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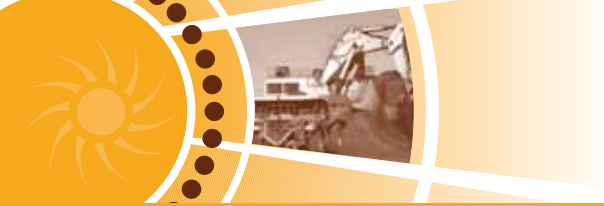
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Part A:
General Information





1.1 DEPARTMENT’S GENERAL INFORMATION

DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM

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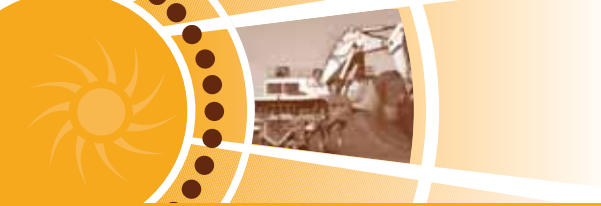
FAX NUMBER: (013) 766 4613

WEBSITE ADDRESS: www.mpumalanga.gov.za/dedet



1.2 LIST OF ABBREVIATIONS/ACRONYMS

AEL	Atmospheric Emission Licence
AMTS	Advanced Manufacturing Strategy
APP	Annual Performance Plan
AQMP	Air Quality Management Plan
BBBEE	Broad Based Black Economic Empowerment
CC's	Close Corporations
CCTV	Closed Circuit Television
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
CPA	Consumer Protection Act
CPO	Congress of Parties
CRDP	Comprehensive Rural Development Programme
CSI	Corporate Social Investment
DBSA	Development Bank of South Africa
DEDET	Department of Economic Development, Environment and Tourism
DESD	Decade of Education for Sustainable Development
DoL	Department of Labour
DPSA	Department of Public Service and Administration
EA	Environmental Authorisation
EE	Environmental Education
EEP	Employment Equity Plan
EHWP	Employee Health and Wellness Programme
EIA	Environment Impact Assessment
EIC	Enterprise Information Centre
EIP	Environmental Implementation Plan
EMC	Executive Management Committee
EMF	Environmental Management Framework
EMI	Environmental Management Inspector
EMP	Environmental Management Plan
FTC	Food Technology Centre
GDP	Growth Domestic Product
GIS	Geographical Information System
GIS	Geographical Information System
HDI	Historically Disadvantaged Individuals
HOD	Head of Department
HR PLAN	Human Resource Plan
HRPIPR	Human Resource Plan Implementation Progress Report
ICC	International Convention Centre
ICT	Information Communication and Technology
IDC	Industrial Development Corporation
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IWMP	Integrated Waste Management Plan
KMIA	Kruger Mpumalanga International Airport
LED	Local Economic Development
LRF	Local Regulatory Framework



LTO	Local Tourism Organisation
MADC	Mpumalanga Agricultural Development Corporation
MBCP	Mpumalanga Bio-diversity Plan
MDG	Millennium Development Goals
MEC	Member of the Executive Committee
MEDGP	Mpumalanga Economic Growth and Development Path
MEGA	Mpumalanga Economic Growth Agency
MGB	Mpumalanga Gambling Board
MHFCO	Mpumalanga Housing Finance
MINMEC	Ministers and Members of Executive Council
MINTECH	Ministers and Technical's Team
MISS	Minimum Information Security Standards
MLA	Mpumalanga Liquor Authority
MTGS	Mpumalanga Tourism Growth Strategy
MTPA	Mpumalanga Tourism and Parks Agency
MUNMEC	Municipalities and Member of Executive Council
NDA	National Development Agency
NIPF	National Industrial Policy Framework
NSDP	National Spatial Development Perspective
NTSS	National Tourism Sector Strategy
OTP	Office of the Premier
PERSAL	Personnel and Salary Administration
PFMA	Public Finance Management Act
PGDS	Mpumalanga Provincial Growth and Development Strategy
POA	Programme of Action
PPPFA	Preferential Procurement Policy Framework Act
PRIME	Programme for Industrial Manufacturing Excellence
PSC	Public Service Commission
RTO	Regional Tourism Organisations
RTP	Responsible Tourism Planning
SAHC/OOAK	South African Handmade Collection / One of a kind exhibition
SDF	Spatial Development Framework
SDIP	Service Delivery Improvement Plan
SEED	Schools Environment Education Development Projects
SEDA	Small Enterprise Development Agency
SERO	Socio-Economic Review and Outlook
SEZ	Special Economic Zone
SMME	Small, Medium and Micro Enterprise
SMS	Senior Management Service
SONA	State of the Nation Address
SOPA	State of the Province Address
TOR	Terms of reference
WEW	World Environmental Week



1.3 STRATEGIC OVERVIEW

Vision

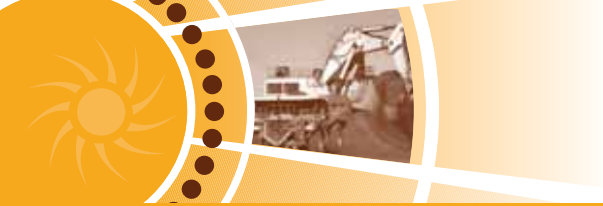
An Inclusive, Global Competitive Economy

Mission

Drive economic growth that creates decent employment and promote sustainable development through partnerships.

Values

VALUE	VALUE STATEMENT
Integrity	Officials must be dedicated to the adherence of a strict moral and ethical code of conduct in the execution of their duties and responsibilities.
Fairness	Officials must conform to the rules and standards set out by the Department. All decisions should be made free of bias and must always be considerate and just.
Accountability	Officials are, at all times, to be responsible for the performance and results of their agreed upon duties and responsibilities. This refers to the pyramid responsibility that begins with the individuals and builds up to the top management.
Transparency	Officials will recognise the right to access of information excluding information that is specifically protected by law.
Professionalism	Officials will behave and execute their duties in a manner that enhances the reputation of the Department while adhering to the highest ethical standards.



Strategic outcome orientated goals

In determining the strategic outcome oriented goals of the Department, the model shown below was utilised. The model was developed to guide and streamline thoughts so that the outcomes decided upon by the Department fits squarely in the space that it should occupy. This said space is defined by the mandate of the Department, the National Development Plan, the Mpumalanga Economic Growth and Development Path, Government's priorities as well as two of the twelve outcomes adopted by the National government.



On the basis of the model and clear consideration of the fact that the anatomy of the Department is defined by the tripod of economic development, environment and tourism, three strategic outcome oriented goals have been adopted by the Department as shown in the following tables.

Strategic outcome oriented goal 1	Sustained economic development
Goal statement	Sustained economic development that increases employment, alleviates poverty and addresses inequality among the citizenry
Strategic outcome oriented goal 2	A well-managed environment
Goal statement	A well-managed, sustainable and consistently enhanced natural environment
Strategic outcome oriented goal 3	Increased tourism in the province
Goal statement	Flourishing domestic and foreign tourism and increased inclusivity of all stakeholders in the sector

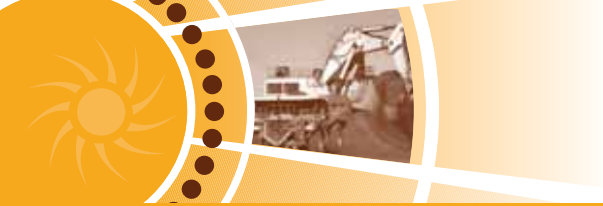


1.4 LEGISLATIVE AND OTHER MANDATES

Constitutional Mandates

CONSTITUTIONAL MANDATES	PURPOSE
The Constitution of the Republic of South Africa, Act 108 of 1996; To protect citizens and afford them rights.	<p>The Department's mandate includes regulatory functions that are meant to promote fair trade, protection of the consumer rights and sustainable environmental management as envisaged in Sections 22 and 24 of the Bill of Rights.</p> <p>Department also directly responsible for regulating the Liquor and Gambling Industries whose activities can have adverse outcomes to the well-being and dignity of individuals/communities</p> <p>The DEDET is responsible for implementing S24 of the Bill of Rights which relates to the environmental rights in the Province. The Department, as an organ of state, is responsible, in terms of section 24(a), for ensuring that people have (a right to) an environment that is not harmful to human health and well-being; and to have the environment protected for the benefit of present and future generations; and is therefore expected to use reasonable legislative and other measures that :</p> <p>Prevent pollution and ecological degradation (e.g. Sub-Programme: Pollution and Waste Management);</p> <p>Promote conservation (e.g. Sub-Directorate: Biodiversity Management and the MTPA);</p> <p>Secure ecologically sustainable development (e.g. Sub-Programme: Environmental Impact Management); and</p> <p>Secure use of natural resources while promoting justifiable economic and social development.</p>

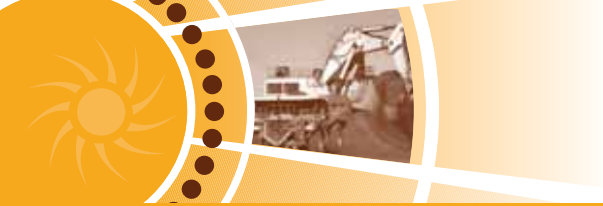
ENVIRONMENT AND CONSERVATION RELATED MANDATES	DEDET'S DIRECT RESPONSIBILITY FOR ENSURING COMPLIANCE MANDATES
National Environment Management Act, Act 107 of 1998 (as amended) provide the overarching framework to give effect to the Constitutional rights to a healthy and safe environment and to have the environment protected.	This is the enabling Act which gives effect to the specific environmental management acts, i.e. Biodiversity Act; Air Quality Act; Waste Act and Protected Areas Act. The Act also takes precedence over other environmentally related legislation such as the Water Act; Municipal Systems Act; Municipal Structures Act, to the extent to which such legislation refers to environmental regulation.
The Environmental Impact Assessment Regulation 543, 544, 545, 546, and 547 in term of the National Environmental Management Act, 1998, as amended.	<p>Chapter 2 of Regulation 543 sets out the specific provincial competencies with regard to the evaluation of environmental impact assessments.</p> <p>Chapter 3 of Regulation 543 sets out the specific requirements applicable to the submission and evaluation of environmental applications</p> <p>Regulations 544, 545, 546 indicate the listed activities that that require environmental authorizations.</p> <p>Regulation 547 sets out the procedure for the preparation of environmental management frameworks.</p> <p>The Regulations are mandatory to the Department and to all development proponents and provide controls over spatial development planning to ensure sustainable development.</p>
National Environment Management: Protected Areas Act 57 of 2003. The Act enables the identification, proclamation and management of protected areas for biodiversity conservation	<p>As part of the implementation of the environmental right under section 24 of the Constitution, the Department has a duty to prevent ecological degradation and promote conservation to enable sustainable development.</p> <p>The Act's main objectives include:</p> <ul style="list-style-type: none"> the establishment of a national register of all national, provincial and local protected areas; and the management of protected areas in accordance with national norms and standards; and Intergovernmental co-operation and public consultation regarding such protected areas. <p>Most of the mandates are implemented by the MTPA, while the Department retains policy and legislative oversight (e.g. public and executive accountability).</p>
National Environment Management: Biodiversity Act 10 of 2004. The Act provides for biodiversity planning and regulation.	<p>The main aim of the Act is to make regulatory provisions for the management and conservation of national biodiversity within the framework of the NEMA and in accordance with section 24 of the Constitution.</p> <p>Among the main mandates of the Department are:</p> <ul style="list-style-type: none"> Protection of species and ecosystems; Sustainable use of indigenous biological resources; Fair and equitable sharing of the benefits arising from bio-prospecting involving indigenous biological resources. <p>Most of the mandates are implemented by the MTPA, while the Department retains policy and legislative oversight (e.g. public and executive accountability).</p>



ENVIRONMENT AND CONSERVATION RELATED MANDATES	DEDET'S DIRECT RESPONSIBILITY FOR ENSURING COMPLIANCE MANDATES
<p>National Environment Management: Air Quality Act, 39 of 2004. The Act provides the overarching framework for air quality planning, management and regulation</p>	<p>The Act provides regulatory mechanisms to control the release of harmful; offensive and climate warming substances to the atmosphere and troposphere.</p> <p>The Department must ensure that emissions released by anthropogenic practices are not harmful to human health (e.g. carcinogens and substances that cause or exacerbate respiratory infections) and the environment (e.g. gases that alter soil chemistry; corrosive substances; etc.).</p> <p>The Department has a number of mandatory functions to perform, including:</p> <p>Designation of a Provincial Air Quality Officer to coordinate all provincial air quality matters and enable effective public consultation and participation on air quality management;</p> <p>Compilation; implementation; maintenance and continual review and improvement of a Provincial Air Quality Management Plan. The AQMP must provide for:</p> <p>Ambient air quality management;</p> <p>The regulation and licensing of activities that result in atmospheric emissions;</p> <p>Setting of provincial norms and standards; and</p> <p>Declaration of provincial air pollution priority areas.</p> <p>Providing support to municipalities in the Province in addressing their air quality management problems and in general air quality management (e.g. administrative support on Atmospheric Emission Licensing; Ambient Air Quality Monitoring; etc.);</p> <p>Participation in intergovernmental air quality governance programmes; and</p> <p>Supporting initiatives to address local; provincial; national and global environmental problems (e.g. climate change response initiatives).</p>
<p>National Environment Management: Waste Act, 59 of 2008. The Act provides the overarching framework for integrated waste planning, management and regulation.</p>	<p>The Act provides for the protection of the environment against the harmful and environmentally degrading impacts of waste substance release.</p> <p>Among the key mandates of the Department are to provide for:</p> <p>Institutional arrangements and planning matters;</p> <p>National and provincial norms and standards of integrated waste management;</p> <p>Licensing and control of waste management activities;</p> <p>Remediation of contaminated land; and</p> <p>Setting up and maintaining a national waste information system</p> <p>The Act provides a distinction in terms of the functions assigned to the three spheres of government.</p> <p>The Department has the following key mandates:</p> <p>The designation of a Provincial Waste Management Officer to coordinate all provincial integrated waste management matters and enable effective public consultation and participation thereon;</p> <p>Compilation; implementation; maintenance and continual review and improvement of a Provincial Integrated Waste Management Plan. The IWMP must provide for</p> <p>The effective implementation of the Province's responsibilities as outlined in the National Waste Management Strategy;</p> <p>The regulation and licensing of activities that result in environmental pollution (e.g. ground; water and air pollutants);</p> <p>Setting of provincial norms and standards;</p> <p>The sharing of scarce resources and infrastructure on integrated waste management; and</p> <p>Designation of spatially appropriate areas for waste management.</p> <p>Providing support to municipalities in the Province in addressing their integrated waste management mandates and problems;</p> <p>Participation in intergovernmental waste management and governance programmes; and</p> <p>Supporting initiatives to address local; provincial; national and global environmental problems (e.g. climate change response initiatives).</p>
<p>Provincial Gazette No.1723 of 30 September 2009, in accordance with Chapter 3 (Sections 11 – 16) of National Environment Management Act, Act 107 of 1998 (as amended), provides for mechanisms and procedures for the co-operative environmental governance in terms of Environmental Implementation Plans (EIPs)</p>	<p>DEDET as the relevant provincial environmental authority has been delegated the mandate to regulate environmental issues, including issues relating to the coordination of cooperative environmental governance, as set out in Chapter 3 of NEMA (Act 107 of 1998 (As Amended)).</p>

Legislative Mandates

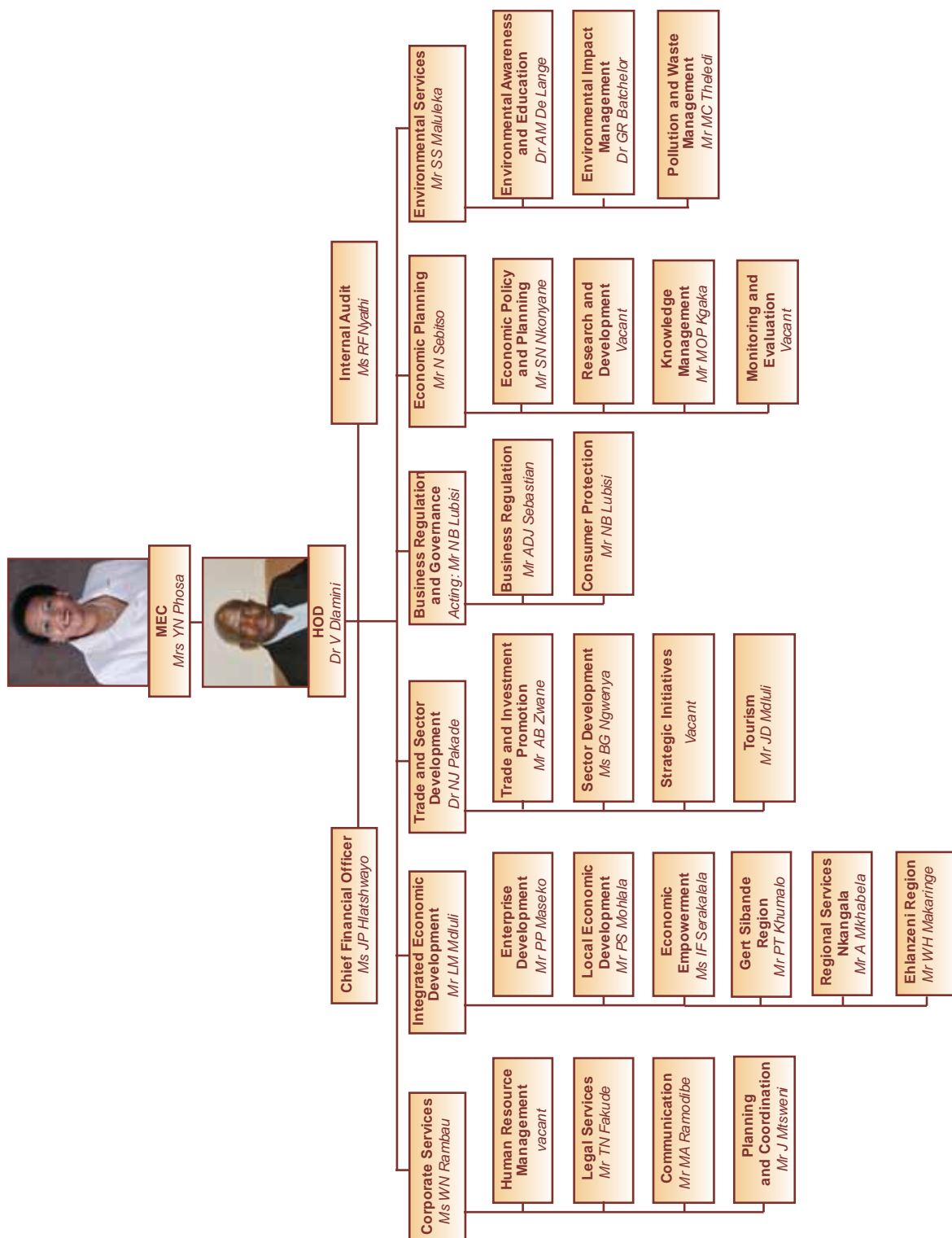
LEGISLATIVE MANDATES	PURPOSE
Public Financial Management Act No.1 of 1999.	To promote sound financial management in the public sector. Every employee of the Department is enjoined to ensure that no fruitless/irregular expenditure occurs within their area of responsibility
Mpumalanga Gambling Act No.5 of 1999.	To provide for control over gaming; and to provide for matters connected therewith. The Department is, by virtue of being the shareholder representative, responsible for ensuring that the MGB effectively and efficiently executes its mandate which includes regulating gambling and sensitising the public against the dangers of excessive gambling. Overseeing Quarterly Reports, Annual Reports and Strategic Objectives.
Liquor Act No. 27 of 1989.	To provide for control over the sale of liquor and for matters connected within. By ensuring that the Liquor Board regulates the issuing of liquor licences and conduct inspections to minimise the ill effects of unregulated consumption. Implementation and overseeing activities of Liquor Board.
National Gambling Act 59 of 2003.	To provide for the co-ordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering and to provide for the continued regulation of those matter The Department is to ensure that the Mpumalanga Gambling Act is aligned to national norms and standards established in terms of the National Gambling Act.
Mpumalanga Consumer Act No. 6 of 1998.	To promote a fair accessible and sustainable marketplace for consumer product and for that purpose to establish national norms and standards relating to consumer protection. DEDET is responsible for establishing and managing the Office of Investigation of Unfair Business Practices, whose function is to receive, investigate and resolve complaints of unfair business practices. To establish the Consumer Court which adjudicates on matters of alleged unfair business practices.
Mpumalanga Liquor Licensing Act 5 of 2007.	To provide for the regulation of the liquor industry in the province; and for matter connected within. Directly responsible through the establishment of the Public Entity not yet implemented through the Directorate of Business Regulations.
Mpumalanga Business Act No.2 of 1996.	To consolidate and amend certain laws in force in the province regarding the licensing and carrying on of business.
National Small Business Enabling Act.	To provide for Small Business to enter the economic frame. The department is responsible for the creation of a conducive environment for the promotion, support and development of small businesses in the province. Municipalities to comply to prescripts of the Acts.
Broad-based Black Empowerment Act.	To provide for the empowerment of the black owned companies to enter the main stream of the economy. The department is responsible for ensuring that black owned companies access opportunities in the mainstream of the economy in an effort to transform the economy and reduce inequality. it is further responsible for ensuring that the necessary support is provided to black enterprises plus targeted groups(women, youth and people living with disabilities) to enable them to successfully compete for opportunities in the economy.
Public Service Act.	To regulate the public service in the country
National Credit Act No.34 of 2005.	To promote a fair and non-discriminatory marketplace for access to consumer credit
Basic Condition of Employment Act.	Create an employer-employee relations
Labour Relations Act.	To protect the rights of the workers



Policy Mandates

Name of Policy	Key responsibility that the policy places on dedet
White Paper on Environmental Policy for South Africa, 1996	<p>To regulate and manage all environmental activities in the Province, including the development of provincial policy instruments to further the objectives of national policy on integrated environmental management.</p> <p>The policy led to the promulgation of the NEMA and the SEMA's.</p>
White Paper on Integrated Pollution and Waste Management in South Africa	<p>The policy provides for a national policy framework for integrated pollution control across all three environmental media (i.e. land; air and water).</p> <p>It sets the direction that South Africa will take with regard to the management of harmful releases to air; water and land, in particular from industrial and domestic practices. The policy called for and led to the promulgation of the Waste Act and the Air Quality Act.</p>
White Paper on the National Climate Change Response Strategy	<p>The policy document provides a national direction through which South Africa aims to respond to the adverse impacts of global warming.</p> <p>It collates and integrates the various strategies and action plans developed by various organs of state and community organisations and align these to global climate change response instruments and mechanisms, e.g. the United Nations Framework Convention on Climate Change.</p> <p>The Department is the custodian of all provincial initiatives in response to climate change. The policy therefore mandates the Department with the responsibility to coordinate all climate change response actions and mechanisms in the Province.</p>

1.5 ORGANISATIONAL STRUCTURE



1.6 ENTITIES REPORTING TO THE MEC

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Mpumalanga Economic Growth Agency (MEGA)	To promote trade and investment in Mpumalanga; to provide funding in respect of approved enterprise and agricultural development focusing primarily on the previously disadvantaged individuals in Mpumalanga; to develop property including the granting of housing loans in Mpumalanga; to deliver massive infrastructure in Mpumalanga.	Transfer Payments	<p>To promote and facilitate Trade and Investment in the Province</p> <p>To provide financial and non-financial support to SMME's in the Province</p> <p>To provide financial support to emerging farmers in the province</p> <p>To grant housing loans to the needy and previously disadvantaged</p>
Mpumalanga Tourism and Parks Agency (MTPA)	To provide for the sustainable development and improvement of the tourism industry in Mpumalanga	Transfer Payments	<p>Provide for effective management and conservation of biodiversity and ecosystems within the Province</p> <p>Develop and ensure effective management of protected areas</p> <p>Promote and create socio-economic growth and transformation within the tourism and conservation industry, thereby creating economic and employment opportunities for previously disadvantaged individuals and local communities in the Province.</p>
Mpumalanga Gaming Board (MGB)	<p>Continue to regulate the Gambling industry as per the act</p> <p>Promote responsible gambling within the province</p> <p>Within the next 5 years, the Agency will try to implement the 4th Casino</p>	Transfer Payments	<p>To ensure that Industry is regulated and function within the parameter of Law.</p> <p>To promote responsible gambling within the province</p>

1.7 FOREWORD BY MEC OF THE DEPARTMENT



For the year under review, let me begin by expressing my utmost gratitude to *team dedet* for ensuring that the Department receives an unqualified audit opinion. I believe we can still improve, and eventually receive a clean audit outcome, if we continue to work collectively towards the shared vision. We acknowledge some of the historical constraints as we strive to fight unemployment, poverty and inequality. Looking at some of the highlights for the 2012/13 financial year, I wish to say well done *team dedet*!

During the period under review, the Department had an approved Annual Performance Plan (APP) which was derived from the approved 5-year Strategic Plan. It also took into consideration the pronouncements and policy directives given by President Jacob Zuma and Premier David Mabuza in the 2012 *State of the Nation Address* and the *State of the Province Address* respectively, including the priorities of Outcomes 4 and 10. You will recall that Outcome 4 relates to 'Decent employment through inclusive economic growth' whereas Outcome 10 relates to 'Protected and enhanced environmental assets and natural resources.'

