Basic salary		55,422	51,597
Performance award		1,054	881
Service Based		94	195
Compensative/circumstantial		2,099	1,673
Other non-pensionable allowances		14,269	13,637
<b>Total</b>		72,938	67,983

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**3.2 Social contributions**

	<i>Note</i>	<b>2014 R'000</b>	<b>2013 R'000</b>
Employer contributions			
Pension		5,242	4,863
Medical		2,729	2,741
UIF		9	-
Bargaining council		22	20
<b>Total</b>		<b>8,002</b>	<b>7,624</b>
<b>Total compensation of employees</b>		<b>80,940</b>	<b>75,607</b>
<b>Average number of employees</b>		<b>452</b>	<b>436</b>

The prior year amount have been adjusted by R1,166k to include "Learnerships" due to the SCOA Reimplementation of 2013/14. See note 4.

**4. Goods and services**

	<i>Note</i>	<b>2014 R'000</b>	<b>2013 R'000</b>
Administrative fees		773	296
Advertising		5,931	4,419
Minor assets	<a href="#">4.1</a>	5,153	14,654
Bursaries (employees)		270	-
Catering		4,878	4,483
Communication		1,942	6,216
Computer services	<a href="#">4.2</a>	9,516	3,176
Consultants, contractors and agency/outsourced services	<a href="#">4.3</a>	16,947	14,325
Entertainment		483	219
Audit cost – external	<a href="#">4.4</a>	3,059	2,468
Fleet services		2,263	-
Consumables	<a href="#">4.5</a>	8,491	10,570
Operating leases		6,000	11,722
Property payments	<a href="#">4.6</a>	10,038	8,251
Rental and hiring		1,652	163
Transport provided as part of the departmental activities		1,059	4,627
Travel and subsistence	<a href="#">4.7</a>	18,932	14,758
Venues and facilities		517	354
Training and development		588	926
Other operating expenditure	<a href="#">4.8</a>	758	249
<b>Total</b>		<b>99,250</b>	<b>101,876</b>

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**4.1 Minor assets**

	Note <u>4</u>	2014 R'000	2013 R'000
<b>Tangible assets</b>		<b>4,930</b>	<b>14,654</b>
Heritage assets		4,515	14,210
Machinery and equipment		415	444
<b>Intangible assets</b>		<b>223</b>	<b>-</b>
<b>Total</b>		<b>5,153</b>	<b>14,654</b>

**4.2 Computer services**

	Note <u>4</u>	2014 R'000	2013 R'000
SITA computer services		2,263	3,086
External computer service providers		7,253	90
<b>Total</b>		<b>9,516</b>	<b>3,176</b>

**4.3 Consultants, contractors and agency/outsourced services**

	Note <u>4</u>	2014 R'000	2013 R'000
Contractors		14,293	6,246
Agency and support/outsourced services		2,654	8,079
<b>Total</b>		<b>16,947</b>	<b>14,325</b>

**4.4 Audit cost – External**

	Note <u>4</u>	2014 R'000	2013 R'000
Regularity audits		3,059	2,468
<b>Total</b>		<b>3,059</b>	<b>2,468</b>

**4.5 Consumables**

	Note <u>4</u>	2014 R'000	2013 R'000
Consumable supplies		7,416	9,316
Uniform and clothing		292	
Household supplies		285	60
Building material and supplies		89	
Communication accessories		-	
IT consumables		40	
Other consumables		6,710	9,256
Stationery, printing and office supplies		1,075	1,254
<b>Total</b>		<b>8,491</b>	<b>10,570</b>

The prior year amounts have been adjusted to include:

- R5k for "Gifts" which was previously disclosed in other operating expenditure. See note 4.8.

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- R10,565 for consumables which were previously shown as inventory. due to the SCOA reimplementation of 2013/14.

**4.6 Property payments**

	<i>Note</i> <b>4</b>	<b>2014</b> <b>R'000</b>	<b>2013</b> <b>R'000</b>
Municipal services		2,557	980
Property maintenance and repairs		807	826
Other		6,674	6,445
<b>Total</b>		<b>10,038</b>	<b>8,251</b>

**4.7 Travel and subsistence**

	<i>Note</i> <b>4</b>	<b>2014</b> <b>R'000</b>	<b>2013</b> <b>R'000</b>
Local		17,812	10,634
Foreign		1,120	4,124
<b>Total</b>		<b>18,932</b>	<b>14,758</b>

**4.8 Other operating expenditure**

	<i>Note</i> <b>4</b>	<b>2014</b> <b>R'000</b>	<b>2013</b> <b>R'000</b>
Professional bodies, membership and subscription fees		189	-
Resettlement costs		9	9
Other		560	240
<b>Total</b>		<b>758</b>	<b>249</b>

The prior year amounts have been adjusted by R1,171k to exclude "Learnerships" (R1,166k) and "Gifts" (R5k) due to the SCOA Reimplementation of 2013/14. See note 3 and note 4.5.