This is in pursuance of our government's efforts of creating decent work and sustainable livelihoods for our people. The implemented APP was therefore in line with our legislative mandate, that of driving the economic and tourism development, environmental management as well as planning initiatives in the province. This we continued to perform in conjunction with

our implementing agents – the three (3) Public Entities reporting to the Department, namely, (1) Mpumalanga Gambling Board (MGB); (2) Mpumalanga Economic Growth Agency (MEGA); (3) Mpumalanga Tourism and Parks Agency (MTPA).

Our planning is starting to impact on the way we spend, and this gives me confidence that with some more hard work, commitment and proper monitoring and evaluation systems, things are falling into place. I have noted how our internal controls are starting to shape up.

This relates to improvement of governance issues. In this regard, the Department has established the Risk Management Committee which is functioning very well. We have compiled the Risk Register which we continued to monitor during the reporting period. All this happened mainly due to the greater awareness and collaboration among the Departmental Auditing team, the Auditor General, our external Audit Committee and our officials.

We continued our work in leading the implementation of the Programme of Action of the Mpumalanga Economic Growth and Development Path (MEGDP), which resulted in the Province signing a number of Memoranda of Understanding with the private sector focusing on five (5) key areas of co-operation, namely, Human Capital Development, Enterprise Development, Infrastructure, Sustainable Development and Environmental Management and Research and Development.

The Department continues to diligently oversee the performance of the three (3) Public Entities reporting to the Department. All the three (3) Public Entities have now stabilised in terms of leadership, financial and performance management, and good governance with the appointment of credible Board Members and CEOs.

The Department has signed Shareholders Compacts with the Boards of MEGA and MTPA, and these agreements regulate daily interaction of the Department with the entities. They also clearly define the communication lines and the levels at which various matters are to be handled and addressed. The MGB Board is managed through the Board Charter which is signed annually by all members.

The MGB continues to be our shining star by receiving clean audits over the last few years. The other two (2) entities, MEGA and MTPA have set themselves clear targets. We acknowledge that much work still needs to be done in this area of our work, in order to ensure that the Department and its agencies attain clean audit outcomes without fail.

Despite our achievements during the period under review, we remain committed to deal with the triple challenges facing the current administration, that is, unemployment, poverty and inequality. We acknowledge that the private sector remains the main contributors towards job creation, hence we will continue to partner with them in this regard.



Let me finally appreciate the valuable contribution made by all our stakeholders, who remain critical in driving the economic agenda of our province. My appreciation also goes to the Portfolio Committee on Agriculture, Rural Development and Land Administration; Economic Development, Environment and Tourism under the chairpersonship of Honourable Member Refiloe Mahlobogoane, for having guided our work and kept us on our toes, hence we celebrate one step in the right direction, the outcome of an unqualified audit opinion. The Committee continued to play a meaningful and effective oversight role in making sure that the Department remains accounts properly for its financial and performance management to the people of Mpumalanga. This is solely for the betterment of the lives of our people, who we remain their shelter of hope.

It is my utmost pleasure as the Member of the Executive Council responsible for Economic Development, Environment and Tourism and the Executing Authority of the Department, to submit this Annual Report on the work of the Department for the financial year ending March 2013, to the Honourable Speaker of the Mpumalanga Provincial Legislature, Mr SW Lubisi, in terms of section 65(1)(a) of the Public Finance Management Act.



Mrs YN PHOSA, MPL

EXECUTING AUTHORITY

Department of Economic Development, Environment and Tourism

1.8 OVERVIEW OF THE ACCOUNTING OFFICER



In line with our Mission of driving economic growth that creates decent employment and promote sustainable development through partnerships, the Department continued to carry out its mandates in collaboration with the three (3) Public Entities reporting to it. We have implemented our Annual Performance Plan (APP) which covers our mandate on driving the provincial economy, environmental sustainability, and tourism growth and development. This we performed despite resource constraints, which in many ways necessitated that we must amend our initial APP in order to allocate the limited financial resources to activities/strategies which were critical in the financial year under review.

It is worth mentioning that our success is also attributed to our strategic partners, that is, the private sector and the national government public entities that are operating in the province.

In fulfilling our mandate regarding integrated economic development, we were able to provide business development services to 949 SMMEs and co-operatives and exceeded the planned target by far by providing an additional 829 support services. We capacitated 85 co-operatives in the identified seven (7) CRDP Municipalities on business management skills, which is critical for their success and development. This included assistance on matters such as registration, lodging of annual returns and restoration of dormant ones.

We have developed a credible database which indicates compliance level with the BBBEE and PPPFA by the private sector. This will assist us to ensure that all companies operating in the province meet the balance scorecard. We also ensured that 136 SMMEs and co-operatives benefit from procurement opportunities made available by Eskom during the construction of the Kusile Power Station.

In continuing to develop the trade and sectors in the province, we facilitated the construction and completion of the Water Bottling Plant in Donkerhoek in the Gert Sibande District which will benefit the people of the area through job creation and poverty alleviation. The plant is intended bridge the gap of inequality in the economy, given that it will run by a co-operative. The Department, through MEGA, will also facilitate that the co-operative gain access to the market. We further supported all the economic sectors in the province, and hosted the Provincial Mining Lekgotla which was intended to resolve a number of issues pertaining to the environment, amongst others. We developed and implemented a number of strategies such as the Industrial Development Strategy and the Mpumalanga Tourism Growth Strategy, to mention but a few.

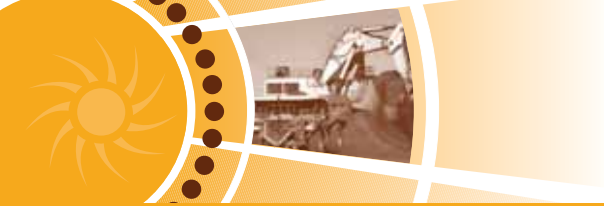
Through our public entity MEGA, we facilitated direct investment into the province to the tune of R262 million, and further facilitated export amounting to R9 million.

On business regulation and governance, we continued to implement the Mpumalanga Consumer Protection Act by resolving 1810 reported consumer cases and conducted 230 empowerment campaigns. In implementing the Mpumalanga Liquor Licensing Act, we approved 266 liquor licenses and conducted a number of awareness campaigns to deal with the social ills of alcohol abuse. The MGB (Mpumalanga Gambling Board) continued to regulate the provincial gambling industry effectively and also collected gambling levies.

In ensuring implementation of the Programme of Action of the Mpumalanga Economic Growth and Development Path (MEGDP), the Department has embarked on a drive to form clusters in various sectors which will assist in strengthening the private and public sectors with aim of creating jobs. To this end, the Executive Council has approved five (5) high impact projects to be implemented by various Departments in the 2013-2014 financial year. These high impact projects will be implemented in collaboration with the private sector, including the funding development institutions operating in the Province.

We continued to ensure environmental sustainability by ensuring compliance with the applicable environmental laws. A total of 203 Environmental Impact Assessment applications were approved; 165 environmental authorizations issued; 9 waste licenses processed and air quality was monitored accordingly, amongst others.

As indicated earlier, we experienced quite a number of challenges ranging from financial constraints; resignations of staff members; re-organisation of the Department which impeded on the finalization of the organizational structure of the Department. However we commit that the structure will be finalized before the end of the 2013-2014 financial year.



We continued to strengthen financial and governance structures, in compliance with the Public Finance Management Act and applicable Treasury Regulations, and as a result we have earned an unqualified audit opinion. It is befitting therefore, to express my sincere appreciation to the Department's Chief Financial Officer, the Senior Management and all officials of the Department, for their collective efforts which resulted in an unqualified audit opinion. We commit to continue on the same breadth, as we strive for a clean audit. Our appreciation further goes to CEOs of our Public Entities for their commitment in ensuring that the Department delivers on its mandates.



Dr V DLAMINI

ACCOUNTING OFFICER

Department of Economic Development, Environment and Tourism

Date: 31 August 2013



Part B:
Performance Information



2. PERFORMANCE INFORMATION

2.1 ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION

The Accounting Officer is responsible for the preparation of the Department's performance information and for the judgments made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the performance information of the Department for the financial year ended 31 March 2013.



DR. V DLAMINI

ACCOUNTING OFFICER

Date: 31 August 2013



2.2 AUDITOR GENERAL'S REPORT: PRE-DETERMINED OBJECTIVES

The Auditor General has identified two things which are critical on the pre-determined objectives, namely:

1. Auditor-General indicated that on the reliability of information that there was significant material mis-statement of performance information on Environmental Services
2. That there was a lack of standard operating procedures for the monitoring of completeness of source documentation in support of Actual Achievements.

The details of the AG's report can be found on page 121, Part E of the Annual Report.

2.3 OVERVIEW OF DEPARTMENTAL PERFORMANCE

Service delivery environment

Enterprise Development is responsible for the development of small of enterprises and cooperatives, empowerment of historically disadvantaged individuals; and facilitating the implementation of local economic development strategies and programmes in the province.

Services offered:

- Assist with registration of companies and cooperatives;
- Assist existing SMME's on annual returns and referrals;
- Assist with development of cooperatives in a form training of and access to finance through the dti, NDA and other development agencies

For the past years, the Department was providing services to the public as outlined in the annual performance plan and targets were met as planned. Problems encountered by the Department when providing the services include amongst others lack of entrepreneurial skills by SMME's and cooperatives. Most of the targeted groups are in rural areas and some are not easily accessed. The Departmental stakeholders information are documented in English and most of our target market cannot read and write. All document related to SMME's and Cooperatives need to local languages, to be translated to meet the needs of our target market

Consumer Protection is a concurrent legislative function of the National and Provincial Government. The National Consumer Commission (NCC) was established in terms of Act No.68 of 2008 to be the custodian of Consumer protection at a national level.

The mandate of the NCC includes amongst others the promotion of legislative reform at both national and provincial level. Their lack of cooperation with the Consumer Protection Forum had a negative impact on our plans to align the Mpumalanga Consumer Protection Act no.6 of 1998 with the Consumer Protection Act.

Provinces continued to engage with the NCC and the DTI throughout the period under review in order to bring them on board to execute their legislative mandate.

Our plan of alignment of the Provincial legislation has been deferred to the 2013/2014 financial year.

One of the biggest challenges that the Programme faces is the enforcement of Consumer Court orders, where some unscrupulous businesses fail or refuse to comply.

This challenge will be fully addressed once the amendments are effected and all possible loopholes are addressed to provide meaningful legislative redress to all consumers in the Province.

Service Delivery Improvement Plan

Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Provision of Enterprise Development Services	Small Enterprises and Cooperatives	Small Enterprises and Cooperatives	100 New SMME's and 20 cooperatives assisted (including targeted groups) with registration, annual returns and other business development services	854 SMME and 95 Cooperatives supported through business development services as follows: 599 existing SMME assisted in restoration, lodging of annual returns amendments, and 255 new SMMEs on (Pty) LTD registration as well as 127 new cooperatives registered.
Promotion of Trade and Investment	Entrepreneurs	Entrepreneurs	30 entrepreneurs identified and assessed to participate in product development across all sectors	66 SMMEs companies were identified, assessed and 30 SMMEs were selected for product development. A report on Product development was finalised and transferred to MEGA for implementation.

Consultation arrangements with customers

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
During regular interaction with prospective entrepreneurs, through walk-ins, telephonic, written consultations etc, we will endeavour to understand their needs and expectations for customized service offering	Entrepreneurs	Entrepreneurs	Conducted 13 Departmental Stakeholder/ Business Forum sessions in various local municipalities.

Service delivery access strategy

Access Strategy	Actual achievements
Enterprise Development and Trade and Investment Promotion Services shall be made accessible in the following offices: Riverside Government complex, Nelspruit (CBD), Witbank, Ermelo, Kwa-Mhlanga, and Bushbuckridge Regional Offices.	179 walk-in businesses supported with information on funding, establishment procedures, and general business information by the Regional Offices

Service information tool

Types of information tool	Actual achievements
Pamphlets and information brochures, Radio slots, Media alerts/advisories and statements, Seminars and awareness sessions.	Prepared and distributed 32 media alerts/ advisories; produced and distributed 4 quarterly external newsletters and 1 annual special newsletter; and updated the website 47 times and intranet 209 times
	Conducted 82 workshops, 118 radio slots and 30 road shows for consumer awareness in addition to 10 550 Environmental awareness activities conducted.
	Coordinated and hosted a Mining Summit

Complaints mechanism

Complaints Mechanism	Actual achievements
Acknowledge receipt of complaints, in a professional manner, within 5 working days, and a full written response provided within 10 working days of receiving the complaint.	1861 consumer complaints investigated and 1810 resolved.
	67 environmental complaints received and 18 finalized
	Supported the development of the Tourism Consumer Feedback System, and also developed and approved Consumer Feedback Guidelines for Integrated Tourism Awards System for the Province.

Organisational environment

The Department is still operating using the Organisational Structure which was approved in 2007 with Environmental Services attached as an annexure to it. There has been change in the Programme and Budget Structure which was adopted by the Cabinet through National Treasury. These changes impact on the way the Department is configured because certain function cannot be carried out because they are not accommodated in the organisational structure.

The issue of high staff turnover rate in the Department and the vacant funded positions which remain unfilled for the extended period affected the performance of the Department. Programmes 3, 5 and 6 are the worst affected. Also, the issue of the budget cuts from budgeted Programmes and shift funds to defray the unauthorised expenditure which took place in the 2011/12 financial year, affected the performance of Programmes in the Department.

Key policy developments and legislative changes

No changes were made on these issues.



2.4 STRATEGIC OUTCOME ORIENTED GOALS

Outcomes/Millennium Development Goals Achievement: 2012-2013

In recognition of the noble course pursued through the MDG and the guidance premised on Government prescribed Outcomes, the DEDET succeeded to impact positively on poverty alleviation, and reducing the levels of unemployment and inequality, as well as enhancing environmental sustainability in the Province.

MDG 4, which focuses on eradicating extreme poverty and hunger and targeting achieving full and productive employment and decent work for all, including women, men, and young people, is linked to the Outcome 4 which deals with decent employment through inclusive growth. Of note has been the overwhelming support given to 754 more SMMEs and Cooperatives in addition to training some in the CRDP sites. Economic empowerment opportunities were facilitated to benefit black local suppliers in key projects such as Eskoms Kusile Power Station. Struggling municipalities were assisted in formulating Economic Turn-Around Strategies, in addition to coordinating engagements with key stakeholders in business and social circles.

A total of 30 youth benefited from the apprenticeship training and placement for employment. In guiding exports and investment promotion activities, Provincial Export and Investment Strategies were developed, and MEGA ensured the Province benefited from R262 million direct investment and R9, 066 million exports. Concerted efforts were exerted to protect consumers from unscrupulous businesses, resulting in 1810 consumer complaints resolved as well as education and awareness campaigns conducted.

Significant work was done, contributing to MDG 7, which focused on ensuring environmental sustainability and targeting the integration of the principles of sustainability development into country policies and programs; reverse loss of environmental resources and this MDG 7 goal is complimented by the outcome10: Environmental Assets and Natural Resources that are well protected and continually enhanced. So far, EIAs were finalised and authorizations issued within legal timeframes, not impeding sustainable development. In mitigating negative environmental impacts, necessary precautions were undertaken by evaluating Municipal Integrated Waste Management Plans and Atmospheric Emission Licensing, much as promptly handling forthcoming environmental complaints, among other achievements. The philosophy was further entrenched through a series of environmental education and awareness sessions and activities conducted, targeting key stakeholders.

Performance information

The Department through the Economy, Investment and Employment cluster developed a set of indicators for Programme 2 up to Programme 5 which were adopted in 2010, and have been implemented ever since. Also the environmental wing of the department has adopted the set of indicators which have been incorporated into the Annual Performance Plan for the period under review and are reported on in this report.

2.5 PERFORMANCE INFORMATION BY PROGRAMME

PROGRAMME 1: ADMINISTRATION

Programme purpose: To provide effective, efficient and accountable administration.

The Programme consists of the following sub-programmes, namely:

- Office of the MEC
- Office of the HOD
 - Internal Audit
 - Risk Management
 - Financial Management
 - Strategic Planning Services
- Corporate Services
 - Human Resource Management
 - Communication
 - Security Services
 - Transversal Services

Strategic Objectives of the Programme are as follows:

- Set policy and political directives in order to achieve provincial objectives
- Translate policies and priorities into strategies for effective service delivery
- To provide independent objective assurance on governance, internal control systems and risk management processes of the Department in order to add value to its operations and support it to achieve its service delivery imperatives
- Provide efficient and effective financial management
- Implementing risk management processes in order to build an ethical organizational culture with a zero tolerance to fraud, corruption and maladministration
- To Provide business management, coordination and planning services to the Department
- To provide integrated Human Resources
- To provide integrated communication services
- To provide efficient and effective legal support services
- Ensure compliance with MISS (Minimum Information Security Standards)
- To Implement integrated Employee Health and Wellness Programmes

Strategic Objectives: Sub-Programme: Office of the MEC				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Set policy and political directives in order to achieve provincial objectives	Priorities and strategic directives provided	Provide priorities and strategic directives	Priorities and strategic directives provided	None
				Comment on deviations
				None

Performance Indicators: Sub-Programme: Office of the MEC				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of MUNIMEC meetings held	None	Hold 4 MUNIMEC meetings	Not achieved however the following was achieved Met with FDI's Monitored SOE's Met with various Ministers Met with potential investors	Target not achieved by 4
				MUNIMEC replaced with Outreach meetings

Strategy to overcome areas of under performance

- Business Forum meetings held in Municipalities during Outreach.
- Provincial review of MUNIMEC and PCF's to be discussed in the PMC and EXCO Lekgotla's.

Changes to planned targets

None

Strategic Objectives: Sub-Programme: Office of the HOD					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Translate policies and priorities into strategies for effective service delivery	Priorities and strategic directives implemented	Implement priorities and strategic directives	Priorities and strategic directives implemented	None	None

Performance Indicators: Sub-Programme: Office of the HOD					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of performance reports submitted	Submitted 6 performance reports Quarterly reports Mid-Term and Nine months report submitted	Submit 4 performance reports	Submitted 5 Performance Reports	Target exceeded by 1	Target exceeded due to high demand of reports by stakeholders
Number of annual reports submitted	Submitted 1 Annual report (2010/11)	Submit 1 annual report	1 Annual Report submitted to AG and Legislature	None	None
Number of Annual Performance plans submitted	Submitted 1 APP (2012/13)	Submit 1 Annual Performance plan	Submitted 1 Annual Performance plan and revised 5 Year Plan.	None	None
Number of entities Merged	None	Publishing of the Proclamation in terms of section 33 in the Provincial Gazette	Proclamation in terms of Section 33 of MEGAAct, 2010 published in the Provincial Gazette effectively merging assets, liabilities and personnel of the 3 entities with effect from 01 April 2012.	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Strategic Objectives: Sub-Programme: Internal Audit					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
To provide independent objective assurance on governance, internal control systems and risk management processes of the department in order to add value to its operations and support it to achieve its service delivery imperatives	12 internal audit reports produced against the annual audit operational plan on the department's control, risk management and governance processes.	10 Internal Audit reports on the department's control, risk management and governance processes.	15 Internal Audit reports.	Target exceeded by 5	Target exceeded due to the number of matters raised by AG which necessitated that more reports are generated.

Performance Indicators: Sub-Programme: Internal Audit					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of Internal Audit reports on progress made against the annual audit operational plan on the department's control, risk management and governance processes.	12 internal audit reports produced.	10 Internal Audit reports.	15 Internal Audit reports.	Target exceeded by 5	Target exceeded due to the high number of matters raised by AG which necessitated that more reports are generated including follow ups on action plans.

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Strategic Objectives Sub-Programme: Financial Management				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Provide efficient and effective financial management	Financial and supply chain management policies implemented	Financial and supply chain management policies implemented	Financial and supply chain management policies implemented	None
				None

Performance Indicators: Sub-Programme: Financial Management				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of financial reports submitted in compliance with relevant legislations:	12 In-Year-Monitoring reports were submitted to Treasury by the 15th of every month	12 In-Year-Monitoring reports	12 In-Year-Monitoring reports submitted	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Strategic Objectives Sub-Programme: Risk Management					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Implementing risk management processes in order Risk and fraud strategies implemented to build an ethical organizational culture with a zero tolerance to fraud, corruption and maladministration		Risk and fraud strategies implemented	Risk and fraud strategies implemented	None	None

Performance Indicators: Sub-Programme: Risk Management					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of Risk Assessment reports produced	None	1 Strategic Risk Assessment Report	2 Strategic Risk Assessment Report produced	Target exceeded by 1	The target was exceeded due to the pressing need to conduct strategic assessment for Zithabiseni Holiday Resort
	2 Fraud Prevention Committee Report produced.	1 Fraud Risk Assessment Report	1 Fraud Risk Assessment Report produced	None	None
	None	1 Project Risk Assessment Report	1 ICT Risk Assessment Report produced	None	None
Number of Risk and control assessment reports produced	3 Risk Management Committee Reports produced	4 Risk and control assessment reports	3 Risk and control assessment reports produced	Target not achieved by 1	The target was not achieved due to the focus which was placed on Zithabiseni Holiday Resort

Strategy to overcome areas of under performance

Proper staffing within the unit to deal with added responsibilities.

Changes to planned targets

None

Strategic Objectives Sub-Programme: Strategic Planning Services					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
To provide business management, coordination and planning services to the Department	2 draft and 1 final performance plans produced	2 draft and 1 final performance plans produced	2 draft and 1 final performance plans produced	None	None
	19 Reports produced	16 Reports produced	18 Reports produced	Target exceeded by 2	More reports produced due to demand by stakeholders
	2 SDIP reports produced	Implementation of SDIP and 4 reports produced	4 SDIP reports produced	None	None

Performance Indicators: Sub-Programme: Strategic Planning Services					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of non-financial data reports produced	2 Performance Plans and final Performance Plan produced	2 draft Performance Plans and 1 final performance plan produced	2 draft Performance Plans and 1 final performance plan produced	None	None
	19 reports produced	16 Reports produced	18 reports produced: 14 reports departmental reports and 4 quarterly reports produced	Target exceeded by 2	More reports were produced due to number of forums attended and these reports were required by the stakeholders
	2 SDIP reports produced	Implementation of SDIP and 4 reports produced	SDIP implemented and 4 quarterly SDIP reports produced.	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Strategic Objectives Sub-Programme: Human Resource Management				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To provide integrated Human Resources	HR Plan reviewed and implemented	Review and implement HR Plan	HR Plan reviewed and implemented	None
				Comment on deviations
				None

Performance Indicators: Sub-Programme: Human Resource Management					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of HR plans reviewed and implemented	HR Plan implemented	Review and implement HR Plan	<ul style="list-style-type: none"> HR Plan implemented and reviewed: POLICIES: Nine (9) HR Policies approved and eleven (11) policies under review were circulated to stakeholders for inputs. RECRUITMENT and TERMINATIONS: Out of twenty seven posts filled, three (3) SMS were appointed Seven (7) Posts shortlisted Five (5) Interviews conducted Twenty (20) terminations processed (viz: 3: Deaths, 10: Transfers Out, 7: Resignations and 4 Retirements) EMPLOYEE RELATIONS: Eight (8) Disciplinary cases Finalised Seven (7) Grievances Finalised One (1) Appeal Finalised PMDandS: Coordinated PMDandS for Level 2-12 (307 employees concluded PMDandS processes; and SMS Members (27 SMS concluded PMDandS processes) 	None	None
	Number of internal capacity building courses facilitated and workplace skills plan developed	3 internal capacity building courses facilitated	<ul style="list-style-type: none"> Fourteen (14) training courses conducted and two hundred and fourteen officials (214) benefited Administered sixty seven (67) Bursaries (viz: 16 External; and 51 Internal) 	Target exceeded by 11	The needs analysis indicated that more courses were required than planned.
Number of posts filled by female employees at SMS level		Workplace Skills Plan developed	<ul style="list-style-type: none"> WSP Plan developed and Annual Training Report submitted to OTP and PSETA HRD Plan and Report submitted to OTP and DPISA 	None	None
		3 of 5 posts filled with female in SMS level	Coordinated the appointment of one (1) female at SMS level.	Target not achieved by 2	Shortage of suitable qualified female candidate and Non-receipt of applications from people with disabilities.

Strategy to overcome areas of under performance

Enhance head hunting and forge partnership with organization for people living with disability

Changes to planned targets

None

Strategic Objectives Sub-Programme: Communications				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To provide integrated communication services	Communication strategy implemented	Implement communication strategy	Communication strategy implemented	None
				None

Performance Indicators: Sub-Programme: Communications				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of media information products distributed and disseminated to all stakeholders	Prepared and distributed 67 media alert statements / advisories and five (5) opinion pieces	Prepare and distribute one (1) media alert/ advisory/ statement per event	Prepared and distributed 32 media alerts/ advisories/ statements per event.	None
	Produced 12 monthly media analysis reports.	Produce 12 monthly media analysis reports	Produced 12 monthly media analysis reports which indicated coverage of 202 articles - 126 of which was positive coverage.	None
	Produced and distributed ten (10) Monthly staff bulletins	Produce and distribute 12 Monthly staff bulletins and manage the corporate brand	Produced and distributed 12 monthly staff bulletin and managed the corporate brand	None
	Produced and distributed five (5) external newsletters	Produce and distribute four (4) quarterly external Newsletters	Produced and distributed 4 quarterly external newsletters and one (1) annual special newsletter	None
	Updated the Website 51 times and Updated the Intranet 144 times	Update the website 48 times	Updated the website 47 times and Intranet 209 times	Target not achieved by one (1)
				Target was not met because more updates were done on the intranet than on the website

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Strategic Objectives Sub-Programme: Legal Services					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
To provide efficient and effective legal support services	Legal support service provided	Provide legal support service	Legal support service provided	None	None

Performance Indicators: Sub-Programme: Legal Services					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of agreements drafted/ perused	Drafted and perused 31 agreements as requested	2 agreements drafted/ perused	Drafted and reviewed 12 agreements	Target exceeded by 10	Target exceeded due to the high number of MOU's which had to be concluded with various entities.