**5. Interest and rent on land**

	<i>Note</i>	<b>2014</b> <b>R'000</b>	<b>2013</b> <b>R'000</b>
Interest paid		192	22
<b>Total</b>		<b>192</b>	<b>22</b>

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**6. Payments for financial assets**

	<i>Note</i>	2014 R'000	2013 R'000
Other material losses written off	6.1	38	396
Forex losses	6.2	1	-
<b>Total</b>		<b>39</b>	<b>396</b>

**6.1 Other material losses written off**

	<i>Note</i>	2014 R'000	2013 R'000
Nature of losses	6		
Damages to property		-	396
Debt incorrectly calculated		38	-
<b>Total</b>		<b>38</b>	<b>396</b>

**6.2 Forex losses**

	<i>Note</i>	2014 R'000	2013 R'000
Nature of losses	6		
Foreign exchange loss		1	-
<b>Total</b>		<b>1</b>	<b>-</b>

**7. Transfers and subsidies**

	<i>Note</i>	2014 R'000	2013 R'000
Provinces and municipalities	32 & <i>Annex 1A</i>	17,730	13,494
Departmental agencies and accounts	<i>Annex 1B</i>	10,788	5,962
Public corporations and private enterprises	<i>Annex 1C</i>	200	15
Households	<i>Annex 1D</i>	981	219
Gifts, donations and sponsorships made	<i>Annex 1E</i>	2,597	3,989
<b>Total</b>		<b>32,296</b>	<b>23,679</b>

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**8. Expenditure for capital assets**

	Note	2014 R'000	2013 R'000
<b>Tangible assets</b>		<b>43,934</b>	<b>20,266</b>
Buildings and other fixed structures	30	40,090	18,113
Machinery and equipment	28	3,844	2,153
<b>Intangible assets</b>		-	<b>62</b>
Software	29	-	62
<b>Total</b>		<b>43,934</b>	<b>20,328</b>

**8.1 Analysis of funds utilised to acquire capital assets – 2014**

	Voted funds R'000	Aid assistance R'000	Total R'000
<b>Tangible assets</b>	<b>43,934</b>	-	<b>43,934</b>
Buildings and other fixed structures	40,090	-	40,090
Machinery and equipment	3,844	-	3,844
<b>Total</b>	<b>43,934</b>	-	<b>43,934</b>

**8.2 Analysis of funds utilised to acquire capital assets – 2014**

	Voted funds R'000	Aid assistance R'000	Total R'000
<b>Tangible assets</b>	<b>20,266</b>	-	<b>20,266</b>
Buildings and other fixed structures	18,113	-	18,113
Machinery and equipment	2,153	-	2,153
<b>Intangible assets</b>	<b>62</b>	-	<b>62</b>
Software	62	-	62
<b>Total</b>	<b>20,328</b>	-	<b>20,328</b>

**8.3 Finance lease expenditure included in Expenditure for capital assets**

	Note	2014 R'000
<b>Tangible assets</b>		1,919
Machinery and equipment		1,919
<b>Total</b>		<b>1,919</b>

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**9. Unauthorised expenditure**

**9.1 Reconciliation of unauthorised expenditure**

	<i>Note</i>	2014 R'000	2013 R'000
Opening balance		10,760	10,760
Less: Amounts approved by Parliament/Legislature with funding		(3,332)	-
		<u>7,428</u>	<u>10,760</u>

**9.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification**

	2014 R'000	2013 R'000
Current	7,428	9,815
Capital	-	945
<b>Total</b>	<u>7,428</u>	<u>10,760</u>

**9.3 Analysis of unauthorised expenditure awaiting authorisation per type**

	2014 R'000	2013 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	7,428	10,760
<b>Total</b>	<u>7,428</u>	<u>10,760</u>

**10. Cash and cash equivalents**

	<i>Note</i>	2014 R'000	2013 R'000
Consolidated Paymaster General Account		2,587	1,166
Cash on hand		10	20
<b>Total</b>		<u>2,597</u>	<u>1,186</u>

**11. Prepayments and advances**

	<i>Note</i>	2014 R'000	2013 R'000
Staff advances		-	19
Travel and subsistence		141	-
Prepayments		134	4,589
<b>Total</b>		<u>275</u>	<u>4,608</u>

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**12. Receivables**

		R'000	R'000	2014 R'000	R'000	2013 R'000
	Note	Less than one year	One to three years	Older than three years	Total	Total
Claims recoverable	<a href="#">12.1</a> <i>Annex 2</i>	1,357	137	52	1,546	253
Staff debt	<a href="#">12.2</a>	317	170	416	903	517
Other debtors	<a href="#">12.3</a>	5	140	7	152	247
<b>Total</b>		<b>1,679</b>	<b>447</b>	<b>475</b>	<b>2,601</b>	<b>1,017</b>

**12.1 Claims recoverable**

	Note	2014 R'000	2013 R'000
National departments	12	14	14
Provincial departments		178	90
Public entities		1,354	-
Private enterprises		-	149
<b>Total</b>		<b>1,546</b>	<b>253</b>

**12.2 Staff debt**

	Note	2014 R'000	2013 R'000
Staff debtors	12	733	483
Salary income tax		138	18
Telephone account		32	16
<b>Total</b>		<b>903</b>	<b>517</b>

**12.3 Other debtors**

	Note	2014 R'000	2013 R'000
Deposit (Municipalities)	12	131	131
Medical aid		2	2
Salary reversal control		2	-
Salary tax debt		2	89
Salary pension fund		15	25
<b>Total</b>		<b>152</b>	<b>247</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**PRIMARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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**12.4 Impairment of receivables**

	2014 R'000	2013 R'000
Estimate of impairment of receivables	328	-
<b>Total</b>	<b>328</b>	<b>-</b>

**13. Voted funds to be surrendered to the Revenue Fund**

	Note	2014 R'000	2013 R'000
Opening balance		17,386	6,137
Transfer from statement of financial performance		12,563	17,386
Paid during the year		(17,386)	(6,137)
<b>Closing balance</b>		<b>12,563</b>	<b>17,386</b>

**14. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**

	Note	2014 R'000	2013 R'000
Opening balance		7	222
Transfer from Statement of Financial Performance		257	228
Paid during the year		(213)	(443)
<b>Closing balance</b>		<b>51</b>	<b>7</b>

**15. Payables – current**

	Note	2014 R'000	2013 R'000
Clearing accounts	<a href="#">15.1</a>	72	6
Other payables	<a href="#">15.2</a>	215	172
<b>Total</b>		<b>287</b>	<b>178</b>

**15.1 Clearing accounts**

	Note	2014 R'000	2013 R'000
SAL:REVERSAL CONTROL:CA	15	-	6
SAL:ACB RECALLS:CA		35	-
SAL:BARGAINING COUNCILS:CL		8	-
SAL:PENSION FUND:CL		29	-
<b>Total</b>		<b>72</b>	<b>6</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**PRIMARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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**15.2 Other payables**

	<i>Note</i> 15	2014 R'000	2013 R'000
Salary recoverable		73	74
Debt receivable interest		142	98
<b>Total</b>		<b>215</b>	<b>172</b>

**16. Net cash flow available from operating activities**

	<i>Note</i>	2014 R'000	2013 R'000
Net surplus/(deficit) as per Statement of Financial Performance		12,820	17,614
Add back non cash/cash movements not deemed operating activities		32,525	15,213
(Increase)/decrease in receivables – current		(1,584)	(253)
(Increase)/decrease in prepayments and advances		4,333	1,685
(Increase)/decrease in other current assets		3,332	-
Increase/(decrease) in payables – current		109	33
Expenditure on capital assets		43,934	20,328
Surrenders to Revenue Fund		(17,599)	(6,580)
<b>Net cash flow generated by operating activities</b>		<b>45,345</b>	<b>32,827</b>

**17. Reconciliation of cash and cash equivalents for cash flow purposes**

	<i>Note</i>	2014 R'000	2013 R'000
Consolidated Paymaster General account		2,587	1,166
Cash on hand		10	20
<b>Total</b>		<b>2,597</b>	<b>1,186</b>

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014

18. Contingent liabilities and contingent assets

18.1 Contingent liabilities

	<i>Note</i>	2014 R'000	2013 R'000
<b>Liable to</b>			
<b>Nature</b>			
Intergovernmental payables (unconfirmed balances)	<i>Annex 3</i>	489	249
<b>Total</b>		<u>489</u>	<u>249</u>

An amount of R100k relating to the prior period Intergovernmental payable has not yet been resolved. The information submitted for this claim is deemed insufficient by the Department. Written requests for supporting documentation have been submitted.

18.2 Contingent assets

	<i>Note</i>	2014 R'000	2013 R'000
<b>Nature of contingent asset</b>			
Breach of contract		-	-
<b>Total</b>		<u>-</u>	<u>-</u>

The Department previously disclosed a contingent asset of R1,74 million in the 2012/13 Annual Financial Statements. Further investigation revealed that the contingent asset does not exist. The Department therefore did not disclose the contingent asset for the 2013/14 financial year and amended the comparative amount to zero.

19. Commitments

	<i>Note</i>	2014 R'000	2013 R'000
<b>Current expenditure</b>			
Approved and contracted		3,681	3,813
<b>Capital expenditure</b>			
Approved and contracted		20,580	36,169
<b>Total Commitments</b>		<u>24,261</u>	<u>39,982</u>

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014

20. Accruals

Listed by economic classification			2014	2013
	30 Days	30+ Days	R'000	R'000
Goods and services	4,893	1,287	6,180	4,646
Capital assets	1,257	446	1,703	-
Other	234	-	234	204
<b>Total</b>	<b>6,384</b>	<b>1,733</b>	<b>8,117</b>	<b>4,850</b>

	Note	2014	2013
		R'000	R'000
Programme 1: Administration		1,449	1,172
Programme 2: Cultural Affairs		2,696	901
Programme 3: Library & Archival Services		2,108	1,313
Programme 4: Sport & Recreation		1,864	1,464
<b>Total</b>		<b>8,117</b>	<b>4,850</b>

	Note	2014	2013
		R'000	R'000
Confirmed balances with other departments	Annex 3	152	-
<b>Total</b>		<b>152</b>	<b>-</b>

21. Employee benefits

	Note	2014	2013
		R'000	R'000
Leave entitlement		5,364	3,475
Service bonus (Thirteenth cheque)		1,788	1,698
Performance awards		1,313	1,205
Capped leave commitments		2,476	2,379
<b>Total</b>		<b>10,941</b>	<b>8,757</b>

The current year leave entitlement does not include officials who have negative leave days as at 31 March 2014 to the value of R11 679 (prior year R76 097).

The current year leave entitlement includes leave credits to the value R1 255 709 that was forfeited by officials previously on contract that were absorbed permanently on 01 April 2014.