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Strategic Objectives Sub-Programme: Security Management					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Ensure compliance with MISS (Minimum Information Security Standards)	MISS Implemented	Implementation of MISS	MISS Implemented	None	None

Performance Indicators: Sub-Programme: Security Management					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of security awareness workshop conducted	6 security awareness workshops were conducted	4 security awareness workshop conducted	5 security awareness workshops conducted	Target exceeded by 1	Non-compliance to security vetting by key personnel in the Department has prompted the Unit to conduct a special workshop for all personnel on the subject (vetting)
Number of security audit report produced	4 security audits reports were produced	2 strategic offices swept and audit reports produced	6 strategic offices were swept and 4 security audit reports were produced	Target exceeded by 4	Target was exceeded as a result of change of the Executing Authority and appointments of new SMS's in strategic offices resulted in sweeping and security audits to be conducted..
Number of inspections conducted	56 site inspections were conducted	56 site inspections conducted	94 site inspections were conducted	Target exceeded by 38	High incidents of theft of departmental assets especially during the shift change of security guards prompted the Unit to enhance the site inspections

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Strategic Objectives Sub-Programme: Transversal Services					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
To Implement integrated Employee Health and Wellness Programmes	Integrated Employee Health and Wellness strategy implemented	Implementation of an integrated Employee Health and Wellness strategy	Integrated Employee Health and Wellness strategy implemented	None	None
	4 monitoring reports compiled	4 monitoring reports compiled	4 monitoring reports compiled	None	None

Performance Indicators: Sub-Programme: Transversal Services					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of Employee Health and Wellness Programmes implemented	10 employee health and wellness programmes implemented reaching 344 employees, 94 employees assisted and 05 bereaved families.	8 integrated Employee Health and Wellness Programmes implemented and 40 employees assisted	16 integrated Employee Health and Wellness Programmes implemented, 124 employees and 04 bereaved families assisted.	Target exceeded by 8	Target exceeded as other programmes were not planned but the Department was required to implement them in partnership with the Office of the Premier, GEWS and Department of Health.
	04 monitoring reports compiled and 09 awareness campaigns conducted.	4 monitoring reports compiled and 4 programmes implemented	04 monitoring reports on special programmes compiled and 10 special programmes implemented.	Target exceeded by 6 of the special programmes	Exceeded planned target due to other programmes that were not planned but the Department was required to implement in partnership with the Office of the Premier

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking Performance with Budgets: Programme 1: Administration

Sub- Programme Name	2012/2013			2011/2012		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Office of the MEC	6 575	6 507	68	6 479	6 371	108
Office of the HOD	4 132	3 512	620	4 021	3 747	274
Internal Audit	1 560	1 249	311	1 850	1 806	44
Risk Management	-	-	-	580	465	115
Financial Management	62 502	66 133	(3 631)	65 664	65 451	213
Strategic Planning Services	2 250	2 239	11	2 080	2 041	39
Chief Director Corporate	1 250	1 084	166	1 100	1 077	23
Human Resource Management	7 900	7 320	580	11 270	10 417	853
Communication	7 450	6 553	897	7 421	7 184	237
Legal Services	4 850	3 846	1 004	3 350	2 996	354
Security Services	1 150	1 295	(145)	1 190	1 220	(30)
Transversal Services	2 201	1 969	232	2 029	1 931	69
Total	101 820	101 707	113	107 034	104 706	2299



PROGRAMME 2: INTERGRATED ECONOMIC DEVELOPMENT

Programme Purpose: The programme is responsible for the development of small of enterprises and cooperatives, empowerment of historically disadvantaged individuals and facilitating the implementation of local economic development strategies and programmes in the province

The Programme consist of the following sub-programmes:

- Enterprise Development
- Economic Empowerment
- Regional and Local Economic Development
- Ehlanzeni Regional Services
- Gert Sibande Regional Services
- Nkangala Regional Services

Strategic Objectives of the Programme are as follows:

- To facilitate support and development of business enterprises
- To ensure the participation of HDIs in the mainstream of the economy
- To provide strategic economic development support to municipalities
- To provide sustainable and accessible economic impact at the Ehlanzeni, Nkangala and Gert Sibande Region

Strategic Objectives: Sub-Programme: Enterprise Development				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To facilitate support and development of business enterprises	SMME and Cooperative strategies in line with the Growth Path implemented	Implement SMME and Cooperative strategies in line with the Growth Path	SMME and Cooperative strategies in line with the Growth Path implemented	None
				None

Performance Indicators: Sub-Programme: Enterprise Development				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of existing and new SMME's supported through business development services.	639 SMME's and 62 co-operatives were supported through business development by SEDA	100 New SMME's and 20 cooperatives assisted (including targeted groups) with registration, annual returns and business development services	854 SMME and 95 Cooperatives supported through development services.	Target exceeded by 754 on SMMEs and 75 on cooperatives
Number of Cooperatives Enterprises in priority sectors trained in all CRDP sites.	None	210 (30 per CRDP Site) Cooperatives Enterprises in priority trained.	85 Cooperatives trained on Cooperative and Business Management	Target not achieved by 125
				The planned target was not met due to the fact that the training needs analysis took longer than anticipated.

Strategy to overcome areas of under performance

The outstanding training in all CRDP sites will be conducted in the next financial year.

Changes to planned targets

None



Strategic Objectives: Sub-Programme: Economic Empowerment				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To ensure the participation of HDIs in the mainstream of the economy	The BBBEE Act and PPPF Act implemented	Implement both BBBEE Act and PPPF Act	The BBBEE Act and PPPF Act implemented	None
				Comment on deviations None

Performance Indicators: Sub-Programme: Economic Empowerment					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
A compliance monitoring report on BBBEE and PPPFA legislation produced	An annual report on BBBEE and spending by Provincial Departments is finalised	Compliance monitoring report on the implementation of BBBEE and PPPFA legislation produced	Compliance monitoring report on the implementation of BBBEE and PPPFA legislation produced.	None	None
Number of BBBEE initiatives implemented	The Kusile initiative was well implemented and 20 local companies were awarded contracts in the various areas of work of this initiative	Kusile initiative implemented	Kusile initiative were implemented as follows: A total of 368 Mpumalanga companies accessed opportunities from Kusile since the project inception. 232 contracts were awarded in 2011/12 and additional 136 new contracts were awarded in 2012/13	None	None
A Provincial BBBEE database developed and maintained	None	Support empowerment initiatives in the three (3) District Municipalities	Empowerment initiatives in the 3 District Municipalities were supported and as a result 6 empowerment initiatives were identified and their funding supported and capacity building mobilized.	None	None
Implementation of local procurement accord monitored	7 mines were engaged to monitor the implementation of their Social labour plans	Provincial BBBEE database developed and maintained	The Provincial BBBEE database was developed and maintained.	None	None
		Foster the implementation and monitor the local procurement accord in both public and private sectors	Fostered the implementation and monitored the local procurement accord in both public and private sectors. As such reviews of progress were conducted on the implementation of the Local Procurement Accord with provincial departments, municipalities and the following Private companies: BHP Billiton Delta, and Evraz Highveld Steel	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Strategic Objectives: Sub-Programme: Regional and Local Economic Development				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To provide strategic economic support to development municipalities	Local Economic Development Policies in line with the Growth Path implemented	Implement Local Economic Development Policies in line with the Growth Path	Local Economic Development Policies in line with the Growth Path implemented	None

Performance Indicators: Sub-Programme: Regional and Local Economic Development				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of municipalities 2 turnaround strategies supported in line with the Growth Path	2 turnaround strategies for Thaba Chweu and Emalahleni developed.	2 Economic turnaround strategies for Mkhondo and Emakhazeni developed in line with the Growth Path.	2 draft economic strategies developed for Mkhondo and Mbombela.	The target not achieved in Emakhazeni.
Number of Municipal IDP aligned with Departmental plans	21 municipal IDP plans aligned to departmental strategy	21 municipal IDP and Departmental plans aligned.	21 municipal IDP and Departmental plans aligned.	None
Number of projects accessing Corporate Social Investment (CSI) funding	Project proposals from 3 municipalities collated to source funding companies.	3 municipalities accessing Corporate social investment (CSI) funding from private stakeholders were supported (Msukaligwa, Lekwa and Emalahleni)	3 municipalities accessing corporate social investment (CSI) funding from private stakeholders were supported. As such 3 project proposals were received but only 1 municipality accessed corporate project was funded in Lekwa (Hydroponic farm project).	None

Strategy to overcome areas of under performance

- Discussions will be held with the municipality to review process plan.
- Interaction to be made with potential CSI funders to understand the required criteria

Changes to planned targets

None

Strategic Objectives: Sub-Programme: Ehlanzeni Regional Services						
Strategic Objectives		Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
To provide sustainable and accessible economic impact at the Ehlanzeni Region		Economic and environmental policies in various districts implemented.	Implementation of all economic and environmental policies in various districts	Economic and environmental policies in various districts implemented.	None	None
Performance Indicators: Sub-Programme: Ehlanzeni Regional Services						
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013		Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of CWP programmes supported per region.	None	4 Business Forums held in Umjindi, Thabachweu, Nkomazi and Bushbuckridge	4 Business Forums held at Nkomazi, Umjindi, Bushbuckridge and Thaba Chweu Local Municipality		None	None
Number of CRDP Projects implemented, coordinated, monitored and evaluated	None	Support the establishment of 3 CWP programmes per region in partnership with private Sector	Provided support on the establishment of 3 CWP programmes per region in partnership with private sector as follows: <ul style="list-style-type: none">• Three cooperatives were registered• Business Plan for secondary cooperative on beekeeping developed.• Linked a strategic partner for the beekeeping.• Restructuring of Kruger Park African Honey Bee from the remnants of African Honey Bee.		None	None
None	Coordinate the implementation of CRDP in Bushbuckridge and Nkomazi municipalities	Coordinated the implementation of CRDP in Bushbuckridge and Nkomazi Municipalities as follows: Capacitated and supported the following Cooperatives: Bushbuckridge <ul style="list-style-type: none">• Mnyamane Welding supported to execute supply of fence contract successfully• Khomanani Bakery trained.• Champaign Cooperative registered with the IEC handling the election of the board• Fishpond Cooperative Business Plan has been reviewed.• Siphiring Brickmaking Cooperative has been linked with Wally Business Enterprise• Siphiring Brickmaking became fully operational with 18 jobs created.• Held a preparatory workshop with Bushbuckridge School Nutrition Cooperatives• Nkomazi Site• Konkuyetekakitsi Sewing Cooperative was supported with a sewing machine and used furniture• Nkomazi municipalities on readiness for School Nutrition Cooperatives.• Conducted training on the Cooperatives Act• Provided used office equipment (computers and tables and chairs to Mayibuye cooperative.• Completed joint venture agreements for Lomalingo Brick Making.• Kengelele was trained on Cooperative Act.• Baijeleni Detergent and Siniyancaba Painters Coop were trained on technical on the use of equipment for detergent and paint making.		None	None	
None	Support the cooperatives forums in all five municipalities	5 cooperatives forums were supported in all five municipalities (Umjindi, Mbombela, Thaba Chweu, Bushbuckridge and Nkomazi local Municipalities)		None	None	

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Strategic Objectives: Sub-Programme: Gert Sibande Regional Services					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
To provide sustainable and accessible economic impact at the Gert Sibande Region	Economic and environmental policies in various districts implemented.	Implementation of all economic and environmental policies in various districts	Economic and environmental policies in various districts implemented.	None	None

Performance Indicators: Sub-Programme: Gert Sibande Regional Services					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of CRDP Projects coordinated, monitored and evaluated	None	1 CRDP Project per CRDP site totaling 3 implemented, coordinated, monitored and evaluated	1 CRDP Project per CRDP site totaling 3 implemented, coordinated, monitored and evaluated in Mkhondo, Chief Albert Luthuli and Pixley KaSeme.	None	None
Number of walk in businesses supported with information on funding, establishment procedures	None	100 walk-in businesses supported with information on funding, establishment procedures	Assisted 116 walk-in businesses with information on starting a business, registrations, and general business information.	Target exceeded by 16	Target exceeded due to high demand by the public who made enquiries on various business formations.
Number of Departmental stakeholder consultation forums held.	None	4 Departmental stakeholder consultation forums held in the region.	4 Departmental Stakeholder consultation Forums were held at Mkhondo, Chief Albert Luthuli, Pixley ka Isaka Seme Municipalities and Gert Sibande District Municipality.	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Strategic Objectives: Sub-Programme: Nkangala Regional Services				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To provide sustainable and accessible economic impact at the Nkangala Region	Economic and environmental policies in various districts implemented.	Implementation of all economic and environmental policies in various districts	Economic and environmental policies in various districts implemented.	None

Performance Indicators: Sub-Programme: Nkangala Regional Services				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of CRDP Projects coordinated, monitored and evaluated	None	3 CRDP Project implemented, coordinated, monitored and evaluated	6 CRDP Project were implemented, coordinated, monitored and evaluated	Target exceeded by 3
Number of walk in businesses supported with information on funding, establishment procedures	None	100 walk-in businesses supported with information on funding, establishment procedures	63 walk in businesses were supported with information on funding and establishment procedures	Target not achieved by 37
Number of Departmental stakeholder consultation forums held.	None	4 Departmental stakeholder consultation forums held in the region.	4 Departmental stakeholder consultation forum held	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking Performance with Budgets: Programme 2: Integrated Economic Development

Sub- Programme Name	2012/2013			2011/2012		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Chief Director Intergraded Development	1 200	1 311	(111)	2 792	3 530	(738)
Enterprise Development	9 309	9 283	26	12 116	11 370	746
Economic Empowerment	5 655	5 209	446	5 001	4 819	182
Regional and Local Economic Development	4 357	4 491	(134)	4 582	4 474	108
Regional Services	3 586	2 717	869	0	0	0
Ehlanzeni						
Gert Sibande						
Nkangala						
Total	24 107	23 011	1 096	24 491	24 193	298





PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Programme Purpose: The programme is responsible for the facilitation and industry development of the priority sectors in the Province

The Programme Consist of the following sub-programmes:

- Sub-Programme: Trade and Investment Promotion
- Sub-Programme: Strategic Initiatives
- Sub-Programme: Sector Development
- Sub-Programme: Tourism Development

Strategic Objectives of the Programme are as follows:

- To ensure growth in exports and direct investment into the province
- To ensure implementation/development and packaging of High Impact Initiatives in the Province
- To ensure the development of competitive growth sectors
- To create an enabling environment for sustainable tourism growth in the Province

Strategic Objectives: Sub-Programme: Trade and Investment Promotion				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To ensure growth in exports and direct investment into the province	The development of investment strategies facilitated	Facilitate the development of investment strategies	The development of investment strategies facilitated	None
				Comment on deviations None

Performance Indicators: Sub-Programme: Trade and Investment Promotion				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of strategies developed and finalised	Provincial Investment strategy developed	Provincial Export Strategy draft developed and Investment Strategy finalized	Provincial Export Strategy and Investment Strategy drafts have been developed	Provincial Export Strategy and Investment Strategy not finalized
Value of exports and Investment through the implementation of the Export and Investment Strategies monitored.	None	Monitor the value of R400 million facilitated through MEGA	R262m direct investment was facilitated through MEGA.	Target not achieved by R138 million
	None	Monitor the targeted export value of R400 million facilitated through MEGA	R9,066 million export facilitated through MEGA	Target not achieved by R391 Million
Number of Bilateral Trade and Investment Initiatives managed and implemented	None	Ensure 2 outbound Missions and 2 inbound Missions are facilitated through MEGA	Monitored MEGA in the implementation of Outbound Investment Missions to China (twice), Mozambique, United Arab Emirates and Oman. Inbound Investment Missions from Singapore, Italy, Finland, Japan and Switzerland facilitated.	Target has been exceeded by 3 Outbound missions and 3 Inbound missions.
Number of entrepreneurs participating in product development programme	None	30 entrepreneurs identified and assessed to participate in product development across all sectors	30 entrepreneurs were identified and selected for product development.	None
				Comment on deviations The FDI facilitation processes are taking longer owing to global economic circumstances. Target not achieved due to external economic environment not conducive for export. The dli added more mission over and above the plans we had

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Strategic Objectives: Sub-Programme: Strategic Initiatives					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
To ensure implementation/development and packaging of High Impact Initiatives in the Province	Industrial Strategies implemented	Implement Industrial Development Strategies	Industrial Development Strategies implemented	None	None

Performance Indicators: Sub-Programme: Strategic Initiatives					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of high impact infrastructure projects monitored	Contractor was appointed for the construction of the Water Bottling Plant, training of 23 beneficiaries conducted and a Marketing Strategy developed.	Spring Water Bottling Plant in Mkhondo Municipality facilitated	Spring Water Bottling Plant in Mkhondo Municipality was facilitated	None	None
	DARDLA was engaged to finalise the approval of the identified site for the establishment of the FTC. Application for funding has been finalised and submitted to DBSA	1 FTC in Mbombela Local municipality facilitated	1 FTC in Mbombela Local municipality was facilitated	None	None
	None	1 SEZ in Secunda (Govan Mbeki local municipality) facilitated	1 SEZ in Secunda (Govan Mbeki local municipality) was facilitated.	SEZ for Secunda was not approved	Non-approval of the Secunda SEZ by the dti. A feasibility study was reviewed and currently busy formulating business case with dti in support of SEZ.
None		1 SEZ in Nkomazi Local municipality facilitated	1 SEZ in Nkomazi Local municipality was facilitated Land use agreement facilitated Funding for feasibility study of the Nkomazi SEZ solicited from dti. Stakeholders engaged and buy-in received	None	Stakeholders such as Govan Mbeki Local Municipality and Sasol were mobilised to support the development of Secunda SEZ.

Strategy to overcome areas of under performance

- To expedite the soliciting of funding from investors and FDI's for FTC
- Land for FTC will be sourced in the 2013/14
- To pursue the incorporation of the FTC establishment into the Mpumalanga University
- The SEZ Secunda project will be submitted for next financial year's intake

Changes to planned targets

None

Strategic Objectives: Sub-Programme: Sector Development					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
To ensure the development of competitive growth sectors	2 sector strategies implemented	7 sector strategies implemented	7 sector strategies implemented	None	None
Performance Indicators: Sub-Programme: Sector Development					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of Economic Clusters supported in key prioritised sectors	None	7 economic clusters supported in line with the IPAP and the Growth Path in key prioritised sectors: Mining, Advance Manufacturing, Chemicals, Agro-processing Stainless steel, Cultural Industries and bio-energy	An Agro-processing wood and food industry cluster was supported; Stakeholders from the wood and food clusters were engaged and buy-in received from members of the clusters. The following projects were facilitated and concept documents developed: Bushbuckridge Agro-processing hub, Pixley Ka Seme processing hub and a Furniture Manufacturing hub at Mkhondo Local Municipality	None	None
	None	Chemical Industry cluster supported	A chemical industry cluster was supported <ul style="list-style-type: none"> • Key stakeholders identified, engaged and a work plan developed • A draft service level with the chemical cluster was developed 	None	None
	None	Bio-energy cluster supported	A Bio-energy industry cluster was supported: <ul style="list-style-type: none"> • Stakeholders were identified and engaged • A pre-feasibility study on bio-energy opportunities in the province was developed • A Memorandum of Understanding with SASOL Chem-city was developed and feasible projects identified 	None	None
	None	Mining cluster supported	A mining industry cluster was established and supported; A concept document for the establishment of a Mining Industry Cluster was developed, stakeholders engaged and buy-in received from cluster members. The cluster identified projects that required feasibility studies to be conducted and business plans to be developed and facilitated	None	None
	None	Stainless steel cluster	The Mpumalanga Mining Lekgotla 2013 was hosted The Stainless Steel Cluster was supported: a Service Level Agreement developed and signed with the cluster, a business plan was developed and key activities were funded by the Department to facilitate the creation of jobs and SMME development within the Sector.	None	None
20 artisans were trained and 20 jobs created on tooling		Mpumalanga Tooling Initiative	The Advance Manufacturing Cluster was supported: a Service Level Agreement was developed and the processes of handing the Operationalisation of the Mpumalanga Tooling Initiative from National Tooling Initiative commenced, A business plan was reviewed and the plan was funded to facilitate a sector specific apprenticeship training of 30 youth and placement of the trained youth for employment	None	None
	None	Cultural Industry cluster	Established and supported the Film and Television Cluster. However, the project was handed over to the Department of Culture, Sports and Recreation and Department of Public Works, Road and Transport for further implementation	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Strategic Objectives: Sub-Programme: Tourism Development

Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
To create an enabling environment for sustainable tourism growth in the province	The implementation of the Mpumalanga Tourism Growth Strategy (MTGS) monitored and evaluated: • Tourism SMME Development • Tourism Skills Development and Awareness, Tourism Products Development • Tourism Destination Market	Monitor and evaluate the implementation of the Mpumalanga Tourism Growth Strategy (MTGS) by focussing mainly on the following: • Tourism SMME Development • Tourism Skills Development and Awareness, Tourism Products Development • Tourism Destination Market	The implementation of the Mpumalanga Tourism Growth Strategy (MTGS) monitored and evaluated: • Tourism SMME Development • Tourism Skills Development and Awareness, Tourism Products Development • Tourism Destination Market	None	None

Performance Indicators: Sub-Programme: Tourism Development

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of MTGS implementation reports submitted to the Department by the MTPA monitored and evaluated	4 MTPA quarterly reports were monitored and evaluated	Monitor the implementation of the Mpumalanga Tourism Growth Strategy (MTGS) by focussing mainly on the following: • Tourism SMME Development; • Tourism Skills Development and Awareness, Tourism Products Development and Tourism Destination Marketing	The implementation of the Mpumalanga Tourism Growth Strategy (MTGS) monitored by focussing mainly on the following: • Tourism SMME Development; • Tourism Skills Development and Awareness, Tourism Products Development and Tourism Destination Marketing	None	None
Number of policies and strategies developed to create an enabling environment for sustainable tourism growth in the province	None	Identify gaps from the MTGS in order to align it with the National Tourism Sector Strategy	Gaps from the MTGS were identified in order to align it with the National Tourism Sector Strategy.	None	None
Number of initiatives conducted to ensure transformation in the Tourism Sector	None	1 transformation audit conducted in the Tourism Sector to ensure compliance to the Tourism Sector Codes.	1 Transformation audit was conducted in the Tourism Sector to ensure compliance to the Tourism Sector Codes.	None	None
Develop an Integrated Quality Assurance and Service Excellence Awards for the tourism sector	None	Support the initiatives of the NDT to develop consumer feedback system.	Supported the initiatives of the NDT to develop consumer feedback system.	None	None
	None	Develop criteria for an integrated award system that reflects Service Excellence principles	The Criteria for integrated award system that reflects Service Delivery was developed	None	None
Number of programmes provided to unlock tourism economic development at both Local and provincial levels	None	Provide tourism intergovernmental relation and support to local government level.	Not Achieved, however potential funders identified.	Target was not achieved, because there are no dedicated Tourism officials in some of the Local municipalities	No dedicated Tourism officials in some of the Local municipalities
	None	Work closely with MEGA and other Government Departments in identifying new regional and international tourism markets	New regional and international tourism markets were identified by working closely with MEGA and other Government Departments (marketing the province in all 104 S.A mission offices abroad, travel shows in Jamaica, Brazil, China, Nigeria and Botswana).	None	None
1 Responsible Tourism Initiative developed and implemented	1 Responsible Tourism Initiative developed and implemented	None	None	1 Responsible Tourism Initiatives developed and implemented	1 Responsible Tourism Initiatives developed and implemented
Develop Responsible Tourism Guidelines and Standards	Not Achieved	Target not met due to Provincial Sector Strategy not developed	Provincial Sector Strategy will be developed in the 2013/14 financial year	Develop Responsible Tourism Guidelines and Standards	Not Achieved

Strategy to overcome areas of under performance

- Provincial Sector Strategy will be developed in the 2013/14 financial year.
- Transformation of the sector to be prioritized in the 2013/14 financial year with the necessary budget
- The 2013/14 Tourism APP indicates the need to fund awards to ensure that budget is available as discussed with FEDHASA.
- Tourism Service Excellence Awards will be budgeted for in the 2013/14 financial year
- Will continue to source funds for identified projects

Changes to planned targets

None



Linking Performance with Budgets: Programme 3 Trade and Sector Development

Sub- Programme Name	2012/2013			2011/2012		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Chief Director Trade and Sector Development	3 838	3 573	265	4 642	4 368	274
Trade and Investment Promotion	2 835	2 668	167	3 668	3 295	373
Strategic Initiatives	7 135	7 253	(118)	2 800	1 833	967
Sector Development	8 447	8 793	(346)	7 200	7 055	145
Tourism Development	2 558	2 395	163	3 556	3 226	330
Total	24 813	24 682	131	21 866	19 777	2 089



PROGRAMME 4: BUSINESS REGULATIONS AND GOVERNANCE

Programme Purpose: Is to regulate the Liquor and Gambling Industry and to create enabling legislative environment for business to operate as well as the facilitation of fair trade and effective consumer protection.

The Programme Consist of the following sub-programmes:

- Sub-Programme: Consumer Protection
- Sub-Programme: Business Regulation

Strategic Objectives of the Programme are as follows:

- To implement consumer protection and awareness programmes that creates an environment conducive to fair trade
- To develop and implement business regulatory policies and legislation

Strategic Objectives: Sub-Programme: Consumer Protection Services				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To implement consumer protection and awareness programmes that creates an environment conducive to fair trade	The Mpumalanga Consumer Protection Act implemented	Implement the Consumer Protection Act	The Mpumalanga Consumer Protection Act implemented	None

Performance Indicators: Sub-Programme: Consumer Protection Services				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of cases received, investigated and resolved	2085 cases investigated and 1974 resolved	1800 cases received, investigated and 1600 resolved.	1861 cases received, investigated and 1810 resolved.	Target exceeded by 61 cases investigated and 210 cases resolved
Number of new Consumer Acts finalized	None	Alignment of the Mpumalanga consumer Affairs Act with the CPA	Not Achieved	Target was not met
Number of consumer education programmes conducted	69 workshops, 96 radio slots and 39 road shows conducted.	46 workshops, 100 radio slots and 15 road shows conducted.	82 workshops, 118 radio slots and 30 road shows conducted.	Target exceeded by 36 workshops, 18 radio slots and 15 road shows
Number of Consumer Court hearings adjudicated.	15 consumer court hearings adjudicated	14 court hearings adjudicated by the Consumer Court	17 court hearings adjudicated by the consumer Court.	Target exceeded by 3
Number liquor inspections conducted	332 liquor inspections conducted	400 inspections conducted	657 inspections conducted	Target exceeded by 257

Strategy to overcome areas of under performance

- Meetings were held by the Policy and Strategy Committee of the CPF. The CPF and the National Consumer Commission will hold a meeting in the 1st Quarter of 2013/14 on the way forward regarding the alignment of consumer legislation

Changes to planned targets

None

Strategic Objectives: Sub-Programme: Business Regulations				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To develop and implement business regulatory policies and legislation	The Mpumalanga Licensing Act implemented	Implement the Licensing Act	The Mpumalanga Licensing Act implemented	None

Performance Indicators: Sub-Programme: Business Regulations				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of monitoring and evaluation reports compiled to assess performance of MGB	4 Monitoring and Evaluation reports of MGB in line with their Strategic Plans evaluated	4 Monitoring and Evaluation reports of MGB in line with their Strategic Plans	4 Monitoring and Evaluation reports evaluated and were found to be in line with their Strategic Plans.	None
Number of Liquor outlets approved and licensed.	781 new applications received and 341 approved	400 liquor outlets approved and licensed.	1051 applications considered and 615 approved and 266 licensed.	The 615 conditionally certificated outlets were all in compliance with the requirements, however the Board imposed further conditions to avoid proliferation of liquor outlets, thus fewer licenses were issued
Number of awareness and education programmes conducted on applicable legislation.	31 awareness and education programmes conducted	20 awareness and education programmes on applicable legislation implemented	16 awareness and education programmes on applicable legislation conducted	The workshops were planned to be conducted in partnership with external stakeholders who were not always available.
Number of municipalities capacitated to implement business regulatory legislation	15 municipalities capacitated on business regulatory legislation	6 municipalities capacitated to implement applicable business regulatory legislation	9 municipalities capacitated to implement applicable business regulatory legislation	Target exceeded due to demand by municipalities to be capacitated because they wanted to develop and implement by-laws within their area of operation.

Strategy to overcome areas of under performance

More workshops will be conducted to roll out the MLA.

Changes to planned targets

None

Linking Performance with Budgets: Programme 4: Business Regulations and Governance

Sub- Programme Name	2012/2013			2011/2012		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Chief Director Business Regulation	467	370	97	979	584	395
Consumer Protection	11 647	9 679	1 968	11 910	9 772	2 138
Business Regulation	6 238	8 115	(1 877)	5 897	7 635	(1 738)
Total	18 352	18 164	188	18 786	17 991	795



PROGRAMME 5: ECONOMIC PLANNING

Programme Purpose: is responsible for management of economic planning in the province, all aimed towards achieving sustainable economic growth and development, which creates jobs as well as reduces poverty and inequalities.

The Programme Consist of the following sub-programmes:

- Sub-programme: Policy and Planning
- Sub-Programme: Research and Development
- Sub-programme: Knowledge Management
- Sub-programme: Monitoring and Evaluation

Strategic Objectives of the Programme are as follows:

- To provide economic policy direction and strategies
- To conduct/commission research on the provincial economy to inform economic policy analysis process and strategy development
- To provide data, information and intelligence on the economy for effective decision making
- To determine the effectiveness and impact of provincial policy, programmes, objectives and strategies

Strategic Objectives: Sub-Programme: Policy and Planning				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To provide economic policy direction and strategies	4 analysis reports developed	4 reports generated on economic policies analyzed and reports on policy directives developed	3 reports generated on economic policies analyzed and reports on policy directives developed	Target not achieved by one (1) analysis report
	1 sector strategy developed	2 provincial integrated strategies and plans developed	2 provincial integrated sector strategies and plans developed	None
	None	Update the MEGDP	MEGDP has been updated and Draft POA developed and adopted by the Executive Council Lekgotla	None

Performance Indicators: Sub-Programme: Policy and Planning				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of analysis reports developed	4 analysis reports developed	4 analysis reports developed	3 analysis reports developed: <ul style="list-style-type: none"> 1 report on ICT round table produced and submitted. 1 report on the analysis of the national policy environment impacting on the economic development generated 1 analysis report on priorities for the province based on SONA, SOPA, and National Budget Speech generated. 	Target not achieved by one (1) analysis report
Number of sector strategies and plans developed	1 sector strategy developed and 1 draft sector plan developed.	2 sector strategies and plans developed	<ul style="list-style-type: none"> 1 ICT Strategy reviewed 1 Cooperatives procurement policy developed. A Draft Industrial Development Plan developed. 	Target not achieved by 1 plan
None	None	Update the MEGDP and finalization of the POA	MEGDP has been updated and Draft POA developed and adopted by the Executive Council Lekgotla	None

Strategy to overcome areas of under performance

- Advocacy session will be held in the new financial year.
- A number of support plans are still in the process of being developed and the MEGDP POA is in the process of being finalized. The MEGDP to be updated on completion of support plans.
- The service provider requested the end of March 2012 to deliver outstanding work which they did. incorporation of inputs to the plan has commenced

Changes to planned targets

None

Strategic Objectives: Sub-Programme: Research and Development					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
To conduct/commission research on the provincial economy to inform economic policy analysis process and strategy development	None	Conduct 3 research projects	3 research projects conducted	Economic Scoping for Bushbuckridge local municipality not achieved	An official resigned from the Department in 2012/2013 financial year (July 2012)

Performance Indicators: Sub-Programme: Research and Development					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of research reports	None	Opportunities for alternative energy in Mpumalanga	Final research report on alternative energy produced	None	None
	None	Economic scoping of Nkomazi, Thaba Chweu and Bushbuckridge Local Municipalities	Economic scoping reports of Nkomazi and Thaba Chweu Local municipalities produced	Target was partially achieved, Economic scoping for Bushbuckridge local municipality was not achieved	An official resigned from the Department in 2012/2013 financial year (July 2012) and the lack of Local Economic Development Forum (LEDF) in the local municipalities.
	None	Provincial economic research priorities	Draft provincial economic research priorities produced	Provincial economic research priorities not finalized	An official resigned from the department in 2012/2013 financial year (July 2012)

Strategy to overcome areas of under performance

Informing the local municipalities about the projects which the department will be implementing in the local municipalities in advance

Changes to planned targets

None



Strategic Objectives: Sub-Programme: Knowledge Management				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To provide data, information and intelligence on the economy required for effective decision making	A reliable system for economic information through the GIS and processing of 100% of queries developed and maintained	Develop and maintain a reliable system for economic information through the GIS and processing of 100% of queries	A reliable system for economic information through the GIS and processing of 100% of queries Developed and maintained	None

Performance Indicators: Sub-Programme: Knowledge Management				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
A shared GIS on economic information and indicators produced	Access to GIS data was created to and from Office of the Premier; Dept. of Public Works, Roads and Transport; Dept. of Agriculture, Rural Development and Land Admin	Shared GIS database on economic information and maps	Shared GIS database on economic information, indicators and maps produced on: <ul style="list-style-type: none"> Priority Projects for 2013/14 MEGDP POA Data from Dept of Rural Development and Land Reform Liquor Licences Natural features, infrastructure and communities in Nkomazi municipality Spot 5 Satellite Imagery Maps 	None
A shared database on economic information and indicators produced	Data from SOE's integrated into DEDET database	Shared database on jobs and economic information and cooperatives (Indicators) produced	Shared database on economic information and indicators produced with data on: <ul style="list-style-type: none"> Priority Projects for 2013/14 MEGDP POA CRDP projects Data on Liquor Licenses BBBEE Jobs 	None
Number of information requests processed	65 request processed to resource center website were recorded	200 information requests processed	70 requests received and processed. 186 visits to resource centre website	Target not achieved by 130
Number of provincial reports produced on the economy	1 draft sector profile on agriculture was produced.	3 provincial reports produced on the economy	1 profile produced on the Green Economy.	Target not achieved by 2 posts

Strategy to overcome areas of under performance

- Work with stakeholders to strengthen data collection
- Induction on the resource centre services to be carried out on DEDET staff members
- Information officer taking up extra responsibilities. Assistance from other units within the Department

Changes to planned targets

None

Strategic Objectives: Sub-Programme: Monitoring and Evaluation				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To determine the effectiveness and impact of provincial policy, programmes, MEGDP monitored and evaluated objectives and strategies	Performance on implementation of the MEGDP monitored and evaluated	Performance monitoring and evaluation on implementation of the MEGDP	Performance on implementation of the MEGDP monitored and evaluated	None
				None

Performance Indicators: Sub-Programme: Monitoring and Evaluation				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of monitoring reports produced	3 monitoring reports produced	3 monitoring reports produced	3 monitoring reports produced	None
Number of evaluation reports produced	3 evaluation reports produced	2 evaluation reports produced	4 evaluation reports produced	Target exceeded by 2
				The report was done on a quarterly basis rather than bi-annually.

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking performance with budgets: Programme 5: Economic Planning

Sub- Programme Name	2012/2013			2011/2012		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Chief Director Economic Planning	80	67	13	58	18	40
Policy and Planning	2 292	2 098	194	2 701	2 388	313
Research and Development	1 743	1 478	265	2 545	1 895	650
Knowledge Management	2 401	2 369	32	2 274	2 269	5
Monitoring and Evaluation	924	911	13	1 600	1 195	405
Total	7 440	6 923	517	9 178	7 765	1 413



PROGRAMME 6: ENVIRONMENTAL SERVICES

Programme Purpose: To facilitate sustainable development through environmental planning and co-ordination, greener governance, environmental awareness and capacity building, integrated pollution and waste management, enforcing compliance to environmental legislation and to promote biodiversity management.

The Environmental Services comprises of six sub-programmes, namely:

- Sub-Programme: Environmental Impact Management
- Sub-Programme: Pollution and Waste Management
- Sub-Programme: Environmental Empowerment Services
- Sub-Programme: Strategic Environmental Management
- Sub- Programme: Environmental Compliance and Enforcement

Strategic Objectives: Sub-Programme: Environmental Impact Management					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
To prevent negative impacts on the environment	Environmental management Act Implemented	Implement the environmental management Act	Environmental management Act Implemented	None	None

Performance Indicators: Sub-Programme: Environmental Impact Management					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of EIA applications received	252 EIA applications evaluated	300 EIA applications received	237 EIA applications received	Target not achieved by 63	Less number of applications were received as compared to the number anticipated.
Number of EIAs finalized within legislated timeframes	153 EIAs authorized.	200 EIAs finalized within legislated timeframes	203 EIAs finalized and within legislated timeframes(This includes 165 Environmental Authorizations, <ul style="list-style-type: none"> • 34 Amendments, • 2 withdrawals and • 2 exemptions). 	Target exceeded by 03	Target exceeded due to more number of applications received.
Number of Environmental Authorizations issued	None	200 Environmental Authorizations issued	165 Number of Environmental Authorizations issued	Target not achieved by 35	Less number of EIA applications received as compared to the number anticipated.
Number of Mine applications evaluated and commented on	57 Mine applications valued and 13 commented on	180 mine applications evaluated and 60 commented on	81 Mine applications were received and evaluated and 81 commented on	Target not achieved by 99	Less number of mine applications received as compared to the number anticipated.
Number of change of land and water use applications commented on	99 changes of land and water use applications evaluated and 99 commented on.	75 change of land and water use applications evaluated and 50 commented on	116 change of land and water use applications evaluated and 116 commented on	Target exceeded by 41	Target exceeded due to more number received as compared to the number anticipated
Number of Outreach programmes supported:	None	1 outreach programme supported: Environmental Regulatory Framework	1 Outreach programme supported: Environmental regulatory Framework.	None	None
Number of Environmental Management Agreements, templates, and guidelines developed	7 Environmental Management Agreements, templates, and guidelines developed	5 Environmental Management Agreements, templates, and guidelines developed	7 Environmental Management Agreements, and templates, guidelines developed.	Target exceeded by 2	Target exceeded in order to address gaps identified in the writing of Environmental Authorizations

Strategy to overcome areas of under performance

- Administrative support must be provided in district offices.

Changes to planned targets

None

Strategic Objectives Sub-Programme: Pollution and Waste Management				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To promote environmental sustainability	Pollution and waste management Act implemented	Implement the pollution and waste management Act	Pollution and waste management Act implemented	None
				None

Performance Indicators Sub-Programme: Pollution and Waste Management				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of Municipal IWMP's evaluated and approved	11 Municipal IWMP evaluated	5 Municipal IWMP's (Thaba Chweu, Mbombela, Emakhazeni, Dr JS Moroka, and Victor Khanye) evaluated and approved	8 Municipal IWMP's evaluated (Thaba Chweu, Victor Khanye, Emakhazeni, Dr JS Moroka, Umjindi Mbombela, Bushbuckridge and Steve Tshwete Local Municipalities)	Target exceed by 3 municipal IWMP's
Number of Technical designs for centralised waste site completed and licences obtained	None	2 Technical designs for centralised waste site completed and licenses obtained. 1 for Nkangala and 1 for Gert Sibande	1 x Waste License Application process commenced for Gert Sibande Centralised Waste Site	Target not achieved by 1 set of technical designs for Nkangala Centralised Waste Management Facility
Number of Environmental Authorisations (EA) issued for Atmospheric Emission Licensing	14 AEL applications processed on	15 Environmental Authorization (EA) issued for Atmospheric Emission Licensing	3 AEL's were issued to Ferrobank Asphalt, Elkem Ferrovel and Calsiment	Target under-achieved by 12 EA applications submitted
Number of Waste Licenses processed	6 Waste License Applications processed	24 Waste Licenses processed	9 Waste Licences were issued to Insimu Yami Co-Op Youth project, Intaba Sawmill, Sappi Lomati Storage Facility – Barberton; Sappi Ngodwana Storage Facility, Harmony Organic Fertilizer, Ntusi Dairy Farm, Heidelberg Chicken Feedlot, Sun Rays Chicken Feedlot, Greens Hazyview Recycling.	Target under-achieved by 15 Waste License applications processed
Number of Municipal Air Quality Management Plans evaluated and approved	None	5 (municipal) Air Quality Management Plans evaluated and approved	Not achieved however a Baseline Report has been compiled which will assist the Local Municipalities in developing their AQMPs	Target not achieved by 5 AQMP
Number of Ambient Air Quality Monitoring Network operated and maintained	1 Highveld Priority Area AQMP implemented	1 Ambient Air Quality Monitoring Network operated and maintained	Ambient Air Quality Monitoring Network operated and maintained	None
Number of Outreach programmes supported	None	1 Outreach programme supported: Environmental regulatory Framework	1 Outreach Programme supported	None
				None

Strategy to overcome areas of under performance

- The Gert Sibande project will be finalised by March 2014. A request has been made to relocate the project to Bushbuckridge and Thaba Chweu at Ehlanzeni District Municipality
- It was resolved in the recent Air Quality Officers Forum to use the HPA AQMP as the framework for Municipal AQMP development.

Changes to planned targets

None

Strategic Objectives Sub-Programme: Environmental Awareness and Education				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To provide environmental information and capacity building	Environmental awareness implemented and conducted	Implement and conduct environmental awareness education	Environmental awareness education implemented and conducted	None
				None

Performance Indicators Sub-Programme: Environmental Awareness and Education				
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
Number of Environmental resources developed	129 resources developed	40 EE resources developed	58 EE resources developed	Target exceeded by 18
Number of environmental stakeholders attending capacity building workshops	None	720 environmental stakeholders attending capacity building workshops: World environment week	11754 environmental stakeholders attended on World Environment Week	Target exceeded by 11034
Number of Environmental Awareness Activities conducted	9 311 trees planted	1022 Environmental awareness activities conducted: 1000 trees planted 21 presentations made 1 event facilitated	10242 Environmental awareness activities conducted: • 10113 trees planted • 129 presentations made • 1 event facilitated	Target exceeded by 9220
Number of learners attended environmental awareness activities	292 school visits conducted 690 community visits conducted 310 municipality visits conducted	50 000 learners attended environmental awareness activities: 50 000 learners visiting environmental centres 5000 stakeholders attended environmental awareness activities: 5000 stakeholders at tree planting	33849 learners attended environmental awareness activities	Target exceeded by 16 151
Number of stakeholders attended environmental awareness activities	None	16 schools registered for participation in an environmental programme: 16 schools registered for the BMW SEED programme	10731 stakeholders attended environmental awareness activities	Target exceeded by 5731
Number of schools registered for participation in an environmental programme	None	None	16 schools registered for participation in an environmental programme (with BMW SEED programme) Programme completed	None
Number of environmental media awareness conducted	58 radio slots facilitated newspaper articles developed 30 exhibitions facilitated	72 environmental media awareness conducted: 72 newspaper articles	105 environmental media awareness conducted: • 44 newspaper articles • 24 radio slots • 37 enviro briefs	Target exceeded by 33
Number of Outreach programmes conducted	None	1 outreach programmes conducted: Environmental regulatory framework	1 outreach programmes conducted: Environmental regulatory framework (18 municipal workshops conducted on EIA)	None
Number of environmental centres upgraded	5 environmental education centres completed (Barberton, Delmas, Elukwatini, Kwa-Mhlanga and Tonga) and 3 in progress. (Amsterdam, Graskop, Pilgrims Rest)	10 environmental education centres upgraded according to infrastructure plan, and supply chain procedures	4 environmental Education centre upgraded (Delmas, Mdala, Amsterdam and Pilgrim's Rest).	Target not achieved by 6
				Target exceeded due to environmental briefs initiative that satisfied demand for awareness articles
				Target was not met, Infrastructure allocation was used to pay departmental accruals resulted in declared projects not completed

Strategy to overcome areas of under performance

- Vacant Posts were advertised
- Allocated funds for next financial year need to be prioritised for projects declared to treasury.

Changes to planned targets

None

Strategic Objectives Sub-Programme: Strategic Environmental Management					
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
To provide strategic Environmental Management Services	Strategic Environmental Management services implemented	Implement the Strategic Environmental Management services	Strategic Environmental Management services implemented	None	None

Performance Indicators Sub-Programme: Strategic Environmental Management					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of Cooperative Environmental Governance Facilitated	None	4 Mintech Working Group Meetings	4 Mintech Working Group Meetings attended	None	None
	None	4 EIP/EMP Meetings	3 EIP / EMP Meetings attended 1 Workshop on Review of NEMA Chapter 3 Attended	None	None
	None	4 Mpumalanga Wetland Forum Meetings	4 Mpumalanga Wetland Forum meetings attended	None	None
	None	Coordinate Strategic Approach to Mining in Mpumalanga	Stakeholders identified and stakeholder database developed	None	None
Number of EIP Annual Report Developed	2010/11 EIP Annual report developed	Environmental Implementation Plan Developed	EIP Annual Report developed	None	None
Number of IDPs/SDFs Reviewed for Environmental Legislation	21 IDPs/SDFs reviewed for Environmental Legislation	21 IDPs/SDFs Reviewed	21 IDPs/SDFs Reviewed	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None



Strategic Objectives Sub-Programme: Environmental Compliance Monitoring and Enforcement				
Strategic Objectives	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013
To ensure compliance with environmental Legislation and Regulation	Environmental management Acts implemented	Implement all environmental management Acts	Environmental management Acts implemented	None
				None

Performance Indicators Sub-Programme: Environmental Compliance Monitoring and Enforcement					
Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Number of appeals received and finalised	14 received and 10 Appeal cases finalised	20 received and 16 finalised	17 Appeals received 7 finalized and 10 outstanding	Target not achieved by 3	Target was not met. The appeal process requires a lot of time to be finalised.
Number of cases investigated and finalised	23 criminal Investigation conducted and 7 finalised.	10 received and finalised	4 criminal cases received and 4 finalized	Target not achieved by 6	Target was not met due to less number of criminal cases reported as compared to the number anticipated.
Number of directives and notices issued	37 Directives and Notices issued	40 directives and notices issued	44 directives/ Notices issued	Target exceeded by 4	Target exceeded due to high number of administrative non-compliance contravention reported.
Number of Environmental complaints received and resolved	64 Environmental complaints received and resolved	50 Environmental complaints received and 40 finalized	67 environmental complaints received and 18 finalized	Target exceeded by 17	Target exceeded due to increased in number of complaints received.
Number of authorizations / licenses monitored	63 Authorizations /licenses monitored	42 authorizations/licenses monitored	74 monitoring of authorization or licenses conducted	Target exceeded by 32	Target exceeded due to increase in number of facilities and factories to be monitored for compliance.
Number of section 24G 36 S24G applications evaluated and 11 authorised	36 S24G applications evaluated and 11 authorised	20 S24G applications evaluated and 15 authorized	19 section 24G applications received and 11 finalized and authorization granted	Target exceeded by 1	Target was not met due to capacity constraints because staff resigned during the year not replaced
Number of section 30 incidents resolved	5 received and 3 resolved	5 Section 30 emergency incidents resolved	17 section 30 emergency incidents received , 9 resolved and 8 outstanding	Target exceeded by 12	Target exceeded due to increased number of incidents occurred
Number of municipal EMI'S trained and designated	None	Monitoring and implementation of EMI's within municipalities	Not achieved	Target not met	MOUs developed but not signed by Mayors The Department's role is to facilitate the training and to provide progress report to MINTECH Working Group IV

Strategy to overcome areas of under performance

- External assistant to be solicited for Appeals received and finalized
- Approval of proposed structure
- Regular replacement of staff that resigned during the year
- Fast track the signing of individual MOUs
- The department should source funds from the National Department of Environment Affairs to assist local authority officials for the EMI training.

Changes to planned targets

None

Linking performance with budgets: Programme 6: Environmental Services

Sub- Programme Name	2012/2013			2011/2012		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Chief Director Environmental Services	1300	1354	(54)	1 484	1395	89
Environmental Impact Management	9 593	8 803	790	10 503	10 142	361
Pollution and Waste Management	9 416	8 817	599	8 533	6 537	1 996
Environmental Empowerment Services	48 126	48 077	49	45 221	45 504	(283)
Strategic Environmental Management	1 350	588	762	1 500	1 922	(422)
Environmental Compliance and Enforcement	1 600	2 366	(766)	1 560	1 679	(119)
Total	71 385	70 005	1 380	68 801	67 179	1 622



2.6 SUMMARY OF FINANCIAL INFORMATION

Departmental receipts

	2012/2013			2011/2012		
Departmental receipts	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
Casino taxes	57,034	62,522	(5,488)	50,782	55,030	(4,248)
Horse racing taxes	5,732	6,707	(975)	4,914	4,572	342
Liquor licences	1,994	4,708	(2,714)	2,957	541	2,416
Motor vehicle licences						
Sale of goods and services other than capital assets						
Serv Rend: Boarding-Private	1,300	1,650	(350)	1,795	1,267	528
Fines, penalties and forfeits	210	5,154	(5,944)	1,191	1,978	(787)
Interest, dividends and rent on land	788	1,017	(229)	885	1,053	(168)
Sale of capital assets	105	25	80	56	-	56
Other Revenue	376	468	(92)	431	1,096	(665)
Total	67,539	82,251	(14,712)	63,011	65,537	(2,526)

The following table present with the relevant financial information.

	2012/2013			2011/2012		
Programme Name	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	R'000
Administration	101 205	101 707	113	107 034	104 706	2 328
Integrated Economic Development	231 362	230 051	1 096	168 219	167 921	298
Trade and Sector Development	320 588	320 457	131	298 536	296 447	2 089
Business Regulation	60 260	60 072	188	58 694	57 899	795
Economic Planning	7 490	6 923	517	9 178	7 765	1 413
Environmental Services	71 735	70 005	1 380	68 801	67 179	1 622
Total	792 640	789 215	3 425	710 462	701 917	8 505

Transfer payments (excluding public entities)

The table below reflects the transfer payments made for the period 1 April 2012 to 31 March 2013

Name of transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
<i>Zithabiseni Holiday Resort</i>	<i>To pay salaries of employees and for operational costs</i>	<i>Fully compliant</i>	<i>R18,500</i>	<i>R18,500</i>	<i>None</i>

Public Entities

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
<i>MEGA</i>		<i>R207,040</i>	<i>R207,040</i>	
<i>MTPA</i>		<i>R278,275</i>	<i>R278,275</i>	
<i>MGB</i>		<i>R41,908</i>	<i>R41,908</i>	

Conditional grants and earmarked funds received

The tables below details the conditional grants and ear marked funds received during for the period 1 April 2012 to 31 March 2013.