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014

22. Lease commitments

22.1 Operating leases expenditure

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2014					
Not later than 1 year	-	-	6,104	-	6,104
Later than 1 year and not later than 5 years	-	-	36,304	-	36,304
Later than five years	-	-	-	-	-
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>42,408</b>	<b>-</b>	<b>42,408</b>

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2013					
Not later than 1 year	-	-	5,652	-	5,652
Later than 1 year and not later than 5 years	-	-	35,813	-	35,813
Later than five years	-	-	6,595	-	6,595
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>48,060</b>	<b>-</b>	<b>48,060</b>

The operating lease expenditure represents the lease of the Head Office. This lease has an annual escalation of 8% and the contract will expire 31 December 2019.

The Department is not liable for the repairs and maintenance of the building.

22.2 Finance leases expenditure

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2014					
Not later than 1 year	-	-	-	2,795	2,795
Later than 1 year and not later than 5 years	-	-	-	3,087	3,087
Later than five years	-	-	-	-	-
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,882</b>	<b>5,882</b>

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
<b>2013</b>					
Not later than 1 year	-	-	-	2,459	2,459
Later than 1 year and not later than 5 years	-	-	-	4,615	4,615
Later than five years	-	-	-	-	-
<b>Total lease commitments</b>	-	-	-	<b>7,074</b>	<b>7,074</b>

The material finance lease is the contract between the Department and the Northern Cape Fleet Management. The rates increases annually by 8,5% in April.

**23. Accrued departmental revenue**

	Note	2014 R'000	2013 R'000
Tax revenue			
Sales of goods and services other than capital assets		-	71
<b>Total</b>		<b>-</b>	<b>71</b>

**23.1 Analysis of accrued departmental revenue**

	Note	2014 R'000	2013 R'000
Opening balance		71	71
Less: amounts written-off/reversed as irrecoverable		(71)	
<b>Closing balance</b>		<b>-</b>	<b>71</b>

**23.2 Accrued department revenue written off**

	Note	2014 R'000	2013 R'000
Nature of losses			
Revenue written off as irrecoverable		71	
<b>Total</b>		<b>71</b>	

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014

24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

	<i>Note</i>	2014 R'000	2013 R'000
Opening balance		74,237	47,087
Add: Irregular expenditure – relating to current year		19,563	27,150
<b>Irregular expenditure awaiting condonation</b>		<b>93,800</b>	<b>74,237</b>

Analysis of awaiting condonation per age classification

Current year		19,563	27,150
Prior years		74,237	47,087
<b>Total</b>		<b>93,800</b>	<b>74,237</b>

24.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2014 R'000
SCM procedures not followed	None	19,418
Cost containment	None	145
<b>Total</b>		<b>19,563</b>

25. Fruitless and wasteful expenditure

25.1 Reconciliation of fruitless and wasteful expenditure

	<i>Note</i>	2014 R'000	2013 R'000
Opening balance		984	892
Fruitless and wasteful expenditure – relating to current year		232	92
<b>Fruitless and wasteful expenditure awaiting resolution</b>		<b>1,216</b>	<b>984</b>

25.2 Analysis of awaiting resolution per economic classification

	<i>Note</i>	2014 R'000	2013 R'000
Current		483	251
Capital		733	733
<b>Total</b>		<b>1,216</b>	<b>984</b>

**SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2014**

<b>25.3 Analysis of Current year's fruitless and wasteful expenditure</b>		
<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2014 R'000</b>
Interest on arrear accounts	None	192
No show fees	None	40
<b>Total</b>		<b>232</b>

**26. Related party transactions**

<b>Payments made</b>	<i>Note</i>	<b>2014 R'000</b>	<b>2013 R'000</b>
Transfers		-	-
<b>Total</b>		<b>-</b>	<b>-</b>

The prior year amount was adjusted from R5,962 to zero. The Departments previously disclosed all the transfers to agencies as related party transactions. With the introduction of the Modified Cash Standard (GRAP Accounting), the Department is no longer required to disclose this amount but to indicate this relationship as per the paragraph below.

The Department of Sport, Arts & Culture has a related party relationship with the agencies that report the MEC of Sport, Arts & Culture. These agencies are listed in Annexure 1B to the Annual Financial Statements.

**27. Key management personnel**

	<b>No. of Individuals</b>	<b>2014 R'000</b>	<b>2013 R'000</b>
Political office bearers	1	1,735	1,652
Officials:			
Level 14	1	1,287	1,184
Level 13	10	6,879	6,509
<b>Total</b>		<b>9,901</b>	<b>9,345</b>

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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28. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Opening balance	Curr Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	27,662	-	1,925	-	<b>29,587</b>
Transport assets	997	-	-	-	997
Computer equipment	10,582	-	1,652	-	12,234
Furniture and office equipment	1,505	-	-	-	1,505
Other machinery and equipment	14,578	-	273	-	14,851
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>27,662</b>	<b>-</b>	<b>1,925</b>	<b>-</b>	<b>29,587</b>

28.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Cash	Non- cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	3,844	-	(1,919)	-	1,925
Transport assets	1,467	-	(1,467)	-	-
Computer equipment	1,652	-	-	-	1,652
Furniture and office equipment	-	-	-	-	-
Other machinery and equipment	725	-	(452)	-	273
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>3,844</b>	<b>-</b>	<b>(1,919)</b>	<b>-</b>	<b>1,925</b>

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014

28.2 Movement for 2013

	Opening balance	Curr Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>31,068</b>	<b>(4,351)</b>	<b>2,019</b>	<b>1,074</b>	<b>27,662</b>
Transport assets	997	-	1,009	1,009	997
Computer equipment	11,864	(1,796)	514	-	10,582
Furniture and office equipment	5,275	(3,859)	89	-	1,505
Other machinery and equipment	12,932	1,304	407	65	14,578
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>31,068</b>	<b>(4,351)</b>	<b>2,019</b>	<b>1,074</b>	<b>27,662</b>