Department who transferred the grant	National Department of Public Works
Purpose of the grant	To create jobs within the sector
Expected outputs of the grant	Job cretion
Actual outputs achieved	68 jobs created in the Environmental and Culture sector
Amount per amended DORA	R1,000
Amount received (R'000)	R1,000
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	R1,000
Reasons for the funds unspent by the entity	None
Reasons for deviations on performance	None
Measures taken to improve performance	None
Monitoring mechanism by the receiving department	Share holders compact and expenditure monthly reports

Donor Funds

None

Capital investment, maintenance and asset management plan

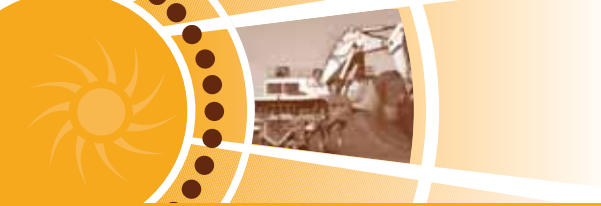
Infrastructure projects	2012/2013			2011/2012		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	0	0	0	0	0	0
Existing infrastructure assets	0	0	0	0	0	0
• Upgrades and additions	8 379	7 958	421	8 532	7 042	1 490
• Rehabilitation, renovations and refurbishments	0	0	0	0	0	0
• Maintenance and repairs	0	0	0	0	0	0
Infrastructure transfer	0	0	0	0	0	0
• Current	0	0	0	0	0	0
• Capital	0	0	0	0	0	0
Total	8 379	7 958	421	8 532	7 042	1 490





Part C: Governance





3. GOVERNANCE

3.1 INTRODUCTION

Commitment by the Department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the Department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer.

3.2 RISK MANAGEMENT

The management of the risk within the Department is done in terms of Section 38 (a) (i) of the PFMA and treasury regulations and taking into considerations latest legislation's in risk management. A risk assessment was performed for the financial year under review. The Risk Assessment informed the development of the Risk Management Strategy and a Risk Register which was communicated to all employees of the Department.

During the risk assessment process the group was asked to identify those risks (hazards, uncertainties and opportunities) that directly impact the achievement of the organization's strategic objective. Review on risk action plans is conducted on quarterly basis.

The Department recognizes that all aspect of business risk must be managed. A Risk Management Committee has been appointed and was functioning during the year under review. The Internal Audit plan is based on the risk management strategy and by performing the above the Department is striving to maintain effective, efficient and transparent system of financial and risk management and internal control as described in section 38(a)(i) of the PFMA.

3.3 FRAUD AND CORRUPTION

The Fraud Prevention Plan has since been developed and was approved in 2009 and it has been reviewed though the Fraud Risk Assessment process. The plan has since been communicated to all employees during the awareness workshops. This plan is aimed at deterring preventing, detecting, reacting to and reducing the impact of fraud where such dishonest activities subsist. This plan also sets out the Department Position towards fraud and fosters a culture of zero tolerance to fraud.

3.4 MINIMISING CONFLICT OF INTEREST

The processes implemented to minimize conflict of interest in supply chain management, declarations forms are signed by the bid committee members per sitting.

3.5 CODE OF CONDUCT

Continuously ethics and fraud awareness workshops are conducted to ensure that the Department is adhering to the code of conduct.

3.6 HEALTH SAFETY AND ENVIRONMENTAL ISSUES

In terms of the Occupational Health and Safety Act, the Department is partially complying with the Act.

3.7 INTERNAL CONTROL UNIT

Internal controls are any actions taken by management, the Executive Authority and other parties to enhance risk management and increase the likelihood that established objectives and goals will be achieved. Management achieves this control by implementing an internal control system encompassing all the policies and procedures adopted by management to assist the Department in achieving its objectives.

Based on the internal audit work performed for the Department, we can report that the general systems of internal control for the period under review are partially adequate and effective.



Key activities and objectives of the internal audit

Internal Audit is an independent appraisal function established by the management of an organisation for the review of the internal control system as a service to the organisation. It objectively examines, evaluates and reports on the adequacy of internal control as a contribution to the proper, economic and effective use of resources.

Summary of internal audit work done

The Internal Audit unit has conducted audits in line with the approved Internal Audit plan for 2012/2013, which was drawn up in accordance with Treasury Regulations Paragraph 3.2.7 and Standards for Professional Practice in Internal Audit (SPPIA). The plan was recommended by the Chief Audit Executive, accepted by the Accounting Officer and approved by the Audit Committee.

The following audit assignments relating to the Department were performed by the Internal Audit function during the 2012/13 financial year:

- Financial Statements review 11/12
- Asset and loss management
- ICT review
- Budget and Payment process.
- Governance Review Internal Financial controls.
- Performance Information Programme 3 (sector)
- Review addressing strategy and performance (Performance Assessment)
- Review of Interim Financial Statements.
- Supply Chain Management.
- Performance Information (Water Bottling)

3.8 AUDIT COMMITTEE REPORT

Final Report of the Audit Committee

We are pleased to present our final report for the financial year ended 31 March 2013.

Audit Committee Members and Attendance

The Audit Committee consists of the members listed hereunder and meet quarterly as per its approved terms of reference. During the current year six (6) meetings were held.

Name of Member	No. of Meetings Attended
Mr J. Mpai (Chairperson deceased in November 2012)	2/6
Ms. Z.B Mathenjwa (Acted as chairperson on the 1 st December 2012, and appointed as Chairperson on the 1 st February 2013)	5/6
Mr. D. Lekoto	6/6
Ms. M. Morata	5/6

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities as prescribed by section 38(1) (a) of the Public Finance Management Act 1999, (Act No. 1 of 1999) (PFMA) and Treasury Regulation (TR) 3.1.

The Audit Committee has for the period under review adopted the formal terms of reference in line with the Audit Committee Charter, regulated its affairs in compliance with the charter and has discharged all of its responsibilities as contained therein.

The Effectiveness of Internal Control

- The system of internal controls applied by the Department over financial risk and risk management are applied to provide cost effective assurance that assets and working capital are efficiently managed, in line with the PFMA, Treasury Regulations and the King III Report on Corporate Governance requirements. Based on the reports presented to the Audit Committee by the internal audit unit during the audit committee meetings, the audit committee noted significant progress being made to improve the internal control systems in the Department. It is also noted that management has implemented adequate controls in most areas within the Department to provide reasonable assurance that all major risks are appropriately identified; managed and applicable legislation is adhered to.
- The Department has identified strategic and operational risks, which are aligned to the strategic objectives of the Department. These risks were evaluated in terms of the impact towards the attainment of the set objectives and their likelihood. The relevant controls have been identified and implemented to address those risks. The Department maintains a reporting system that enables it to monitor changes in its risk profile, and gain assurance that risk management systems are effective and comply to the King III report on corporate governance.

The following were areas of concern:

- Accuracy and completeness of the Asset Register,
- Accuracy and completeness of revenue from environmental centres,
- Slow process in finalising certain SCOPA resolutions,
- Insufficient capacity in the office of the Chief Financial Officer.

From the various reports of the Internal Auditors, it was noted that some matters were reported indicating deficiencies in the system of internal control. In order to address deficiencies noted, management is required to compile a comprehensive action plan. The Plan is continuously implemented to ensure that these issues are not reported in forthcoming financial years. The Audit Committee will effectively monitor progress made in this regard.



In-Year Management and Monthly and Quarterly Reports

The Audit Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Department as required by the PFMA.

Evaluation of Financial Statements

The Audit Committee has:

- Reviewed Annual Financial Statements, in order to ascertain that the Financial Statements comply with the following:
 - Preparation guide of Annual Financial Statements;
 - Compliance with applicable legislation and regulations.
- Reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report with the Auditor-General and the Accounting Officer;
- Reviewed that there are any changes to the accounting policies and practices;
- Reviewed the Department's compliance with legal and regulatory provisions;
- Reviewed the information on predetermined objectives to be included in the Annual Report.
- Reviewed significant adjustment resulting from the audit;
- Reviewed the internal audit report on the mid-term interim financial statement and is partially satisfied that management has addressed issues raised.
- Reviewed the quality and timeliness of the financial statements availed to the audit committee for oversight purposes during the year such as interim financial statements.

Independence of the Audit Committee

The Audit Committee is independent of management in the execution of its duties.

Internal audit

The Audit Committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the Department in its audits.

Auditor-General's Report

We have reviewed the Department's implementation plan for audit issues raised in the prior-year audit report. During the course of our follow-up reviews on the implementation plan for audit issues raised, we discovered that out of 16 of the audit findings reported, 7 findings were fully implemented, 7 partly implemented to address control deficiencies, and 2 are still in progress.

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

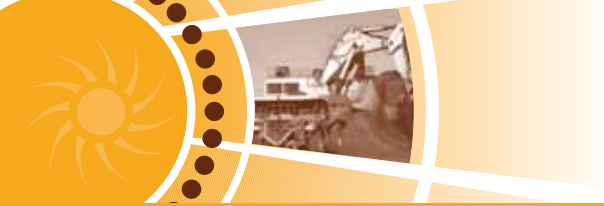
Appreciation

The Audit Committee appreciates the assistance and cooperation of management in assisting it in the discharge of its responsibility.

ZB MATHENJWA

CHAIRPERSON OF THE AUDIT COMMITTEE

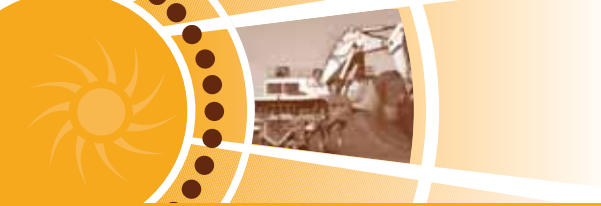
DATE: 31 JULY 2013





Part D:
Human Resource
Management





4.1 LEGISLATURE THAT GOVERN HR MANAGEMENT

The HR Management is governed by the following Acts:

- Public Service Act, 1994, as amended.
- Public Service Regulations, 2001, as amended
- The constitution of the Republic of South Africa

4.2 INTRODUCTION

Overview of HR matters at the Department

The role of Human Resources Management is to provide integrated strategies and solutions wherein people management processes are mainstreamed. The management and success of Human Resources depends on the extent to which Departmental support structures and systems are applied. In our quest to maximise human capital, the Department developed the Human Resources Plan to ensure that the required number of employees with required competencies, with the right composition at the right place and time is available when needed. This initiative cannot be isolated from Departmental efforts to attract, recruit, and retain competent workforce. This also assisted in managing employee performance and proper utilisation of their competencies hence an integrated approach.

Set HR priorities for the year under review and the impact of these priorities

- Recruits and retains the quality and quantity of staff that is required
- Progressively and continuously develops staff toward the developmental approach in order to meet the increasing and changing needs of clients and communities
- Budget/Funding
- Promotes employment equity
- Develops leadership and creates a learning organization that values the importance of service delivery and hence putting people first.
- Formulate and implement service standards
- Performance Management

Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce

The Human Resource Plan was implemented to attract and recruit skilled and capable workforce hence the appointment of twenty seven (27) employees. We also provided training opportunities for two hundred fourteen (214) employees through our skills development initiatives. The Department also embarked on an employee verification (head count) exercise and no ghost employee were found.

Employee Performance Management Framework

The Provincial Performance Management and Development Policy was implemented for employees below SMS level thirteen (13), and Chapter Four (4) of the SMS Handbook was operationalised for SMS Members.

Employee Wellness Programmes

Through the integrated Employee Health and Wellness Programme, sixteen (16) awareness campaigns were conducted; one hundred and twenty four (124) employees were provided with counselling; and four (4) bereaved families were offered support. The Department also assisted a senior citizen to obtain the correct identity document.

Policy Development

In order to enhance service delivery, nine (9) HR policies were approved and implemented.

Challenges faced by the Department: Notwithstanding the retention of highly skilled employees, the Department has experienced a high turnover rate within Environmental Services Programme due to high demands from our competitors and regulated compensation within the Public Services. This challenge impacted negatively on the achievement of Employment Equity targets within SMS level.

Future HR plans /goals

The workforce analysis will be conducted which will then culminate into the Human Resources Plan. In our quest to enhance human capital and adhere to policy directives, the organisational structure will be reconfigured. As part of our Skills Development Initiative, twenty (20) interns will be appointed.

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

PERSONNEL RELATED EXPENDITURE

TABLE: Personnel expenditure by Programme

Programme	Programme	Programme	Professional and Special Services Expenditure	Personnel Expenditure as a % of total expenditure	Average personnel cost per employee (R'000)	Employment
			(R'000)			
Administration	101,707	43,936	0	43.2	330.3	133
Integrated Economic Development	230,051	19,298	0	8.4	419.5	46
Trade and Sector Development	320,457	13,559	0	4.2	484.3	28
Business Regulation and Governance	60,072	15,381	0	25.6	341.8	45
Economic Planning	6,923	5,742	0	82.9	410.1	14
Environmental Services	70,005	56,464	0	80.7	312.0	181
TOTAL	789,215	154,380	0	245	345.4	447

TABLE: Personnel costs by Salary band

Salary Bands	Personnel Expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	5,013	3.2	43	117
Skilled (Levels 3-5)	9,270	6.0	64	145
Highly skilled production (Levels 6-8)	35,078	22.7	164	214
Highly skilled supervision (Levels 9-12)	79,158	51.3	147	538
Senior management (Levels 13-16)	22,409	14.5	27	830
Contract (Levels 13-16)	3,452	2.2	2	1726
TOTAL	154380	100.0	447	345

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

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

Programme	Salaries		Overtime		Home Owners Allowance		Medical Ass.		Total personnel costs per programme
	Amount	Salaries as a % of Personnel Cost	Amount	Overtime as a % of Personnel Cost	Amount	HOA as a % of Personnel Cost	Amount	Medical Ass. as a % of Personnel Cost	
	(R'000)		(R'000)		(R'000)		(R'000)		(R'000)
Management services	3764	77.1	7	0.1	79	1.6	110	2.3	4881
Pr1: administration*	32302	67.8	585	1.2	1299	2.7	2314	4.9	47633
Pr2: integrated economic development services	14647	71.4	0	0	337	1.6	835	4.1	20502
Pr3: trade and industry development	7543	66.2	8	0.1	312	2.7	419	3.7	11400
Pr4: business regulation and governance	11011	67.3	92	0.6	486	3	714	4.4	16356
Pr5: economic planning	4643	77.1	0	0	90	1.5	232	3.9	6025
Programme 6: environmental management services	39575	68.1	0	0	1736	3	2653	4.6	58094
TOTAL	113485	68.8	692	0.4	4339	2.6	7277	4.4	164891

TABLE: Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band

Programme	Salaries		Overtime		Home Owners Allowance		Medical Ass.		Total personnel costs per salary band
	Amount	Salaries as a % of Personnel Cost	Amount	Overtime as a % of Personnel Cost	Amount	HOA as a % of Personnel Cost	Amount	Medical Ass. as a % of Personnel Cost	
	(R'000)		(R'000)		(R'000)		(R'000)		(R'000)
Lower skilled (Levels 1-2)	3215	63.6	0	0	463	9.2	488	9.7	5056
Skilled (Levels 3-5)	6242	65.1	21	0.2	676	7.1	991	10.3	9581
Highly skilled production (Levels 6-8)	23940	65.8	427	1.2	1376	3.8	2332	6.4	36357
Highly skilled supervision (Levels 9-12)	58280	69.1	229	0.3	1434	1.7	3049	3.6	84373
Senior management (Levels 13-16)	18361	74.5	0	0	276	1.1	379	1.5	24648
Contract (Levels 3-5)	417	96.3	16	3.7	0	0	0	0	433
Contract (Levels 13-16)	3029	79.4	0	0	115	3	40	1	3817
Periodical Remuneration	0	0	0	0	0	0	0	0	626
TOTAL	113484	68.8	693	0.4	4340	2.6	7279	4.4	164891

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

EMPLOYMENT AND VACANCIES

TABLE: Employment and Vacancies by Programme

Programme	Number of Posts on approved establishment	Number of Posts Filled	Vacancy Rate	Number of Employees Additional to the Establishment
Management services, Permanent	27	27	0	0
Pr1: administration*, Permanent	138	113	18.1	11
Pr2: integrated economic development services, Permanent	43	37	14	3
Pr3: trade and industry development, Permanent	27	25	7.4	0
Pr4: business regulation and governance, Permanent	43	42	2.3	0
Pr5: economic planning, Permanent	15	11	26.7	0
Programme 6: environmental services, Permanent	183	168	8.2	10
TOTAL	476	423	11.1	24

TABLE: Employment and Vacancies by Salary Band

Salary Band	Number of Posts on approved establishment	Number of Posts Filled	Vacancy Rate	Number of Employees Additional to the Establishment
Lower skilled (Levels 1-2), Permanent	50	41	18	4
Skilled (Levels 3-5), Permanent	67	62	7.5	2
Highly skilled production (Levels 6-8), Permanent	171	152	11.1	11
Highly skilled supervision (Levels 9-12), Permanent	158	140	11.4	7
Senior management (Levels 13-16), Permanent	28	26	7.1	0
Contract (Levels 13-16), Permanent	2	2	0	0
TOTAL	476	423	11.1	24

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

TABLE: Employment and Vacancies by Critical Occupation

Critical Occupations	Number of Posts on approved establishment	Number of Posts Filled	Vacancy Rate	Number of Employees Additional to the Establishment
Administrative related, Permanent	55	48	12.7	4
Agricul animal oceanography forestry and other scien, Permanent	0	0	0	0
Agriculture related, Permanent	49	38	22.4	6
Auxiliary and related workers, Permanent	4	3	25	2
Cleaners in offices workshops hospitals etc., Permanent	42	41	2.4	0
Communication and information related, Permanent	13	10	23.1	0
Community development workers, Permanent	0	0	0	0
Conservation labourers, Permanent	4	3	25	0
Economists, Permanent	70	64	8.6	3
Farm hands and labourers, Permanent	14	14	0	0
Finance and economics related, Permanent	16	16	0	0
Financial and related professionals, Permanent	4	4	0	0
Financial clerks and credit controllers, Permanent	15	15	0	4
Food services aids and waiters, Permanent	9	9	0	0
General legal administration and rel. professionals, Permanent	3	3	0	0
Head of department/chief executive officer, Permanent	1	1	0	0
Health sciences related, Permanent	2	2	0	0
Human resources and organisat developm and relate prof, Permanent	3	3	0	0
Human resources clerks, Permanent	4	4	0	0
Human resources related, Permanent	17	16	5.9	0
Information technology related, Permanent	0	0	0	0
Legal related, Permanent	3	3	0	0
Library mail and related clerks, Permanent	3	2	33.3	0
Light vehicle drivers, Permanent	5	5	0	1
Messengers porters and deliverers, Permanent	3	2	33.3	0
Natural sciences related, Permanent	50	41	18	4
Nature conservation and oceanographical rel.techni, Permanent	0	0	0	0
Other administrat and related clerks and organisers, Permanent	0	0	0	0
Other administrative policy and related officers, Permanent	0	0	0	0
Other occupations, Permanent	3	3	0	0
Regulatory inspectors, Permanent	15	14	6.7	0
Secretaries and other keyboard operating clerks, Permanent	36	31	13.9	0
Senior managers, Permanent	22	17	22.7	0
Statisticians and related professionals, Permanent	1	1	0	0
Trade/industry advisers and other related profession, Permanent	10	10	0	0
TOTAL	476	423	11.1	24

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

JOB EVALUATION

TABLE: Job Evaluation by Salary band

Salary Band	Number of Posts on approved establishment	Number of Jobs Evaluated	% of Posts Evaluated by salary bands	Posts Upgraded		Posts Downgraded	
				Number	% of Posts Evaluated	Number	% of Posts Evaluated
Lower skilled (Levels 1-2)	50	0	0	0	0	0	0
Contract (Band C) Level 15	2	0	0	0	0	0	0
Skilled (Levels 3-5)	67	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	172	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	158	0	0	0	0	0	0
Senior Management Service Band A	22	0	0	0	0	0	0
Senior Management Service Band B	4	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
TOTAL	476	0	0	0	0	0	0

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

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
TOTAL	0	0	0	0	0
Employees with a Disability	0	0	0	0	0

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

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation	No of Employees in Dept
Male	0	0	0	0	
Female	0	0	0	0	
TOTAL	0	0	0	0	
Percentage of Total Employment	0				0

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

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
TOTAL	0	0	0	0	0
Employees with a Disability	0	0	0	0	0

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

EMPLOYMENT CHANGES

TABLE: Annual Turnover Rates by Salary Band

Salary Band	Number of Employees at Beginning of Period (April 2012)	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate
Lower skilled (Levels 1-2), Permanent	46	0	4	8.7
Skilled (Levels 3-5), Permanent	69	8	4	5.8
Highly skilled production (Levels 6-8), Permanent	166	5	3	1.8
Highly skilled supervision (Levels 9-12), Permanent	148	5	11	7.4
Senior Management Service Band A, Permanent 13	22	1	1	4.5
Senior Management Service Band B, Permanent	4	0	0	0
Senior Management Service Band D, Permanent	1	0	2	200
(Band C), Permanent	4	0	0	0
TOTAL	460	19	25	5.4

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

TABLE: Annual Turnover Rates by Critical Occupation

Critical Occupation	Number of Employees at Beginning of Period (April 2012)	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate
Administrative related, Permanent	32	1	0	0
Agricul animal oceanography forestry and other scien, Permanent	32	0	0	0
Agriculture related, Permanent	63	0	0	0
Auxiliary and related workers, Permanent	11	0	4	36.4
Cleaners in offices workshops hospitals etc., Permanent	28	0	3	10.7
Communication and information related, Permanent	12	0	1	8.3
Conservation labourers, Permanent	3	4	5	166.7
Economists, Permanent	68	1	3	4.4
Farm hands and labourers, Permanent	26	0	0	0
Finance and economics related, Permanent	10	0	0	0
Financial and related professionals, Permanent	4	4	0	0
Financial clerks and credit controllers, Permanent	4	0	0	0
Food services aids and waiters, Permanent	9	0	0	0
Forestry labourers, Permanent	2	0	0	0
General legal administration and rel. professionals, Permanent	3	0	0	0
Health sciences related, Permanent	2	0	0	0
Historians and political scientists, Permanent	1	0	0	0
Human resources and organisat developm and relate prof, Permanent	2	0	0	0
Human resources clerks, Permanent	6	0	0	0
Human resources related, Permanent	17	0	4	23.5
Information technology related, Permanent	1	0	0	0
Legal related, Permanent	3	0	0	0
Library mail and related clerks, Permanent	4	0	0	0
Life sciences related, Permanent	3	0	0	0
Light vehicle drivers, Permanent	5	0	0	0
Material-recording and transport clerks, Permanent	3	0	0	0
Messengers porters and deliverers, Permanent	4	0	0	0
Natural sciences related, Permanent	3	0	0	0
Other administrat and related clerks and organisers, Permanent	8	0	0	0
Other administrative policy and related officers, Permanent	10	0	0	0
Other occupations, Permanent	0	0	0	0
Regulatory inspectors, Permanent	16	0	0	0
Risk management and security services, Permanent	5	0	0	0
Secretaries and other keyboard operating clerks, Permanent	26	8	2	7.7
Senior managers, Permanent	22	1	3	13.6
Statisticians and related professionals, Permanent	1	0	0	0
Trade/industry advisers and other related profession, Permanent	11	0	0	0
TOTAL	460	19	25	5.4

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

TABLE: Reasons why staff are leaving the department

Termination Type				Number	% of Total Resignations
Death				3	12
Resignation				7	28
Expiry of contract				0	0
Dismissal - operational changes				0	0
Dismissal-misconduct				0	0
Dismissal-inefficiency				0	0
Discharged due to ill health				1	4
Transfers, Permanent				0	0
Retirement				4	16
Transfer to other Public Service Departments				10	40
Other					0
TOTAL				25	5.59

Resignations as % of Employment

5.6

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

TABLE: Promotions by Critical Occupation

Occupation	Employees 1 April 2012	Promotions to another Salary Level	Salary Level Promotions as a % of Employees by Occupation	Progressions to another Notch within Salary Level	Notch progressions as a % of Employees by occupation
Administrative related	32	0	0	24	75
Agricul animal oceanography forestry and other scien	32	0	0	8	25
Agriculture related	63	0	0	41	65.1
Auxiliary and related workers	11	0	0	3	27.3
Cleaners in offices workshops hospitals etc.	28	0	0	24	85.7
Communication and information related	12	0	0	9	75
Conservation labourers	3	1	33.3	1	33.3
Economists	68	0	0	52	76.5
Farm hands and labourers	26	0	0	9	34.6
Finance and economics related	10	1	10	10	100
Financial and related professionals	4	1	25	1	25
Financial clerks and credit controllers	4	0	0	11	275
Food services aids and waiters	9	0	0	3	33.3
Forestry labourers	2	0	0	0	0
General legal administration and rel. professionals	3	0	0	3	100
Health sciences related	2	0	0	2	100
Historians and political scientists	1	0	0	0	0
Human resources and organisat developm and relate prof	2	0	0	2	100
Human resources clerks	6	0	0	4	66.7
Human resources related	17	0	0	16	94.1
Information technology related	1	0	0	1	100
Legal related	3	0	0	2	66.7
Library mail and related clerks	4	0	0	2	50
Life sciences related	3	0	0	0	0
Light vehicle drivers	5	0	0	3	60
Material-recording and transport clerks	3	0	0	0	0
Messengers porters and deliverers	4	0	0	1	25
Natural sciences related	3	0	0	38	1266.7
Other administrat and related clerks and organisers	8	0	0	5	62.5
Other administrative policy and related officers	10	0	0	0	0
Other occupations	0	0	0	1	0
Regulatory inspectors	16	0	0	13	81.3
Risk management and security services	5	0	0	0	0
Secretaries and other keyboard operating clerks	26	0	0	23	88.5
Senior managers	22	0	0	2	9.1
Statisticians and related professionals	1	0	0	1	100
Trade/industry advisers and other related profession	11	0	0	7	63.6
TOTAL	460	3	0.7	322	70

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

TABLE: Promotions by Salary Band

Salary Band	Employees 1 April 2012	Promotions to another Salary Level	Salary Level Promotions as a % of Employees by salary level	Progressions to another Notch within a Salary Level	Notch progressions as a % of Employees by salary bands
Lower skilled (Levels 1-2), Permanent	46	0	0	19	41.3
Skilled (Levels 3-5), Permanent	69	0	0	44	63.8
Highly skilled production (Levels 6-8), Permanent	166	1	0.6	101	60.8
Highly skilled supervision (Levels 9-12), Permanent	148	2	1.4	154	104.1
Senior management (Levels 13-16), Permanent	30	0	0	4	13.3
Contract (Levels 13-16), Permanent	1	0	0	0	0
TOTAL	460	3	0.7	322	70

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

EMPLOYMENT EQUITY

TABLE: Total number of Employees (including Employees with disabilities) in each of the following Occupational Category as at 31st March

Occupational Categories	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Legislators, senior officials and managers, Permanent 14-16	4	0	0	0	2	0	0	0
Senior Managers sl 13 Professionals, Permanent	15	0	1	1	4	0	0	1
Technicians and associate professionals, Permanent 9-12	66	1	0	11	63	0	1	5
Clerks, Permanent 6-8	53	1	0	0	106	0	0	4
Plant and machine operators and assemblers, Permanent 3-5	20	0	0	0	39	1	0	4
Elementary occupations, Permanent 1-2	17	0	0	1	26	0	0	0
TOTAL	175	2	1	13	240	1	1	14
								447

TABLE: Total number of Employees (including Employees with disabilities) in each of the following Occupational bands as at 31st March

Occupational Bands	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Top Management, Permanent 14-16	2	0	0	0	2	0	0	0
Senior Management, Permanent 13	15	0	1	1	4	0	0	1
Professionally qualified and experienced specialists and mid-management, Permanent 9-12	66	1	0	11	63	0	1	5
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent 6-8	53	1	0	0	106	0	0	4
Semi-skilled and discretionary decision making, Permanent 3-5	20	0	0	0	39	1	0	4
Unskilled and defined decision making, Permanent 1-2	17	0	0	1	26	0	0	0
Contract (Top Management)	2	0	0	0	0	0	0	0
TOTAL	175	2	1	13	240	1	1	14
								447

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

TABLE : Recruitment

Occupational Bands	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Top Management, Permanent 14-16	0	0	0	0	0	0	0	0
Senior Management, Permanent 13	0	0	0	0	1	0	0	0
Professionally qualified and experienced specialists and mid-management, Permanent 9-12	4	0	0	0	1	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent 6-8	0	0	0	0	5	0	0	0
Semi-skilled and discretionary decision making, Permanent 3-5	1	0	0	0	7	0	0	0
Unskilled and defined decision making, Permanent 1-2	0	0	0	0	0	0	0	0
TOTAL	5	0	0	0	14	0	0	0

TABLE : Promotions

Occupational Bands	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Senior Management, Permanent 13-16	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management, Permanent 9-12	1	0	0	0	1	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent 6-8	0	0	0	0	1	0	0	0
Semi-skilled and discretionary decision making, Permanent 3-5	0	0	0	0	0	0	0	0
Unskilled and defined decision making, Permanent 1-2	0	0	0	0	0	0	0	0
TOTAL	1	0	0	0	2	0	0	0

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

TABLE: Terminations

Occupational Bands	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Lower skilled (Levels 1-2), Permanent	0	0	0	0	4	0	0	0
Skilled (Levels 3-5), contract expiry	0	0	0	0	4	0	0	0
Highly skilled production (Levels 6-8), Permanent	2	0	0	0	1	0	0	0
Highly skilled supervision (Levels 9-12), Permanent	9	0	0	0	2	0	0	0
Senior Management Service Band A, Permanent 13	1	0	0	0	0	0	0	0
Senior Management Service Band B, Permanent	0	0	0	0	0	0	0	0
Senior Management Service Band C, Permanent	0	0	0	0	2	0	0	0
(Band C), Permanent	0	0	0	0	0	0	0	0
TOTAL	12	0	0	0	13	0	0	0
								25

TABLE: Disciplinary Action

Disciplinary action	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
No outcome	1	0	0	0	0	0	0	0
TOTAL	1	0	0	0	0	0	0	1

TABLE: Skills Development

Occupational Categories	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Legislators, Senior Officials and Managers	0	0	0	0	0	0	0	0
Professionals	0	0	0	0	0	0	0	0
Technicians and Associate Professionals	0	0	0	0	0	0	0	0
Clerks	0	0	0	0	0	0	0	0
Service and Sales Workers	0	0	0	0	0	0	0	0
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0
Craft and related Trades Workers	0	0	0	0	0	0	0	0
Plant and Machine Operators and Assemblers	0	0	0	0	0	0	0	0
Elementary Occupations	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0
Employees with disabilities	0	0	0	0	0	0	0	0

PERFORMANCE REWARDS

TABLE 7.1 - Performance Rewards by Race, Gender and Disability

Race and Gender		Beneficiary Profile		Cost	
Demographics	Number of Beneficiaries	Number of Employees	% of Total within group	Cost (R'000)	Average Cost per Employee
African, Female	150	240	62.5	1,182	7,883
African, Male	104	178	58.4	1,128	10,851
Asian, Female	1	1	100.0	34	33,973
Coloured, Female	0	1	0.0	0	0
Coloured, Male	0	3	0.0	0	0
Total Blacks, Female	151	241	62.7	1,216	8,056
Total Blacks, Male	104	179	58.1	1,128	10,851
White, Female	13	14	92.9	205	15,736
White, Male	9	13	69.2	192	21,319
TOTAL	277	447	62.0	2,741	9,896

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

Salary Band	Beneficiary Profile		Cost	
	Number of Beneficiaries	Number of Employees	Total Cost (R'000)	Total cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	32	44	186	6.79
Skilled (Levels 3-5)	40	64	265	9.67
Highly skilled production (Levels 6-8)	89	164	749	27.33
Highly skilled supervision (Levels 9-12)	111	147	1541	56.22
TOTAL	272	419	2,741	100.00

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

TABLE: Performance Rewards by Critical Occupation

Critical Occupations	Beneficiary Profile		Cost	
	Number of Beneficiaries	Number of Employees	% of Total within occupation	Total Cost (R'000)
Administrative related	23	39	59	289
Agricul animal oceanography forestry and other scien	3	7	42.9	32
Agriculture related	32	45	71.1	463
Auxiliary and related workers	2	3	66.7	12
Cleaners in offices workshops hospitals etc.	30	41	73.2	128
Communication and information related	9	10	90	94
Community development workers	0	1	0	0
Conservation labourers	2	3	66.7	8
Economists	39	67	58.2	383
Farm hands and labourers	9	14	64.3	27
Finance and economics related	13	16	81.3	190
Financial and related professionals	3	4	75	31
Financial clerks and credit controllers	10	15	66.7	101
Food services aids and waiters	8	9	88.9	31
General legal administration and rel. professionals	3	3	100	23
Head of department/chief executive officer	0	1	0	0
Health sciences related	2	2	100	8
Human resources and organisat developm and relate	3	3	100	68
Human resources clerks	2	4	50	19
Human resources related	15	19	78.9	131
Information technology related	0	0	0	0
Legal related	2	4	50	28
Library mail and related clerks	1	2	50	4
Light vehicle drivers	5	5	100	31
Messengers porters and deliverers	1	2	50	6
Natural sciences related	19	43	44.2	164
Nature conservation and oceanographical rel.techni	0	0	0	0
Other administrat and related clerks and organisers	6	7	85.7	26
Other administrative policy and related officers	1	1	100	14
Other occupations	0	3	0	0
Regulatory inspectors	7	15	46.7	52
Secretaries and other keyboard operating clerks	14	31	45.2	85
Senior managers	3	17	17.6	173
Statisticians and related professionals	1	1	100	13
Trade/industry advisers and other related profession	9	10	90	107
TOTAL	277	447	62	2741
				9895

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

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

SMS Band	Beneficiary Profile			Cost			
	Number of Beneficiaries	Number of Employees	% of Total within salary bands	Total Cost (R'000)	Average Cost per Employee	Total cost as a % of the total personnel expenditure	Personnel Cost SMS (R'000)
B and A salary level 13	5	22	22.7	286	57,200	1.5	18,895
B and B	0	4	0	0	0	0	0
B and C	0	2	0	0	0	0	0
B and D	0	0	0	0	0	0	0
TOTAL	5	28	17.9	286	57200	1.5	18895

FOREIGN WORKERS

TABLE: Foreign Workers by Salary Band

Salary Band	01 April 2012		31 March 2013		Change	
	Number	% of Total	Number	% of Total	Number	% of Change
Contract (Levels 13-16)	1	100	0	0	-1	0
TOTAL	1	100	0	0	-1	00

TABLE: Foreign Workers by Major Occupation

Major Occupation	01 April 2012		31 March 2013		Change	
	Number	% of Total	Number	% of Total	Number	% of Change
Professionals and managers	1	100	0	0	-1	0
TOTAL	1	100	0	0	-1	0

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

LEAVE UTILISATION

TABLE: Sick Leave

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Sick Leave	% of Total Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of Employees using Sick Leave	Total number of days with medical certification
Lower skilled (Levels 1-2)	170	93.5	20	7.4	9	45	271	159
Skilled (Levels 3-5)	232	92.2	41	15.1	6	84	271	214
Highly skilled production (Levels 6-8)	600	87.2	85	31.4	7	381	271	523
Highly skilled supervision (Levels 9-12)	622	80.1	108	39.9	6	787	271	498
Senior management (Levels 13-16)	88	88.6	15	5.5	6	265	271	78
Contract (Levels 13-16)	4	75	2	0.7	2	16	271	3
TOTAL	1716	86	271	100	6	1578	271	1475

TABLE: Disability Leave (Temporary and Permanent)

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of days with medical certification	Total number of Employees using Disability Leave
Lower skilled (Levels 1-2)	6	100	1	6.7	6	2	6	15
Skilled (Levels 3-5)	4	100	2	13.3	2	2	4	15
Highly skilled production (Levels 6-8)	140	100	7	46.7	20	87	140	15
Highly skilled supervision (Levels 9-12)	26	100	4	26.7	7	39	26	15
Senior management (Levels 13-16)	16	100	1	6.7	16	45	16	15
TOTAL	192	100	15	100	13	175	192	15

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

TABLE: Annual Leave

Salary Band	Total Days Taken	Number of Employees using annual leave	Average per Employee
Lower skilled (Levels 1-2)	994	43	23
Skilled (Levels 3-5)	1426	68	21
Highly skilled production (Levels 6-8)	2953	135	22
Highly skilled supervision (Levels 9-12)	3979	182	22
Senior management (Levels 13-16)	594	27	22
Contract (Levels 13-16)	71	4	18
TOTAL	10017	459	22

TABLE: Capped Leave

Salary Band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 March	Total number of capped leave available at 31 December 2012	Number of Employees as at 31 December 2012
Skilled (Levels 3-5)	3	1	83	3	3081	37
Highly skilled production (Levels 6-8)	14	2	57	7	2814	49
Highly skilled supervision (Levels 9-12)	25	6	55	4	5189	95
Senior management (Levels 13-16)	1	1	77	1	1072	14
TOTAL	43	10	62	4	12156	195

TABLE: Leave Payouts

Reason	Total Amount (R'000)	Number of Employees	Average per Employee (R'000)
Leave payout for 2012/13 due to non-utilisation of leave for the previous cycle	103	7	14714
Capped leave payouts on termination of service for 2012/13	340	29	11724
Current leave payout on termination of service for 2012/13	0	5	0
TOTAL	443	41	10805

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

HIV/AIDS AND HEALTH PROMOTION PROGRAMMES

TABLE: Steps taken to reduce the risk of occupational exposure

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

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Ms W.N Rambau Chief Director: Corporate Services
2. Does the department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		The total number of staff is five (5), and the budget allocated is two million four hundred and eighty thousand (2,480 000.00) for compensation and goods and services.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	Yes		Proactive and reactive Employee Health and Wellness Programme (Workplace HIV/AIDS Programme Occupational Health and Safety)
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.		No	
5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		Draft HIV/AIDS and TB management and Occupational Health and Safety policies
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		Developed a HIV/AIDS and TB management draft policy. Education and awareness Programmes addressing stigma and discrimination in the workplace.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		The Department arranged 04 onsite HIV Counselling and testing for the employees and the response was high.
8. Has the department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators.		No	

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

LABOUR RELATIONS

TABLE: Collective Agreements

Subject Matter	Date
None	None
None	None

TABLE: Misconduct and Discipline Hearings Finalised

Outcomes of disciplinary hearings	Number	% of Total
Recovering of money as a consequence of the wrongful utilisation of state property	1	14
Verbal warning	1	14
Written warning	4	57
Final written warning	1	14
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
TOTAL	7	100

TABLE : Types of Misconduct Addressed at Disciplinary Hearings

Type of misconduct (based on Annexure A)	Number	% of Total
Wrongful utilisation of state property	1	14
Prejudice administration	2	29
Unacceptable behavior	1	14
Negligence	2	29
Mismanagement of revenue	1	14
TOTAL	7	100

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

TABLE: Grievances Logged

	Number	% of Total
Number of grievance resolved	6	85.7
Number of grievance not resolved	1	14.3
TOTAL	7	100.0

TABLE: Disputes Logged

	Number	% of total
Number of disputes upheld	1	50
Number of disputes dismissed	1	50
TOTAL	2	100

TABLE: Strike Actions

	Number
Total number of person working days lost	0
Total cost(R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

TABLE: Precautionary Suspensions

	Number
Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	218
Cost (R'000) of suspensions	262,050.35

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

SKILLS DEVELOPMENT

TABLE: Training Needs Identified

Occupational Categories	Gender	Number of Employees as at 01 April 2012	Training needs identified at start of the reporting period			Total
			Leaverships	Skills Programmes and other short courses	Other forms of training	
Legislators, senior officials and managers SL 14-16	Female	2	0	17	0	19
	Male	4	0	4	2	10
Professionals Senior officials SL 13	Female	5	0	51	14	70
	Male	17	0	29	11	57
Technicians and associate professionals SL 9-12	Female	69	0	4	13	86
	Male	78	0	1	2	81
Skilled technician SL 6-8	Female	110	0	16	14	140
	Male	54	0	7	2	63
Semi skilled SL 3-5	Female	44	0	5	1	50
	Male	20	0	2	1	23
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations SL 1-2	Female	26	0	19	0	45
	Male	18	0	16	0	34
Gender sub totals	Female	256	0	112	49	417
	Male	191	0	59	18	268
Total		447	0	171	67	685

TABLE: Training Provided for the period

Occupational Categories	Gender	Number of Employees as at 01 April 2012	Training needs identified at start of the reporting period			Total
			Leaverships	Skills Programmes and other short courses	Other forms of training	
Legislators, senior officials and managers	Female	2	0	3	0	5
	Male	4	0	12	2	18
Professionals	Female	5	0	37	14	56
	Male	17	0	24	11	52
Technicians and associate professionals	Female	69	0	25	13	107
	Male	78	0	12	2	92
Clerks	Female	110	0	39	14	163
	Male	54	0	3	2	59
Service and sales workers	Female	44	0	3	1	48
	Male	20	0	0	1	21
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	1	0	1
Elementary occupations	Female	26	3	2	0	31
	Male	18	0	1	0	19
Gender sub totals	Female	256	3	109	49	417
	Male	191	0	53	18	262
Total		447	3	162	67	679

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

INJURY ON DUTY

TABLE: Injury on Duty

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

UTILISATION OF CONSULTANTS

TABLE: Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
The consultants were appointed to provide technical assistances and monitoring	2	365	3088

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
Renovations on the environmental centers	2	77	3088

HR OVERSIGHT STATISTICS - APRIL 2012 to MARCH 2013

TABLE: Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Renovations on the environmental centers	2	77	3088

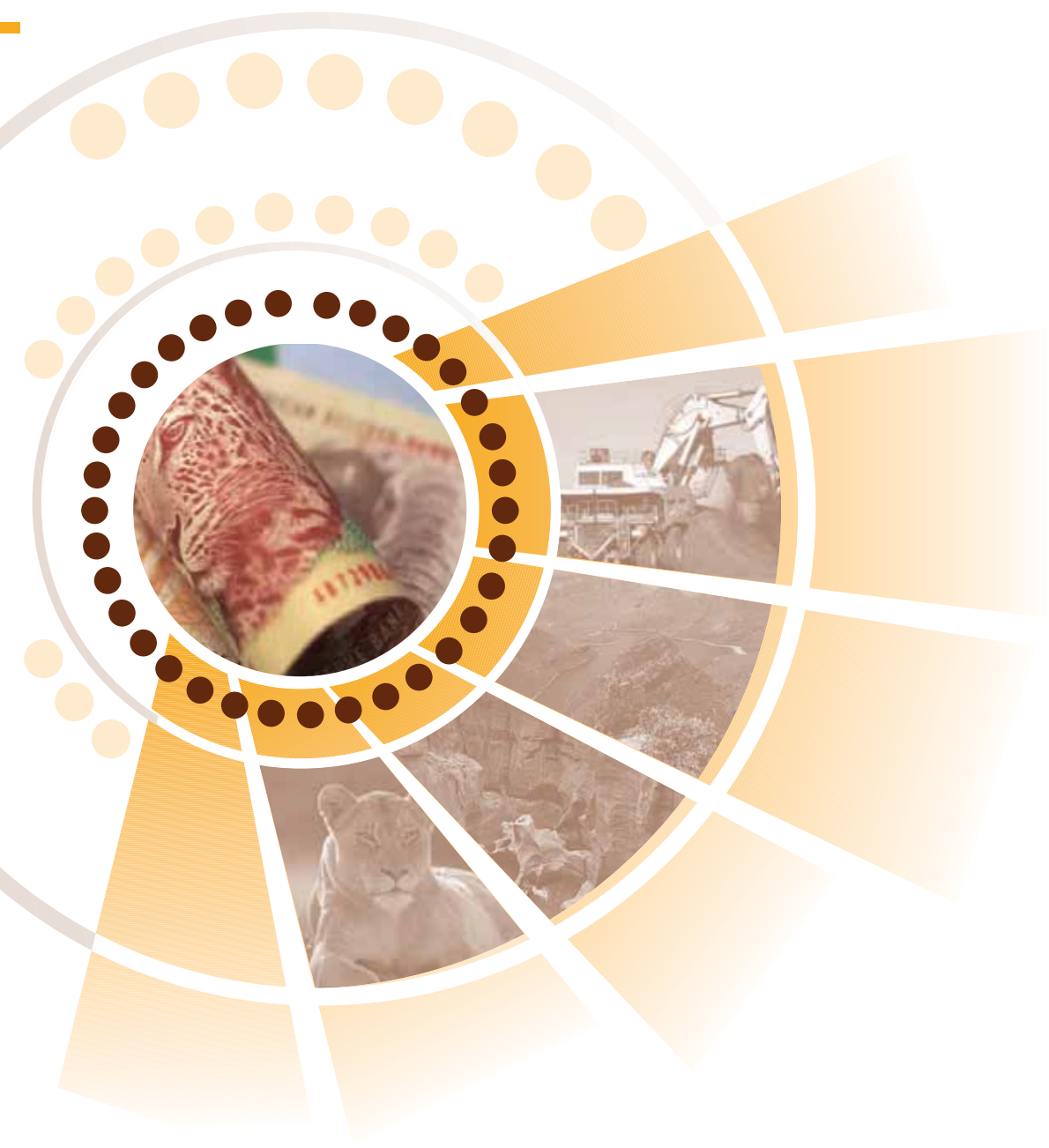
TABLE: Report on consultant appointments using Donor funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
Not applicable	none	none	none

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
Not applicable	none	none	none

TABLE: Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Not applicable	none	none	none



Part E:
Financial Information





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REPORT BY THE ACCOUNTING OFFICER TO THE EXECUTING AUTHORITY AND THE MPUMALANGA PROVINCIAL LEGISLATURE OF THE REPUBLIC OF SOUTH AFRICA.

1. General review of the state of financial affairs

Policy decisions and strategic issues facing the Department

It is my honour to present the Report of the Accounting Officer for the 2012/13 financial year. The report outlines the performance of the Department, achievements during the year under review, the challenges encountered and the remedial action taken to correct the situation. The Department received a qualified audit opinion for the 2011/12 financial year (because of assets which could not be identified from the assets register to the floor and vice versa). In this financial year we doubled our efforts to ensure that assets verification is conducted in all the regions and the records updated in the asset register. The assets management policy, procedure manuals and the supply chain management policy have also been reviewed in order to improve internal controls in line with the prescripts and regulations from the National and Provincial Treasury.

As part of our ongoing commitment to ensure efficiency and value for money, we have further continued to assess compliance to the governance and legislative framework within which we operate, which in my opinion is reflected through the achievements of the Department.

I wish to express my gratitude to the senior management and the entire staff of the Department, for their commitment in ensuring that we continue to carry-out the mandate of the Department by efficiently using the resources provided.

Significant events that took place during the financial year under review:

The following events took place during the year under review (2012/2013 financial year):

Outcome 4: Decent employment through inclusive economic Growth

Programme 2

- Consultative meetings were held and reviews of the progress on the implementation of the Local Procurement Accord with provincial departments, municipalities and the private sector (BHP Billiton, Delta and Highveld Steel). These consultative meeting were held to create awareness of the accord which was an agreement signed at Nedlac level encouraging local business to procure locally produced goods and services.
- Local companies accessed economic opportunities through the Kusile initiative and they were capacitated in order to participate in the main stream of the economy.
- Four (4) business forums were held in Nkomazi, Umjindi, Bushbuckridge and Thaba Chweu local Municipalities to support community works programme

Programme 3

- Hosted the *Mpumalanga Mining Lekgotla* whose primary purpose was to develop better mechanisms to enhance the contribution of the mining industry to sustainable growth and development with special emphasis on human capital development, enterprise development, infrastructure development and research and development.

Programme 4

- Conducted 16 awareness and education campaigns on the responsible trading.

Outcome 10: Protected and enhanced environmental assets and nature resources to the citizen of Mpumalanga.

- Outreach programmes were conducted to inform local government of the procedures to be followed on environmental impact assessments.
- Conducted 11 754 environmental capacity building workshops on World Environment Week and 33 839 learners attended environmental activities.

Major projects undertaken or completed during the financial year under review:

- The Department continued with renovations at Delmas, Amsterdam, Mdala and Pilgrim's Rest environmental centres which benefit schools through the educational programmes rendered by the environmental services programme.
- Professional service providers were appointed for the water bottling project in order to benefit the community and co-operatives of Mkhondo Local Municipality.
- The technical designs for the construction of a centralised waste site for Gert Sibande were completed.

Expenditure Trends – Annual Reports MTEF

PROGRAMME	2010/11	2011/12	2012/13
	R'000	R'000	R'000
Administration	101,991	104,706	101,707
Integrated Economic Development	167,101	167,921	230,051
Trade and Sector Development	310,497	296,447	320,457
Business Regulation	58,421	57,899	60,072
Economic Planning	9,851	7,765	6,923
Environmental Services	68,685	67,179	70,005
	716,546	701,917	789,215

The table below shows the Department's performance per programme

PER PROGRAMME	MAIN BUDGET	ADJUSTED BUDGET	EXPENDITURE	AVAILABLE	% SPEND
	R'000	R'000	R'000	R'000	%
Administration	99,416	101,820	101,707	113	100
Integrated Economic Development	228,162	231,147	230,051	1,096	100
Trade and Industry Development	300,268	320,588	320,457	131	100
Business Regulation	60,560	60,260	60,072	188	100
Economic Planning	8,840	7,440	6,923	517	93
Environmental Development	72,945	71,385	70,005	1,380	98
TOTAL	770,191	792,640	789,215	3,425	100

The table below shows the Department's performance per economic classification

PER ECONOMIC CLASSIFICATION	MAIN BUDGET	ADJUSTED BUDGET	EXPENDITURE	AVAILABLE	% SPEND
	R'000	R'000	R'000	R'000	%
Compensation of employees	161,926	160,516	154,380	6,136	96
Goods and services	73,153	69,892	75,556	(5,664)	108
Transfers	523,723	544,723	545,346	(623)	100
Payment for Capital Assets	11,389	17,509	13,907	3,602	79
Payment for Financial Assets			26	(26)	
TOTAL	770,191	792,640	789,215	3,425	100

Reasons for over/under spending

Compensation of employees

The Department has under spent the allocation of compensation of employees by four (4) % because of the following reasons:

- The position of internal Audit, Director in the Office of the Head of Department and Chief Director planning were only filled in the last quarter of the financial year, whereas the budget for these posts was for the entire financial year;
- Vacated positions (by employees who have resigned and retired) were not filled at the end of the financial year.