28.3 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2014

	Specialised military assets R'000	Intangible assets R'000	Library material R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	14,210	8,318	-	22,528
Curr Year Adjustments to Prior Year balances	-	144	166,802	(154)	-	166,792
Additions	-	223	4,515	415	-	5,153
Disposals	-	-	-	45	-	45
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>367</b>	<b>185,527</b>	<b>8,534</b>	<b>-</b>	<b>194,428</b>

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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	Specialised military assets	Intangible assets	Library material	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	579	-	579
Number of minor assets at cost	-	584	1,386,551	11,204	-	1,398,339
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>584</b>	<b>1,386,551</b>	<b>11,783</b>	<b>-</b>	<b>1,398,918</b>

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2013

	Specialised military assets R'000	Intangible assets R'000	Library material R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	7,708	-	7,708
Curr Year Adjustments to Prior Year balances	-	-	-	166	-	166
Additions	-	-	14,210	444	-	14,654
Disposals	-	-	-	-	-	-
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>-</b>	<b>14,210</b>	<b>8,318</b>	<b>-</b>	<b>22,528</b>

	Specialised military assets	Intangible assets	Library material	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	1,753	-	1,753
Number of minor assets at cost	-	-	94,733	7,957	-	102,690
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>-</b>	<b>94,733</b>	<b>9,710</b>	<b>-</b>	<b>104,443</b>

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014

28.4 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2014

	Specialised military assets R'000	Intangible assets R'000	Library material R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	45	-	45
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45</b>	<b>-</b>	<b>45</b>

29. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Opening balance R'000	Current Year Adjust- ments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	639	-	-	-	639
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>639</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>639</b>

29.1 Movement for 2013

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance R'000	Current Year Adjust- ments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	577	-	62	-	639
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>577</b>	<b>-</b>	<b>62</b>	<b>-</b>	<b>639</b>

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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30. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Opening balance	Curr Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	34,730	14,418	15,205	64,353	-
Non-residential buildings	34,730	14,418	15,205	64,353	-
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>34,730</b>	<b>14,418</b>	<b>15,205</b>	<b>64,353</b>	<b>-</b>

30.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>	40,090	15,205	(40,090)	-	15,205
Non-residential buildings	40,090	15,205	(40,090)	-	15,205
<b>TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>40,090</b>	<b>15,205</b>	<b>(40,090)</b>	<b>-</b>	<b>15,205</b>

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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30.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	-	64,353	<b>64,353</b>	-
Non-residential buildings	-	64,353	<b>64,353</b>	-
<b>TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	-	64,353	<b>64,353</b>	-

30.3 Movement for 2013

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Curr Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	-	34,730	-	-	34,730
Non-residential buildings	-	34,730	-	-	34,730
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	-	<b>34,730</b>	-	-	<b>34,730</b>

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014

30.4 S42 Immovable assets

Assets subjected to transfer in terms of S42 of the PFMA – 2012/13

	Number of assets	Value of assets R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>8</b>	<b>63,053</b>
Non-residential buildings	8	63,053
<b>LAND AND SUBSOIL ASSETS</b>	<b>1</b>	<b>1,300</b>
Land	1	1,300
<b>TOTAL</b>	<b>9</b>	<b>64,353</b>

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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31. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					Amount received by department	SPENT			2012/13	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available		Amount spent by department	Under / (Overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000		R'000	R'000	R'000	%	R'000
Sport & Recreation									100%		
South Africa	30,806	-	-	-	30,806	30,806	30,807	(1)		27,404	29,130
Arts & Culture	75,596	11,093	-	-	86,689	86,689	78,785	7,904	91%	72,395	61,933
EPWP	1,040	-	-	-	1,040	1,040	1,243	(203)	120%	1,567	1,174
	107,442	11,093	-	-	118,535	118,535	110,835	7,700		101,366	92,237

SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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32. STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000		R'000	R'000	%
JOE MOROLONG	436	154	-	590	590	-	-
GA-SEGONYANA	940	-	-	940	940	-	-
GAMMAGARA	495	-	-	495	495	-	-
JOHN TAOLE GAETSEWE	-	67	-	67	67	-	-
RICHTERSVELD	693	-	-	693	693	-	-
NAMA KHOI	1,089	-	-	1,089	1,089	-	-
KAMIESBERG	462	-	-	462	462	-	-
HANTAM	559	-	-	559	559	-	-
KAROO HOOGLAND	901	-	-	901	901	-	-
KHAI-MA	554	-	-	554	554	-	-
NAMAKWA DISTRICT MU	-	-	-	-	-	-	-
UBUNTU	766	-	-	766	766	-	-
UMSOBOMVU	708	-	-	708	708	-	-
EMTHANJENI	679	-	-	679	679	-	-
KAREEBERG	773	-	-	773	773	-	-
RENOSTERBERG	531	-	-	531	-	531	-
THEMBELIHLE	603	-	-	603	603	-	-
SIYATHEMBA	695	258	-	953	953	-	-
SIYANCUMA	630	-	-	630	630	-	-