REPORT OF THE ACCOUNTING OFFICER

For the year ended 31 March 2013



Goods and services

The Department has overspent on goods and services by four (4) % because of budget shortfall which was as a result of an amount of R3 000 000 being transferred to the Department of Community Safety, Security and Liaison for security services following a function shift.

Transfers

Transfers to Departmental Public Entities and the Zithabiseni Resort amounted to R544 723 000 which represent 68, 72% of the total Departmental budget, and were done on a monthly basis in line with cash-flow projections as tabled by the Provincial Treasury and appropriated by the Provincial Legislature:

ENTITY	TRANSFERS R'000
Mpumalanga Economic Growth Agency	207,040
Mpumalanga Tourism Parks Agency	278,275
Mpumalanga Gambling Agency	41,908
Zithabiseni	17,500
Total	544,723

Payment for Capital Assets

- The allocation for capital assets was increased during the budget adjustment process from R2 000 000 to R2 300 000 in order to ensure that the Department provides its employees with tools of trade.
- The allocation for fixed structure was decreased during the budget adjustment from R9 389 000 to R8 379 000 in order to fund other Departmental priorities.

Virement Shifts

- The Department was allocated extra funding amounting to R22 449 000
- R20 000 000 of the R22 449 000 was for litigation and was allocated to MTPA as an additional funding and R1 000 000 as a conditional grant for EPWP Integrated Grants for Provinces.
- R1 490 000 has been allocated as additional funding for the Department for its litigations and other goods and services.
- An amount of R41 000 was transferred to the Department of Education as an outstanding payment for bursaries.
- The budget allocation has been increased with an amount of R 2 490 000 to fund the budget pressure in the Department.

Programme 1: Administration

- The allocation for Compensation of Employees was decreased by R1 980 000 due to savings emanating from funded unfilled critical posts and their concomitant funding for goods and services.
- The allocation for Goods and Services has increased by R2 720 000 to supplement the budget for contractual obligations.

Outcome 4: Decent employment through Inclusive Economic Growth

Programme 2: Integrated Economic Development:

- The allocation for Compensation of Employee has increased by R3 000 000 to fund District/Regional Directors who were not budgeted for in this Programme.

Programme 3: Trade and Sector Development:

- The allocation for Compensation of Employees has decreased by R730 000 due to the unfilled funded post of a Sector Specialist (level 15) which was vacated through a resignation.
- The allocation for Goods and Services has decreased by R150 000 owing to concomitant funding for the vacant funded post of the Sector Specialist.

Programme 4: Business Regulation:

- The allocation for Compensation of Employees has decreased by R300 000 to augment the funding for compensation of the three (3) District/ Regional Directors in Programme 2.

Programme 5: Economic Planning:

- The allocation for Compensation of Employees has decreased by R1 350 000 due to unfilled funded critical posts and the funds were shifted to augment the budget for compensation of the District/Regional Directors In programme 2.
- The allocation for Goods and Services was increased by R50 000 to fund the facilitation of the social economic study for research activities.

Outcome 10: Protected and enhanced environmental assets and nature resources to the citizen of Mpumalanga

Programme 6: Environmental Services

- The allocation for Compensation of Employees has decreased by R200 000 to fund compensation of employees in Programme 2.
- The allocation for Goods and Services (infrastructure renovation) was reduced by R1 010 000 and the money was re-directed to fund Goods and Services in Programme 1 (litigation in Programme 1).

Impact on Programmes and service delivery

The Department did not achieve some of the targets that were set to be attained in the year under review due to shortage of personnel especially in Programmes 5 and 6. We thus commit that the Department will ensure that all vacant funded posts are filled within a reasonable time in the next financial year to enhance service delivery.

Unauthorised, Fruitless and Wasteful Expenditure

- The Department has incurred an amount of R1 053 274 on rental of offices (R553 766) and security services (R499 508) in Ermelo, which has been classified as fruitless and wasteful expenditure.
- The Department has incurred an amount of R1 151 000 which was paid as a court settlement for Professional service rendered on behalf of the Maputo Development Flagship programme.

2. Services rendered by the Department

The Department comprises six (6) Programmes. Programme 1 (Administration) exist to provide political, policy management and oversight of development implementation institutions and process critical to effective implementation of the political mandate with respect to economic development, environment and tourism and support related functions. Programmes 2 to 6 are the actual service delivery implementation programmes, which have performed as follows, amongst others:

2.1 Integrated Economic Development Services

In strengthening and providing integrated economic development services, a total of 831 SMMEs and co-operatives were supported. The support provided ranges from assisting them to lodge annual returns and amendments; registration; and training on co-operative governance and business management. We also developed the Provincial BBBEE database which is linked to the national BBBEE IT Portal.

2.2 Trade and Industry Development

In ensuring growth in exports and direct investment into the province, R262 000 000 worth of direct investments and R9 000 000 worth of exports were facilitated through MEGA. We have also finalised the Provincial Investment Strategy and drafted the Provincial Export Strategy. We supported co-operatives by facilitating the construction of the Water Bottling Plant in Donkerhoek, which has been completed though not yet operational.



2.3 Business Regulation and Governance

- In relation to consumer protection services (Consumer Court), 1 800 cases were received and from this figure, 1 861 were investigated and 1 810 were resolved. During this process, R5 100 000 was recovered on behalf of consumers.
- A total of 16 education and awareness campaigns were carried out.
- In ensuring compliance to applicable liquor laws, 400 inspections were planned but surpassed the number by conducting 657 inspections on liquor premises;
- A total of 1 051 new liquor licence applications were considered, but only 615 were approved and 266 licenses issued.
- We also continued to raise awareness about the dangers of irresponsible indulgence in liquor in partnership with various stakeholders such as the National Liquor Authority, the South African Breweries and the South African Police Service.

2.4 Environmental Services

In continuing to push for the adoption of low carbon energy resources; mitigate the impact of climate change; and promote the adoption of environmentally sound waste management practices in society, including communities and industry, we continued to pursue alternative funding models for the compilation of a strategy document on the Provincial Climate Change Response and in implementing Green Economy Initiatives. We further managed to plant 10 233 trees, thus exceeding the target of 5 000 by 5 233 owing to the immense support from our partners in the Private Sector.

In implementing the Environmental Impact Assessment (EIA) Regulations under the National Environmental Management Act 107 of 1998 as amended, we have amongst others, managed to consider 389 applications and finalised 211. We further issued 165 environmental authorisations on proposed new developments following 228 site visits. Given that we have a mandate to comment on environmental attributes for land development and mine applications to other organs of the state, we have in this regard issued comments on 116 land use change applications, and 81 mining applications.

Under pollution and waste management, three facilities were issued with Atmospheric Emission Licences, while nine (9) waste facilities were granted waste management licenses. The development of the Centralised Waste Management Facility in Gert Sibande is also progressing. The project has now entered waste licensing phase, which includes the environmental impact assessment investigations. The project is expected to be completed by March 2014, largely due to delays experienced in the submission of waste licence application forms by the District Municipality. The process to license municipal waste management sites in Mbombela and Nkomazi Local Municipalities is also progressing very well.

Through our environmental outreach programmes, we have reached close to 46 000 people across the province, with learners being in the majority at close to 34 500. We also continued to facilitate the *Provincial Greenest Municipality Competition*, which saw the Steve Tshwete Local Municipality being the provincial winner and the third runner up at the national level.

2.4.1 Constraints

The Department has experienced an exodus of personnel, particularly in Programme 6, who are poached by the mining sector because of their scarce expertise. However given that the mines offer them huge salaries which we cannot afford, we are therefore in most cases unable to retain them.

2.4.2 The Tariff Policy

The Department has an approved Tariff Policy for its Environmental Centres across the Province. These centres provide environmental education and awareness programmes to learners who visit the centres.

2.4.3 Free Services

None

2.4.4 Inventories

The total inventory on hand as at the financial year-end is attached (as Annexure 9).

2.4.5 Own revenue

The main revenue source for the Department is gambling levies collected through the Mpumalanga Gambling Board.

The table below indicates a breakdown of sources of revenue as well as actual against target in revenue collection for the current and previous financial year.

Revenue	2012/13 Budget R'000	2012/13 Actual R'000	2011/12 Budget R'000	2011/12 Actual R'000
Casino Taxes	57,034	62,522	50,782	55,030
Interest: PMG Account	788	1,017	885	1,053
Horse Racing Taxes	5,732	6,707	4 914	4,571
Liquor Licences	1,994	4,708	2 957	541
Fines and Penalties	210	5,154	1,191	1,978
Other Revenue	1,781	2,143	2,282	2,363
Total	67,539	82,251	63,011	65,536

Total revenue collected on behalf of the Department was R82 251 000 against a target of R67 539 000, which represents an over collection of 22%. Revenue generated from Environmental Centres amounted to R1 650 000 and is accounted for under 'Other Revenue' in the table above. A total of R2 200 000 which was received from liquor affairs was accrued from the 2011/12 financial year, and as such was accounted for in the financial year under review. However estimated revenue of R 396 000 has not yet been received from South Africa Revenue Services.

3. Utilisation of donor funds

An amount of R22 659 000 was received as donor funding from the Department of Trade and Industry (*the dti*) for Agro-processing project in Bushbuckridge in the 2009/2010 financial year. The final transfer of R 1 295 587 was processed during the 2012/13 financial year. The appointment of the service provider was viewed by Auditor General as irregular because the Department could not provide a service level agreement between it and *the dti* outlining the deliverables by both institutions. *The dti* has since instituted a forensic audit on how the funds were spent. This issue has also been raised as a concern by the Select Committee on Public Accounts (SCOPA), and the Department is yet to receive a report from the committee in this regard. As such the final payment of R1 295 587.00 processed in the year under review will be treated as irregular expenditure.

4. Trading Entities and Public Entities

The Department performed oversight functions over three (3) Public Entities during the financial year under review, namely:

4.1 Mpumalanga Tourism and Parks Agency (MTPA)

The mandate of the MTPA is:

- To ensure sustainable management and promotion of tourism and nature conservation in the Province, and to ensure the sustainable utilization of natural resources;
- To broaden the participation of historically disadvantaged individuals in the tourism industry.

The entity received an unqualified audit opinion in the 2011/12 financial year.

4.2 Mpumalanga Economic Growth Agency (MEGA)

The mandate of MEGA is:

- To promote trade and investment in Mpumalanga;
- To provide funding in respect of approved enterprise and agricultural development focusing primarily on the previously disadvantaged individuals in Mpumalanga;
- To develop property including the granting of housing loans in Mpumalanga; and
- To deliver massive infrastructure in Mpumalanga.

The entity received an adverse audit opinion in the 2011/12 financial year.

REPORT OF THE ACCOUNTING OFFICER

For the year ended 31 March 2013



4.3 Mpumalanga Gambling Board (MGB)

The mandate of the MGB is:

- To perform functions in terms of Mpumalanga Gambling Act, including ensuring the sustainability of all persons wishing to participate in the gaming industry within Mpumalanga and ensuring that gaming activities regulated by the MGB are conducted fairly;
- To ensure that the regulation of gaming is effective and efficient;
- To render support and advice to the responsible member on gaming issues and ensure that Government's policy on gaming is implemented.

The entity received unqualified audit opinion with on matters of emphasis report in the 2011/12 financial year.

5. Organisations to where transfer payments were made:

Name of Public Entity	2012/2013 R'000	2011/12 R'000
Mpumalanga Economic Growth Agency (MEGA)	207,040	143,728
Mpumalanga Tourism and Parks Agency (MTPA)	278,275	260,670
Mpumalanga Gambling Board (MGB)	41,908	39,908
Zithabiseni Holiday Resort	17,500	16,000
Total	544,723	460,306

The reasons for the transfers to the entities and Zithabiseni Resort have been explained above in section 4 (where more details are provided on the purpose for these public entities and the Zithabiseni Resort. The transfer to the Zithabiseni Resort is mainly on salaries of employees.

Zithabiseni Resort

A Risk Register was compiled by the Department and a financial manager was appointed by the Resort to assist with the compilation of financial statements. The Resort is currently having a backlog of submitting annual financial statements hence it has recently only finalised the statements for the 2008/2009 financial year. It is anticipated that all outstanding annual financial statements will be finalised in July/August 2013.

6. Corporate governance arrangements

6.1 Risk Management Approach

The management of risk within the department is done in terms of Section 38 (a) (i) of the PFMA and Treasury Regulations. A Risk Assessment was performed for the financial year under review. The Risk Assessment informed the development of the Risk Management Strategy and the Risk Register which was communicated to all employees of the Department. The Department further recognizes that all aspect of business risk must be managed. To this end, the Risk Management Committee has been appointed and was functioning during the financial year under review. The Internal Audit Plan was developed, based on the risk assessment, and have identified areas where controls need to be enhanced. By performing the above functions, the Department is striving to maintain effective, efficient and transparent system of financial and risk management and internal control as described in section 38(a)(i) of the PFMA.

6.2 Fraud Prevention Plan

The Fraud Prevention Plan has since been developed and approved in 2008, and it was reviewed through the Fraud Risk Assessment process. The plan has since been communicated to all employees during awareness workshops. This plan is aimed at deterring preventing, detecting, reacting to and reducing the impact of fraud where such dishonest activities subsist. This plan also sets out the Department's position towards fraud as well as reinforcing existing system, policies, procedures, rules and regulations. Furthermore, it confirms that the Department supports and fosters a culture of zero tolerance to fraud.

6.3 Internal Audit and Audit Committee

The Internal Audit unit of the Department was established in 2002 in terms of the Public Finance Management Act (1 of 1999), as an integral part of governance systems. Internal Audit provides objective and independent assurance to management, and to the Audit Committee, on the adequacy and effectiveness of internal control, risk management and governance processes within the Department. In pursuing this activity, the unit is guided by a fully functional Audit Committee which operates in terms of an approved Audit Charter.

6.4 Responsibilities of the Accounting Officer

During the financial year under review, the Accounting Officer was able to oversee the financial transactions of the Department by ensuring that proper monitoring systems are put in place; and that the budget was prepared in terms of Treasury guidelines. The supply chain management unit was functional with three (3) Bid Committee systems.

7. Discontinued activities/activities to be discontinued

None

8. New/proposed activities

None

9. Asset Management

The Department received a qualified audit opinion in the previous financial year because of assets and to address this, an Assistant Director was employed to carry out the functions of assets management. In addition, we have created a position of Deputy Director in the unit in order to have a full staff compliment to efficiently run the unit.

All assets acquired during the period under review were recorded in the assets register with proper liaison between assets controllers and procurement practitioners regarding assets acquisition and delivery notes before distribution to the relevant end user. To date, the Department has complied with the minimum requirements of GIAMA. No major challenges on assets management reform issues are being experienced by the Department currently. Reconciliations are being done between BAS and the logis system in order to update the movements in the Assets Register. Assets verification is performed three times in a year. This is done to ensure that the assets register is updated regularly. The Department experienced challenges with the bar-coding of assets from the ones received from the Department of Agriculture, Rural Development and Land Administration during the implementation of the function shift.

Prior Year error Adjustments

The Department had to correct prior year errors on the classification of expenditure on infrastructure capital assets to goods and services (repairs and maintenance). Under disclosure note 30.2 opening balances and additions on other fixed structures were adjusted from R 7293 000 to R 6,238,000 and addition from R 7,042,00 to R 5,769,000. The adjustment were done to give a true reflection.

10. Inventories

All inventory opening and closing balances, together with movements during the period under review will be reflected in the Annexure on Inventory (9).

11. Events after the reporting date

A journal of R6, 800 000 has been passed for infrastructure which was accounted for under Goods and Services. The Department entered into service level agreement with the Department of Public Works, Roads and Transport for the construction of the water bottling plant in Donkerhoek.



12. Information on predetermined objectives

The Department has approved the Monitoring and Evaluation Framework which will assist it to monitor performance information. The Department produces monthly and quarterly reports which are signed-off by Programme Managers to authenticate or validate the supplied information. These reports are thereafter submitted to the Provincial Treasury and the Provincial Legislature on a quarterly basis by the Accounting Officer.

13. SCOPA Resolutions

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
17th report and paragraph 3.1.1	Irregular Expenditure The committee recommended that the House resolved as follows: The irregular expenditure R10,393,000 remains not condoned and should be charged against the Department 2010/11	1) For the 2013/14 financial year the Department has budgeted an amount R5 million to pay the accumulated debt of R15, 226, 000.
10 report of the Select Committee on Public Accounts	Irregular Expenditure The committee recommended that the House resolved as follows: 1. The unauthorised expenditure amounting R 4,833,000 is not condoned. 2. The Department lay criminal charges of financial misconduct against Mr RS Tshukudu in line with section 86 of the PFMA for non-compliance with section 38 (1) (c) (ii) and Treasury Regulation 9.1.1 and 9.1.2 3. The Department charge the Chief Financial Officer with financial misconduct for: Contravening section 45 (c) and 45 (d) of the PFMA in that she/he failed to put effective systems to prevent unauthorised expenditure amounting R 4,833,000. Failure to report unauthorised expenditure immediately after discovery as required by section 38 (g) of the PFMA read with treasury regulation	1. For the 2013/14 financial year the Department has budgeted an amount R5 000 000 to pay the accumulated debt of R15 226 000. 2. A criminal case has been opened against Mr. RS Tshukudu. 3. The Chief Financial Officer was charged.

14. Prior modifications to audit reports

Audit Finding	Recommendation	Action Plan	Responsible Person	Implementation date	Current status
Fixed Assets We could not verify the completeness of the Department's asset register as assets located at the Bushbuckridge agro hub were not recorded in the asset register. Minor Assets could not be verified from the floor to the asset register Major Assets could not be verified from the floor to the register	The Department should ensure that all assets belonging to the Department are recorded in the asset register. Reconciliations on assets should be performed timeously	Assets verification has been conducted in all regions, the first verification was conducted in October, second verification was conducted in January and final verification was done in March.	CFO	Quarterly	Assets Management Policy has been reviewed and verification of assets was conducted three times in all the regions. A report was prepared and submitted to internal Audit to review and make recommendations.

REPORT OF THE ACCOUNTING OFFICER

For the year ended 31 March 2013

Audit Finding	Recommendation	Action Plan	Responsible Person	Implementation date	Current status
2. Procurement and contract management The Department contracted Fuse Consortium to rehabilitate the Bushbuckridge Agro-Hub. The contract was above R500 000.00 and the SCM regulations requires the Department to go through a competitive bidding process for the services. The Department has not followed SCM processes for the service as there was no tender process followed. There was no contract between DEDET and DTI where it is mentioned that the contract should be given to Fuse Consortium and that a donor funding agreement exists. R22,454 768 irregular exp was incurred	The department should ensure that SCM processes are adhered to when entering into any contracts.	Controls over donor funding will be developed, implemented and monitored (e.g SOPs/MoA/MoU)	CFO	31/01/2013	1. Section 38 (g) was implemented the irregular was reported to Provincial Treasury and the Head of Department condoned the expenditure. 2. DTI wont issue and sign any service level agreement with the department because the project has been suspended and is under forensic investigation ,DTI has promised to send us a copy of the forensic audit report once concluded to present it to AG.
3. Evaluation method used not in line with bid document method (resulting to irregular expenditure)	The Department should ensure compliance with laws and regulations when awarding contracts.	Full Implementation and monitoring of the new SCM regulations which came into effect on 07 Dec 2011	CFO	31/01/2013	The supply chain policy has since been amendment to ensure that the prescribes and regulation of supply chain are incorporated to the new Departmental policy. A tender has already been issued to procure the services of a travelling agency. The issue in this regard was that the department only used one quotation to acquire a venue and also to place a newspaper advert.
4. Non-compliance with the CIDB Act and regulations The lead partner for bid EDT/015/11MP has a grading of 1CEPE, 1MEPE but the required grade for this bid is a 3.	The Department should ensure compliance with laws and regulations when awarding contracts.	Management will communicate the requirements in respect of the CIDB Act to all SCM practitioners an all senior managers. CFO will monitor compliance	CFO	30/09/2012	Like with the Water Bottling project, the Department of Public Works, Roads and Transport will be asked to assist in appointing service providers for the renovation of environmental centres in order to ensure compliance with the CDB Act and regulations.
5. The auditee did not disclose irregular expenditure of R319,800 identified as a result of the Mdala Environmental Centre investigation against the centre manager. The Department paid a supplier for services rendered.	The Department should disclose the amount as an asset in line with their accounting policy.	The HOD will accelerate the ongoing investigation and invoke disciplinary proceedings against perpetrators	CD: Corporate Services/ CFO	July 2012	Fully Implemented
6. Procurement was split into a couple of awards to avoid the PPPFA .	SCM management to ensure strict controls over procurement to avoid splitting of awards, and the disclosure of irregular expenditure of R89 960	Management will issue internal circular to all users including SCM practitioners to curb the practice of splitting of quotes/awards. Furthermore a centralized register to record irregular/ fruitless and wasteful expenditure shall be established, updated, maintained and quarterly submitted to the HOD.	CFO	September 2012	Supply chain has been centralized and the bid evaluation committee was appointed to ensure that all procurement above R 30 000 go through the committee for evaluation and recommendations of the committee are submitted to the Head of Department for approval

REPORT OF THE ACCOUNTING OFFICER

For the year ended 31 March 2013



Audit Finding	Recommendation	Action Plan	Responsible Person	Implementation date	Current status
6.1 Unreasonable and unjustified deviations for procurement awards	Strict controls over deviations, especially the reasons given for the deviations, and the disclosure of R660 612 irregular expenditure	Finance Department will enforce stringent measures when approval of procurement requirements is sought by line managers. Any deviations will be reported to HOD	CFO	September 2012	The supply chain policy has been reviewed to insure that all deviation from the supply chain process are approved by the Head of Department when he deems that the justification is reasonable according to section 16A.6.4
7. Expenditure Fruitless and wasteful expenditure – Vacant buildings	Management should conduct an inspection of all buildings that they are leasing and determine whether they are being used and also review all lease contracts of office building to establish whether they still need those buildings.	Management will probe this matter further with the view to identifying the employee that caused this fruitless expenditure. An inspection of all leased buildings will be done.	HOD	October/December 2012	Fully Implemented. The building is now occupied.
7.1 Unreasonable deviation from the procurement process as described in Practice note 8 of 2007/8	Management should plan in advance to avoid non-compliance to the PFMA	Management will develop a Departmental Calendar of important events for the year. A events committee will be set to handle all events relating to the Department	Director: Communications	June 2012	The supply chain policy has been reviewed to insure that all deviation from the supply chain process are approved by the Head of Department when he deems that the justification is reasonable according to section 16A.6.4
7.2 Management did not obtain 3 quotes for procurement of transactions above R2 000 but not exceeding R10 000 VAT included	Comply with SCM policy, and disclose irregular expenditure	Management will issue a circular to all staff members to sensitize them about the Practice note and finance section will monitor compliance	CFO	September 2012	The supply chain policy has been reviewed to insure that all deviation from the supply chain process are approved by the Head of Department when he deems that the justification is reasonable according to section 16A.6.4
8. A total error for lease commitments of R3 400 000 was identified under lease commitments.	Reconciliations should be done quarterly Calculations should be done using the lease agreement Ensure complete and accurate lease agreements Reperform calculations	Management will consult the Audit Committee on this matter and adopt the accounting policy accordingly	HOD	November 12	Commitment Register is updated on monthly bases
9. DEDET has an unconfirmed inter-governmental (debtor) balances	Inter-governmental payables recons of all amounts owing by the Department to other departments should be performed	Finding resolved	N/A	N/A	Currently the Department has invoices for services to Public Works which have not been paid by the end of March, as such this invoices will be treated as accruals which will be disclosed in the Financial statement.