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**SECONDARY NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000		R'000	R'000	%
PIXLEY KA SEME DIST	-	-	-	-	-	-	-
MIER	396	-	-	396	-	396	-
!KAI! GARIB	630	-	-	630	630	-	-
//KHARA HAIS	931	-	-	931	931	-	-
!KHEIS	332	-	-	332	332	-	-
TSANTSABANE	622	-	-	622	622	-	-
KGATELOPELE	457	-	-	457	457	-	-
SOL PLAATJE	1,781	-	-	1,781	1,781	-	-
DIKGATLONG	822	-	-	822	-	822	-
MAGARENG	481	-	-	481	481	-	-
PHOKWANE	987	-	-	987	987	-	-
	<b>18,953</b>	<b>479</b>	<b>-</b>	<b>19,432</b>	<b>17,683</b>	<b>1,749</b>	<b>-</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 1A  
STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT			2012/13
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000		R'000	R'000	%	R'000	R'000	%	R'000
JOE MOROLONG	436	154	-	590	590	-	-	590	590	100%	445
GA-SEGONYANA	940	-	-	940	940	-	-	940	940	100%	932
GAMMAGARA	495	-	-	495	495	-	-	495	495	100%	465
JOHN TAOLE GAETSEWE	-	67	-	67	67	-	-	67	67	100%	204
RICHTERSVELD	693	-	-	693	693	-	-	693	693	100%	706
NAMA KHOI	1,089	-	-	1,089	1,089	-	-	1,089	1,089	100%	1,176
KAMIESBERG	462	-	-	462	462	-	-	462	462	100%	475
HANTAM	559	-	-	559	559	-	-	559	559	100%	378
KAROO											
HOOGLAND	901	-	-	901	901	-	-	901	901	100%	946
KHAI-MA	554	-	-	554	554	-	-	554	554	100%	495

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT			2012/13
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000		R'000	R'000	%	R'000	R'000	%	R'000
NAMAKWA DISTRICT MU	-	-	-	-	-	-	-	-	-	-	-
UBUNTU	766	-	-	766	766	-	-	766	766	100%	758
UMSOBOMVU	708	-	-	708	708	-	-	708	708	100%	715
EMTHANJENI	679	-	-	679	679	-	-	679	679	100%	682
KAREEBERG	773	-	-	773	773	-	-	773	773	100%	665
RENOSTERBERG	531	-	-	531	-	531	-	-	-	-	628
THEMBELIHLA	603	-	-	603	603	-	-	603	603	100%	596
SIYATHEMBA	695	258	-	953	953	-	-	953	953	100%	689
SIYANCUMA	630	-	-	630	630	-	-	630	630	100%	624
PIXLEY KASEMBE DISTRICT	-	-	-	-	-	-	-	-	-	-	-
MIER	396	-	-	396	-	396	-	-	-	-	385
!KAI! GARIB	630	-	-	630	630	-	-	630	630	100%	625
//KHARA HAI	931	-	-	931	931	-	-	931	931	100%	929
!KHEIS	332	-	-	332	332	-	-	332	332	100%	347
TSANTSABANE	622	-	-	622	622	-	-	622	622	100%	497

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT			2012/13
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000		R'000	R'000	%	R'000	R'000	%	R'000
KGATELOPEL											
E	457	-	-	457	457	-	-	457	457	100%	427
SOL PLAATJE	1,781	-	-	1,781	1,781	-	-	1,781	1,781	100%	1,295
DIKGATLONG	822	-	-	822	-	822	-	-	-		1,054
MAGARENG	481	-	-	481	481	-	-	481	481	100%	508
PHOKWANE	987	-	-	987	987	-	-	987	987	100%	978
NAMA KHOI – RATES	-	-	-	-	46	-	-	46	46		-
SOL PLAATJE - VEHICLE LICENCE	-	-	-	-	1	-	-	1	1		-
	<b>18,953</b>	<b>479</b>	<b>-</b>	<b>19,432</b>	<b>17,730</b>	<b>1,749</b>	<b>-</b>	<b>17,730</b>	<b>17,730</b>		<b>18,624</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 1B  
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2012/13
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
NC Academy of Sport	1,548	-	-	1,548	2,287	148%	1,409
NC Arts & Culture Council	676	-	-	676	2,848	421%	700
McGregor Museum	2,921	-	-	2,921	2,913	100%	2,893
NC Provincial Language Committee	100	-	-	100	-		150
NC Sport Council	2,079	-	-	2,079	1,340	64%	685
Ngwao Boswa Kapa Bokone	1,200	-	-	1,200	900	75%	1,133
NC Provincial Geographic Names Committee	500	-	-	500	500	100%	800
	<b>9,024</b>	<b>-</b>	<b>-</b>	<b>9,024</b>	<b>10,788</b>		<b>7,770</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 1C  
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2012/13
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
<b>Public Corporations</b>									
<b>Transfers</b>									
SABC	-	-	-	-	195		-	5	-
SITA	195	-	-	195	5	3%	-	195	-
<b>TOTAL</b>	<b>195</b>	<b>-</b>	<b>-</b>	<b>195</b>	<b>200</b>		<b>-</b>	<b>200</b>	<b>-</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 1D  
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

	TRANSFER ALLOCATION				EXPENDITURE		2012/13
	Adjusted Appropriation Act	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Availabl e funds Transfer red	Appro- priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>HOUSEHOLDS</b>							
<b>Transfers</b>							
CLAIMS AGAINST THE STATE	-	-	-	-	2		-
BURSARIES - NON EMPLOYEES	790	-	-	790	607	77%	-
LEAVE GRATUITY	-	-	-	-	372		-
<b>Total</b>	<b>790</b>	<b>-</b>	<b>-</b>	<b>790</b>	<b>981</b>		<b>-</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 1E**

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE**

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2013/14 R'000	2012/13 R'000
<b>Paid in cash</b>		
<b>Mayibuye Film &amp; Television Academy Initiative</b>		
Bursaries	173	345
	<b>173</b>	<b>345</b>
<b>MEC Discretionary Fund</b>		
Households and non-profit organisations	219	145
	<b>219</b>	<b>145</b>
<b>Sport &amp; Recreation Development</b>		
GW Rugby Union	100	1,000
GW Girls Hockey	88	-
NC Schools Boys Hockey	107	-
GWK Hoerskool Rugby	75	-
Pansi D		70
Andrews N		90
NC Gymnastics Association		67
Griqua Diamonds		488
Households and non-profit organisations	118	194
	<b>488</b>	<b>1,909</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

<b>NATURE OF GIFT, DONATION OR SPONSORSHIP</b>	<b>2013/14</b>	<b>2012/13</b>
<b>(Group major categories but list material items including name of organisation)</b>	<b>R'000</b>	<b>R'000</b>
<b>Library Conditional Grant</b>		
Africana Library Trust	100	100
South African San Institute		100
Booktown Richmond		100
Sol Plaatje Educational trust	186	100
Davis NEA		50
Richmond Community Development Foundation	100	-
Households and non-profit organisations	12	12
	<b>398</b>	<b>462</b>
<b>Gifts, Donations &amp; Sponsorships</b>		
Gariiep Arts Festival	400	-
Galeshewe Theatre Organisation	56	-
Kimberley Academy of Music	290	-
NC Choristers	50	-
Bushcoffee Tradeworx	55	-
Maruping Agency	-	100
Richtersveld Cultural & Botanical	300	300
MI Records	-	50
Households and non-profit organisations	168	678
	<b>1,319</b>	<b>1,128</b>
<b>TOTAL</b>	<b>2,597</b>	<b>3,989</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 2  
CLAIMES RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Department</b>						
Sport & Recreation South Africa	-	-	14	14	14	14
NC Department of Economic Development & Tourism			45	45	45	45
NC Department of Social Development			45	45	45	45
	-	-	<b>104</b>	<b>104</b>	<b>104</b>	<b>104</b>
<b>Other Government Entities</b>						
NC Arts & Culture Council	-	-	1,354	-	1,354	-
	-	-	<b>1,354</b>	-	<b>1,354</b>	-
<b>TOTAL</b>	-	-	<b>1,458</b>	<b>104</b>	<b>1,458</b>	<b>104</b>

**DEPARTMENT OF SPORT, ARTS AND CULTURE  
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 3  
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>						
<b>Current</b>						
NC Department of Transport, Safety & Liaison	-	-	76	-	76	-
NC Office of the Premier	-	-	313	-	313	-
Government Printers	3	-	-	-		
<b>Subtotal</b>	<b>3</b>	<b>-</b>	<b>389</b>	<b>-</b>	<b>389</b>	<b>-</b>
<b>Non-current</b>						
NC Transport, Roads & Public Works	149	-	-	149	149	149
NC Department of Economic Dev & Tourism	-	-	100	100	100	100
<b>Subtotal</b>	<b>149</b>	<b>-</b>	<b>100</b>	<b>249</b>	<b>249</b>	<b>249</b>
<b>Total</b>	<b>152</b>	<b>-</b>	<b>489</b>	<b>249</b>	<b>638</b>	<b>249</b>

**ANNEXURE 5  
MOVEMENT IN CAPITAL WORK IN PROGRESS**

**MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2014**

	Opening balance	Current Year Capital WIP	Completed Assets	Closing balance
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	38,932	40,090	15,205	63,817
Non-residential buildings	38,932	40,090	15,205	63,817
<b>TOTAL</b>	<b>38,932</b>	<b>40,090</b>	<b>15,205</b>	<b>63,817</b>

## **OTHER INFORMATION**

### **Acronyms**

ABET	-	Adult Basic Education and Training
AFDA	-	South African School of Motion Picture Medium and Live Performance
ALFRESCO	-	Open Source Enterprise Content Management System
BMM	-	Broad Management Meeting
DAC	-	Department of Arts and Culture
DPSA	-	Department of Public Service and Administration
DOE	-	Department of Education
ECD	-	Early Childhood Development
EPWP	-	Expanded Public Works Programme
EXCO		Executive Council
FETC	-	Further Education and Training Certificate
FEDANSA	-	Federation of Dance Sport South Africa
HRM	-	Human Resource Management
HRD	-	Human Resource Development
HOD	-	Head of Department
ICT	-	Information and Communication Technology
MEC	-	Member of Executive Council
MPP	-	Mass Participation Programme
MAPPP-SETA	-	Media Advertising, Publishing, Printing, Packaging Sector Education Training Authority
MTEF	-	Medium Term Expenditure Framework
MTSF	-	Medium Term Strategic Framework
NCPLC	-	Northern Cape Programme Language Committee
PGNC	-	Provincial Geographic Names Committee
PVA	-	Public Viewing Area
PANSALB	-	Pan South African Language Board
SASCOC	-	South African Sports Confederation and Olympic Committee
SGDTS	-	Sport Growth, Development and Transformation Strategy
SMME	-	Small, Medium and Micro Enterprises
SLA	-	Service Level Agreement
SHERQ	-	Safety, Health, Environment, Risk and Quality
WSP	-	Workplace Skills Plan

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DEPARTMENT OF SPORT,  
ARTS AND CULTURE

LEFAPHA LA METSHAMEKO,  
BOTAKI LE SETSO

DEPARTEMENT VAN SPORT,  
KUNS EN KULTUUR

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Imibuzo :  
Navrae :  
Reference :  
Tshupelo : H9.1.1.1  
Isalathiso :  
Verwysings :

Date :  
Leshupelo :  
Umhla : 29/08/14  
Datum :

**The Head Official  
Provincial Treasury  
Metlife Towers  
Market Square  
KIMBERLEY  
8301**

**Dear Mr SE Mokoko**

**RE: SUBMISSION OF ANNUAL REPORT 2013/2014 (Sport, Arts and Culture)**

With reference to section 40(1)(d) of the Public Finance Management Act, Act 1 of 1999, as amended, we hereby submit to you:

- The 2013/14 Annual Report of the Department of Sport, Arts and Culture, including the Annual Financial Statements and the AG's report.

Trust you find this in order.

Kind regards

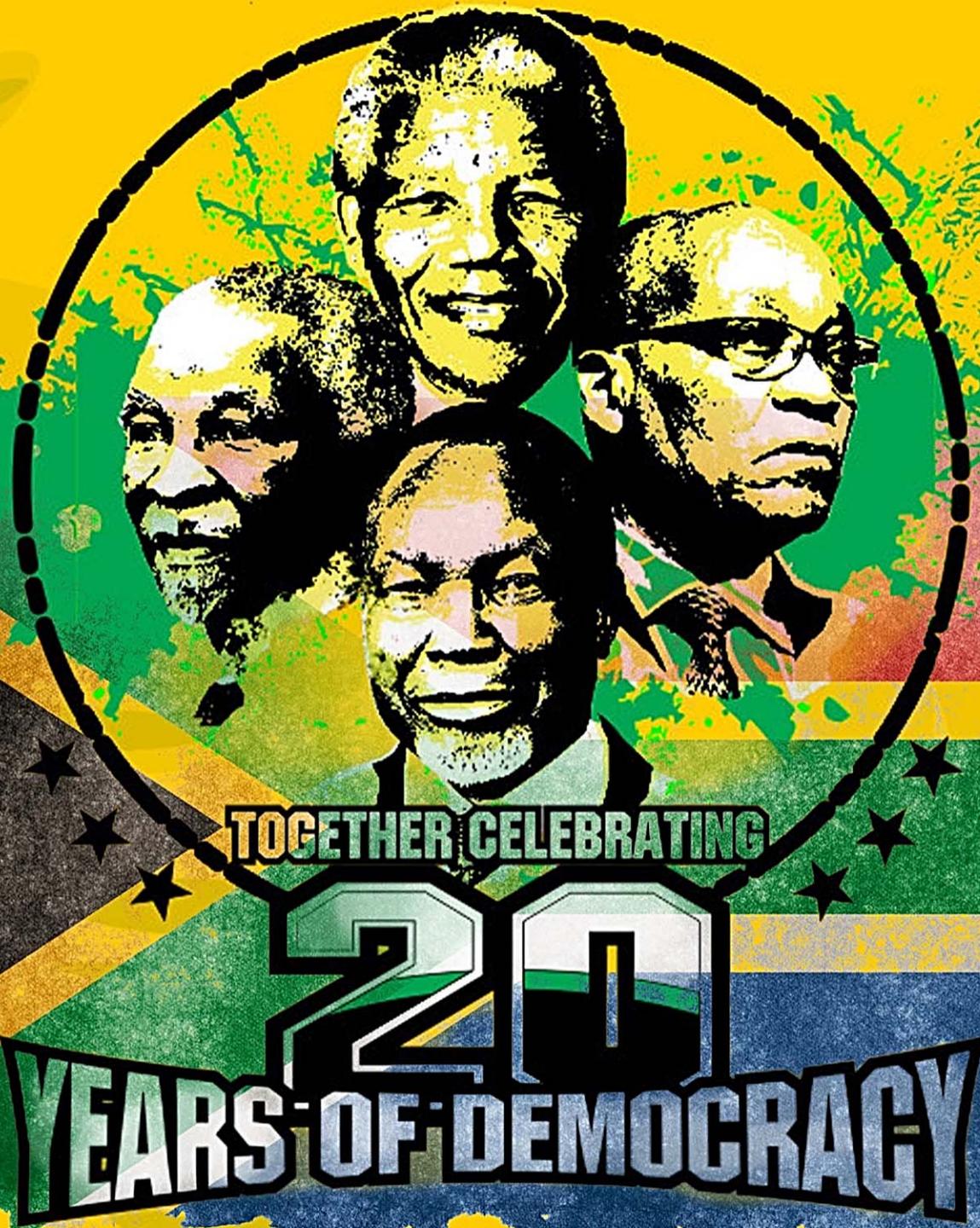
**F Aysen  
HEAD OF DEPARTMENT**

Acknowledgement of Receipt:

Name S. SERGO

Signature: [Handwritten Signature]

Date: 29/08/2014



**For further information please contact:**

**The Head of Department  
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