REPORT OF THE ACCOUNTING OFFICER

For the year ended 31 March 2013

Audit Finding	Recommendation	Action Plan	Responsible Person	Implementation date	Current status
10. The Department signed a SLA with Fuse Consortium in 10 Sept 2012 to implement and deliver poultry, fruit and vegetables processing and packaging Centre in Bushbuckridge. The Fuse consortium was to utilize the property and equipment at the Bushbuckridge Agro-processing hub. In the SLA under 10.2.6 (communicate in writing to the service provider the monthly amount to be charged for the rental of the building and equipment at the centre) The Department undertakes to communicate in writing to the service provider, the monthly amount to be charged for the rental of the building and equipment at the center. The department has not communicated to the service provider the monthly rental to be paid for the facility.	The Department should collect all revenue due	Management will issue letters of demand, whilst facilitating transfer of assets to the Department	Legal services and CFO	December 2012	A letter has since been written to Fuse consortium to pay for their services. Unfortunately, the Bushbuckridge agro processing hub has since stopped operating because of financial loss
11. Employee Costs SMS members received acting allowances for longer than six months without approval for re-appointment on the same position from the relevant Executing Authority. (irregular expenditure)	The Department should comply with PSCR-C.1 A.2	Human Resource section to prioritize filling of all critical and funded vacant posts in the Department	CD: Corporate Services	December 2012	Fully implemented
12. It was identified that revenue from liquor licenses fees was not complete. The dept. received R540 456 from SARS for liquor licenses. At year end SARS had not paid over all revenue due to the department. The Department has not included the amount to be paid by SARS under receivables. The recons on the new applications, renewal fees and registration fees amounted to R2 920 075	Reconciliations should be done to ensure that all revenue due to the department is collected	CFO will perform debtors reconciliation at least monthly	CFO	Immediately	A reconciliation has been done in Programme 4, to give us the number of issued licenses during the period under review and estimated revenue which will be reconciled with what has been received at year end.
15. Predetermined objectives The completeness of actual performance achieved could not be verified against the set targets making up 50% of Business Regulations, 37% Environmental services and 20% of Integrated Economic Development programmes.	Management should keep a register for all output results	A communication will be sent to all managers in the department to inform them to keep manual registers in respect of all output results until the performance information has been audited	Planner	30 September 2012	Fully Implemented
16. Auditors were not supplied with sufficient and relevant supporting documents for audit purposes for Environmental service	Management should submit sufficient and relevant supporting documents to auditors and an adequate system should be submitted	Management will develop a template which will be used by all employees to capture, check, verify and sign off work done on the current manual system of filing of performance information	Planner	Not indicated	Partially Implemented

REPORT OF THE ACCOUNTING OFFICER

For the year ended 31 March 2013



15. Exemptions and deviations received from the National Treasury

No exemptions and deviations were received from National Treasury

16. Interim Financial Statements

- The interim financial statements were prepared as per the guide from the National Treasury;
- The following information was prepared and submitted to Provincial Treasury;
 - Trial balance for the relevant quarter, Statement of Changes in the Net Assets
 - Cash flow statement, Notes to the interim financial statement and Disclosure notes to the interim financial statement

17. Other

None

18. Approval

The Annual Financial Statements set out on pages 125 to 170 have been approved by the Accounting Officer.

Dr V. DLAMINI

ACCOUNTING OFFICER

Department Of Economic Development, Environment And Tourism

31 May 2013



ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY FOR ANNUAL FINANCIAL STATEMENTS

Statement of Responsibility for the Annual Financial Statements for the year ended 31 March 2013

The Accounting Officer is responsible for the preparation of the Department's Annual Financial Statements (AFS) and for the judgments made in this information.

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

In my opinion, the financial statements fairly reflect the operations of the Department for the financial year ended 31 March 2013.

The external auditors are engaged to express an independent opinion on the AFS of the Department.

The AFS of the Department of Economic Development, Environment and Tourism for the year ended 31 March 2013 have been examined by the external auditors and their report is presented on page 121

The Annual Financial Statements of the Department set out on page 125 to page 170 have been approved.



DR. V. DLAMINI

ACCOUNTING OFFICER

Department of Economic Development, Environment and Tourism

Date: 31 August 2013



REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON VOTE NO. 6: DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Department of Economic Development, Environment and Tourism set out on pages 125 to 170 which comprise the appropriation statement, the statement of financial position as at 31 March 2013, the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, and 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 of these financial statements in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2012 (Act No. 5 of 2012) (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 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 audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Economic Development, Environment and Tourism as at 31 March 2013 and its financial performance and cash flows for the year then ended, in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury and the requirements of the PFMA and DoRA.

Additional matter

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

Financial reporting framework

8. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework. Section 20(2)(a) of the PAA, however, requires me to express an opinion on the fair presentation of the financial statements. The wording of my opinion therefore reflects this requirement.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

10. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 22 to 69 of the annual report.
11. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant, as required by the National Treasury's *Framework for managing programme performance information* (FMPPI).
12. The reliability of the information in respect of the selected programmes is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).
13. The material findings on the reliability of the information are as follows:

Reliability of information

14. The FMPPI requires that institutions should have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. However, significantly important targets with respect to environmental services were materially misstated.
15. This was due to a lack of standard operating procedures for the monitoring of the completeness of source documentation in support of actual achievements.

Additional matter

16. I draw attention to the matter below. This matter does not have an impact on the audit findings on predetermined objectives reported above.

Achievement of planned targets

17. Of the total number of 129 planned targets, 32 were not achieved during the year under review. This means that 25% of the total planned targets were not achieved during the year under review. This was mainly due to the fact that indicators and targets were not suitably aligned to the department's budget.



Compliance with laws and regulations

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

Annual financial statements, performance report and annual reports

19. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA. Material misstatements of non-current assets/revenue/receivables and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Procurement and contract management

20. Contracts and quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by Treasury Regulation 16A8.3.

Revenue management

21. The accounting officer did not ensure that appropriate processes were developed and implemented to provide for the collection, recording, reconciliation and safeguarding of information about revenue, as required by Treasury Regulation 7.2.1.

Expenditure management

22. The accounting officer did not take effective steps to prevent irregular expenditure, as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1.

Human resource management

23. Employees were appointed without properly verifying the claims in their applications, in contravention of Public Service Regulation 1/VII/D.8.
24. The persons in charge at pay points did not always certify on the payment date that the employees receiving payment were entitled thereto, as required by Treasury Regulation 8.3.4.

Strategic planning and performance management

25. In terms of section 38(1)(a)(i) of the PFMA, the accounting officer must ensure that the department has and maintains effective, efficient and transparent systems of financial and risk management and internal control. However, the department did not have and maintain an effective and efficient system of internal control regarding performance management, which described and represented how the department's processes of performance monitoring, measurement, review and reporting should be conducted, organised and managed.

Internal control

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

Leadership

27. Oversight responsibility was not exercised regarding financial and performance reporting and compliance as well as related internal controls.
28. Effective human resource management was not implemented to ensure that adequate and sufficiently skilled resources were in place and that performance was monitored.

Financial and performance management

- 29. Proper record keeping was not implemented in a timely manner to ensure that complete, relevant and accurate information was accessible and available to support financial and performance reporting.
- 30. Controls were not implemented over daily and monthly processing and reconciling of transactions.
- 31. Regular, accurate and complete financial and performance reports, which were supported and evidenced by reliable information, were not prepared.
- 32. Management at the appropriate level did not ensure that compliance with applicable laws and regulations was adequately reviewed and monitored throughout the year.

OTHER REPORTS**INVESTIGATIONS****Investigations completed during the financial year**

- 33. The internal audit unit conducted an investigation on request of the department. The investigation was initiated based on allegations of financial misconduct, possible embezzlement of cash by an employee of the environmental centre, and signing completion certificates although the work of the service provider was not complete. The investigation resulted in the suspension of the responsible employee.

Investigations in progress

- 34. Two cases are currently under investigation by the integrity unity in the Office of the Premier, relating to alleged unethical behaviour and procurement irregularities.

**Nelspruit****31 July 2013****AUDITOR - GENERAL
SOUTH AFRICA***Auditing to build public confidence*

APPROPRIATION STATEMENT

For the year ended 31 March 2013



Appropriation per programme									
2012/13								2011/12	
APPROPRIATION STATEMENT	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	97,355		450	97,805	97,941	(136)	100.1%	101,832	100,210
Transfers and subsidies	-			-	28	(28)		1,280	961
Payment for capital assets	2,300			2,300	2,012	288	87.5%	2,206	1,969
Payment for financial assets	-			-	15	(15)		-	-
	99,655		450	100,105	99,996	109		105,318	103,140
2. Integrated Economic Development									
Current payment	24,322		(215)	24,107	22,821	1,286	94.7%	24,491	24,161
Transfers and subsidies	207,040			207,040	207,223	(183)	100.1%	143,728	143,760
Payment for capital assets	-			-				-	-
Payment for financial assets	-			-	7	(7)		-	-
	231,362		(215)	231,147	230,051	1,096		168,219	167,921
3. Trade and Sector Development									
Current payment	24,813		(6,830)	17,983	18,211	(228)	101.3%	21,866	19,777
Transfers and Subsidies	295,775		-	295,775	295,775	-	100%	276,670	276,670
Payment for capital assets	-		6,830	6,830	6,468	362	94.7%	-	-
Payment for financial assets	-		-	-	3	(3)		-	-
	320,588		-	320,588	320,457	131		298,536	296,447
4. Business Regulation									
Current payment	18,352		-	18,352	17,995	357	98.1%	18,786	17,858
Transfers and subsidies	41,908		-	41,908	42,077	(169)	100.4%	39,908	40,041
Payment for capital assets	-		-	-	-			-	-
Payment for financial assets	-		-	-	-			-	-
	60,260		-	60,260	60,072	188		58,694	57,899
5. Economic Planning									
Current payment	7,490		(50)	7,440	6,923	517	93.1%	9,178	7,765
Payment for capital assets	-			-				-	-
Payment for financial assets	-			-				-	-
	7,490		(50)	7,440	6,923	517		9,178	7,765
6. Environment Developmental Services									
Current payment	63,356		(350)	63,006	64,334	(1,328)	102.1%	60,269	59,710
Transfers and subsidies	-			-	243	(243)		-	427
Payment for capital assets	8,379			8,379	5,427	2,952	64.8%	8,532	7,042
Payment for financial assets	-			-	1	(1)		-	-
.....	71,735		(350)	71,385	70,005	1,380		68,801	67,179
Subtotal	791,090		(165)	790,925	787,504	3,421	99.6%	708,746	700,351
Statutory Appropriation									
Current payment	1,550		165	1,715	1,711	4	100%	1,716	1,566
Payment for capital assets	-			-				-	-
Payment for financial assets	-			-				-	-
TOTAL	792,640		-	792,640	789,215	3,425	99.6%	710,462	701,917
TOTAL									
Reconciliation with statement of financial performance									
ADD									
Departmental receipts				82,251				65,537	
Direct Exchequer receipts									
Aid assistance									
Actual amounts per statement of financial performance (total revenue)				874,891				775,999	
ADD									
Aid assistance									
Direct Exchequer payments									
Prior year unauthorised expenditure approved without funding									
Actual amounts per statement of financial performance (total expenditure)					789,215				701,917

APPROPRIATION STATEMENT

For the year ended 31 March 2013

Appropriation per economic classification									
2012/13								2011/12	
	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
Current payments									
Compensation of employees	158,966		(165)	158,801	152,669	6,132	96.1%	155,778	148,224
Goods and services	76,722		(6,830)	69,892	75,556	(5,664)	108.1%	80,644	81,256
Interest and rent on land	-			-				-	-
Transfers and subsidies									
Provinces and municipalities	-			-	28	(28)		-	5
Departmental agencies and accounts	544,723			544,723	544,723	-	100%	460,306	460,306
Universities and technikons								1,170	956
Non-profit institutions									-
Households					595	(595)		110	593
Payments for capital assets									
Buildings and other fixed structures	8,379		6,830	15,209	11,895	3,314	78.2%	8,532	7,042
Machinery and equipment	2,300			2,300	2,012	288	87.5%	2,206	1,969
Specialised military assets								-	-
Payments for financial assets					26	(26)		-	-
Total	791,090		(165)	790,925	787,504	3,421	99.6%	708,746	700,351

Statutory Appropriation									
2012/13								2011/12	
Direct changes against the Provincial Revenue Fund	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
Member of the Executive Council	1,550		165	1,715	1,711	4	99.8%	1,716	1,566
Total	1,550		165	1,715	1,711	4	99.8%	1,716	1,566

APPROPRIATION STATEMENT

For the year ended 31 March 2013



Programme 1 - Administration

Detail per sub-programme	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Office of the MEC									
Current payment	4,860			4,860	4,796	64	98.7%	4,763	4,804
Transfers and subsidies	-			-	-	-		-	-
Payment for capital assets	-			-	-	-		-	-
Payment for financial assets	-			-	-	-		-	-
1.2 Management Services									
Current payment	5,692			5,692	4,761	931	83.6%	6,451	6,020
Transfers and subsidies	-			-	-	-		-	-
Payment for capital assets	-			-	-	-		-	-
Payment for financial assets	-			-	-	-		-	-
1.3 Financial management									
Current payment	59,752		450	60,202	64,091	(3,889)	106.5%	63,458	63,476
Transfers and subsidies	-			-	28	(28)		-	5
Payment for capital assets	2,300			2,300	2,012	288	87.5%	2,206	1,969
Payment for financial assets	-			-	2	(2)		-	-
1.4 Corporate Services									
Current payment	27,051			27,051	24,293	2,758	89.8%	27,160	25,910
Transfers and subsidies	-			-	-	-		1,280	956
Payment for capital assets	-			-	-	-		-	-
Payment for financial assets	-			-	13	(13)		-	-
Total	99,655		450	100,105	99,996	109	99.9%	105,318	103,140
Current payments									
Compensation of employees	44,515			44,515	42,225	2,290	94.9%	43,214	41,084
Goods and services	52,840		450	53,290	55,716	(2,426)	104.6%	58,618	59,126
Interest and rent on land	-			-	-	-		-	-
Transfers and subsidies to:									
Provinces and municipalities					28	(28)		-	5
Universities and technikons								1,170	956
Households								110	-
Payment for capital assets									
Buildings and other fixed structures									
Machinery and equipment	2,300			2,300	2,012	288	87.5%	2,206	1,969
Payments for financial assets									
					15	(15)			
Total	99,655		450	100,105	99,996	109	99.9%	105,318	103,140

APPROPRIATION STATEMENT

For the year ended 31 March 2013

Programme 2 - Integrated Economic Development

Detail per sub-programme	2012/13							2011/12	
	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
2.1 CD: Office Support									
Current payment	1,200			1,200	1,311	(111)	109.3%	2,792	3,530
Transfers and subsidies								-	-
Payment for capital assets								-	-
Payment for financial assets								-	-
2.2 Enterprise Development									
Current payment	9,309			9,309	9,093	216	97.7%	12,116	11,364
Transfers and subsidies	207,040			207,040	207,223	(183)	100.1%	143,728	143,735
Payment for capital assets								-	-
Payment for financial assets					7	(7)		-	-
2.3 Local Econ. Development									
Current payment	4,357			4,357	4,491	(134)	103.1%	4,582	4,474
Transfers and subsidies								-	-
Payment for capital assets								-	-
Payment for financial assets								-	-
2.4 Economic Empowerment									
Current payment	5,705		(50)	5,655	5,209	446	92.1%	5,001	4,793
Transfers and subsidies								-	25
Payment for capital assets								-	-
Payment for financial assets								-	-
2.5 Regional Directors									
Current payment	3,751		(165)	3,586	2,717	869	75.8%		
Transfers and subsidies									
Payment for capital assets									
Payment for financial assets									
Total	231,362		(215)	231,147	230,051	1,096	99.5%	168,219	167,921

Economic classification	2012/13							2011/12	
	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
Current payments									
Compensation of employees	20,662		(165)	20,497	19,298	1,199	94.2%	19,567	18,118
Goods and services	3,660		(50)	3,610	3,523	87	97.6%	4,924	6,042
Interest and rent on land									
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts	207,040			207,040	207,040	-	100%	143,728	143,728
Universities and technikons									
Households					183	(183)		-	33
Payment for capital assets									
Buildings and other fixed structures									
Machinery and equipment									
Payments for financial assets					7	(7)			
Total	231,362		(215)	231,147	230,051	1,096	99.5%	168,219	167,921

APPROPRIATION STATEMENT

For the year ended 31 March 2013



Programme 3 – Trade and Sector Development

Detail per sub-programme	2012/13							2011/12	
	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
3.1 CD: Office Support									
Current payment	3,838			3,838	3,573	265	93.1%	4,642	4,368
Transfers and subsidies								-	-
Payment for capital assets								-	-
Payment for financial assets								-	-
3.2 Trade and Sector Development									
Current payment	2,835			2,835	2,666	169	94.0%	3,668	3,296
Transfers and subsidies								-	-
Payment for capital assets								-	-
Payment for financial assets					2	(2)		-	-
3.3 Sector Development									
Current payment	8,447			8,447	8,793	(346)	104.1%	7,200	7,054
Transfers and subsidies								-	-
Payment for capital assets								-	-
Payment for financial assets								-	-
3.4 Strategic Initiatives									
Current payment	7,135		(6,830)	305	785	(480)	257.4%	2,800	1,833
Transfers and subsidies								-	-
Payment for capital assets			6,830	6,830	6,468	362	94.7%	-	-
Payment for financial assets								-	-
3.5 Tourism									
Current payment	2,558			2,558	2,394	164	93.6%	3,556	3,226
Transfers and subsidies	295,775			295,775	295,775	-	100.0%	276,670	276,670
Payment for capital assets								-	-
Payment for financial assets					1	(1)		-	-
Total	320,588			320,588	320,457	131	100.0%	298,536	296,447

Economic classification	2012/13							2011/12	
	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
Current payments									
Compensation of employees	14,269			14,269	13,559	710	95.0%	15,023	13,896
Goods and services	10,544		(6,830)	3,714	4,652	(938)	125.3%	6,843	5,881
Interest and rent on land									
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts	295,775			295,775	295,775		100.0%	276,670	276,670
Households									
Payment for capital assets									
Buildings and other fixed structures			6,830	6,830	6,468	362	94.7%		
Machinery and equipment									
Software and other intangible assets									
Payments for financial assets					3	(3)			
Total	320,588			320,588	320,457	131	100.0%	298,536	296,447

APPROPRIATION STATEMENT

For the year ended 31 March 2013

Programme 4 – Business Regulation

Detail per sub-programme	2012/13							2011/12	
	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
4.1 CD: Office Support									
Current payment	467			467	370	97	79.2%	979	553
Transfers and subsidies								-	31
Payment for capital assets								-	-
Payment for financial assets								-	-
4.2 Consumer Protection									
Current payment	11,647			11,647	9,679	1,968	83.1%	11,910	9,670
Transfers and subsidies								-	102
Payment for capital assets								-	-
Payment for financial assets								-	-
4.3 Regulation Services									
Current payment	6,238			6,238	7,946	(1,708)	127.4%	5,897	7,635
Transfers and subsidies	41,908			41,908	42,077	(169)	100.4%	39,908	39,908
Payment for capital assets								-	-
Payment for financial assets								-	-
Total	60,260			60,260	60,072	188	99.7%	58,694	57,899

Economic classification	2012/13							2011/12	
	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
Current payments									
Compensation of employees	15,730			15,730	15,381	349	97.8%	15,467	14,866
Goods and services	2,622			2,622	2,614	8	99.7%	3,319	2,992
Interest and rent on land								-	-
								-	-
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts	41,908			41,908	41,908	-	100%	39,908	39,908
Universities and technikons									
Households					169	(169)		-	133
Payment for capital assets									
Buildings and other fixed structures									
Machinery and equipment									
Payments for financial assets									
Total	60,260			60,260	60,072	188	99.7%	58,694	57,899

APPROPRIATION STATEMENT

For the year ended 31 March 2013



Programme 5 – Economic Planning

Detail per sub-programme	2012/13							2011/12	
	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
5.1 CD: Office Support									
Current payment	80			80	67	13	83.8%	58	18
Transfers and subsidies								-	-
Payment for capital assets								-	-
Payment for financial assets								-	-
5.2 Economic Policy and Planning									
Current payment	2,292			2,292	2,098	194	91.5%	2,701	2,388
Transfers and subsidies								-	-
Payment for capital assets								-	-
Payment for financial assets								-	-
5.3 Research and Development									
Current payment	1,793		(50)	1,743	1,478	265	84.8%	2,545	1,895
Transfers and subsidies								-	-
Payment for capital assets								-	-
Payment for financial assets								-	-
5.4 Knowledge Management									
Current payment	2,401			2,401	2,369	32	98.7%	2,274	2,269
Transfers and subsidies								-	-
Payment for capital assets								-	-
Payment for financial assets								-	-
5.5 Monitoring and Evaluation									
Current payment	924			924	911	13	98.6%	1,600	1,195
Transfers and subsidies								-	-
Payment for capital assets								-	-
Payment for financial assets								-	-
Total	7,490		(50)	7,440	6,923	517	93.1%	9,178	7,765

Economic classification	2012/13							2011/12	
	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
Current payments									
Compensation of employees	6,025			6,025	5,742	283	95.3%	7,729	6,629
Goods and services	1,465		(50)	1,415	1,181	234	83.5%	1,449	1,136
Interest and rent on land									
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts									
Payment for capital assets									
Buildings and other fixed structures									
Machinery and equipment									
Payments for financial assets									
Total	7,490		(50)	7,440	6,923	517	93.1%	9,178	7,765

APPROPRIATION STATEMENT

For the year ended 31 March 2013

Programme 6 – Environmental Developmental Services

Detail per sub-programme	2012/13							2011/12	
	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
6.1 CD: Office Support									
Current payment	4,250			4,250	4,308	(58)	101.4%	-	-
Transfers and subsidies									
Payment for capital assets									
Payment for financial assets									
6.2 Environmental Impact Management									
Current payment	9,593			9,593	8,770	823	91.4%	10,503	10,142
Transfers and subsidies					33	(33)		-	-
Payment for capital assets								-	-
Payment for financial assets								-	-
6.3 Pollution and Waste									
Current payment	9,766		(350)	9,416	8,817	599	93.6%	8,533	6,537
Transfers and subsidies								-	-
Payment for capital assets								-	-
Payment for financial assets								-	-
6.4 Environmental Awareness and Education									
Current payment	39,747			39,747	42,439	(2,692)	106.8%	41,233	43,031
Transfers and subsidies					210	(210)			427
Payment for capital assets	8,379			8,379	5,427	2,952	64.8%	8,532	7,042
Payment for financial assets					1	(1)		-	-
Total	71,735		(350)	71,385	70,005	1,380	98.1%	68,801	67,179

Economic classification	2012/13							2011/12	
	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
Current payments									
Compensation of employees	57,765			57,765	56,464	1,301	97.7%	54,778	53,631
Goods and services	5,591		(350)	5,241	5,339	(98)	101.9%	5,491	6,079
Interest and rent on land								-	-
Transfers and subsidies to:									
Provinces and municipalities								-	-
Departmental agencies and accounts								-	-
Universities and technikons								-	-
Households					243	(243)		-	427
Payment for capital assets									
Buildings and other fixed structures	8,379			8,379	5,427	2,952	64.8%	8,532	7,042
Machinery and equipment								-	-
Payments for financial assets									
					1	(1)		-	-
Total	71,735		(350)	71,385	70,005	1,380	98.1%	68,801	67,179

NOTES TO THE APPROPRIATION STATEMENT

For the year ended 31 March 2013



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 - 4 to the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

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

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

4.1	Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	Administration	100,105	99,996	109	(0,3%)
	Integrated Economic Development	231,147	230,051	1,096	0,6%
	Trade and Sector Development	320,588	320,457	131	0,04%
	Business Regulation	60,260	60,072	188	0,3%
	Economic Planning	7,440	6,923	517	7,6%
	Environmental Developmental Services	71,385	70,005	1,380	2,4%
4.2	Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
		R'000	R'000	R'000	R'000
	Current payments				
	Compensation of employees	158,801	152,669	6,132	3%
	Goods and services	69,892	75,556	(5,664)	(8,1%)
	Transfers and subsidies				
	Provinces and municipalities	-	28	(28)	-
	Departmental agencies and accounts	544,723	544,723	-	-
	Households	-	595	(595)	-
	Payments for capital assets				
	Buildings and other fixed structures	15,209	13,907	1,302	8,6%
	Machinery and equipment	2,300	2,012	288	12,5%
	Payments for financial assets	-	26	(26)	-

COMPENSATION OF EMPLOYEES

The underspending on compensation of employees is due to the budgeted vacant posts that were not filled, people that left the Department and some deceased. Details of over/under spending per Programme are explained further below.

Programme 1: Administration

The Programme under spent on compensation of employees due to budgeted vacant positions not filled.

Programme 2: Integrated Economic Development

The programme is under spending because of the vacant budget post of Regional Director Nkangala who resigned to join the Department of Human settlement.

Programme 3: Trade and Sector Development

The post for Director: Strategic initiative was budgeted for but it was not filled.

Programme 4: Business Regulation

The vacant post for Chief Director: Business Regulation that has not yet been filled.

Programme 5: Economic Planning

The vacant post for the Chief director: Economic Planning was budgeted and not filled.

Programme 6: Environmental Development

This programme under spent on compensation because of the vacant budgeted posts.

GOODS AND SERVICES

The overspending on goods and services is because of the payment for salary increases for security work supplied to the department. Details of over/under spending per Programme are explained further below.

Programme 1: Administration

The overspending on goods and services is because of an increase effected on the payment for security provided to the Department, and this amounted to R3 million and it was a once off payment.

Programme 2: Integrated Economic Development

The budgeted vacant position of the Regional Director has an impact on the spending of goods and services because of the resources that come with the employment of employees.

Programme 5: Economic Planning

The vacant posts have an impact on the spending of goods and services.

Programme 6: Environmental Development

The vacant posts have an impact on the spending of goods and services.

PAYMENT FOR CAPITAL ASSETS

Programme 6: Environmental Development

The vacant posts have an impact on the spending of Capital Assets budget.

STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 31 March 2013



PERFORMANCE

	Note	2012/13 R'000	2011/12 R'000
REVENUE			
Annual appropriation	1	790,925	708,746
Statutory appropriation	2	1,715	1,716
Departmental revenue	3	82,251	65,537
TOTAL REVENUE		874,891	775,999
EXPENDITURE			
Current expenditure			
Compensation of employees	4	154,380	149,790
Goods and services	5	75,556	81,256
Total current expenditure		229,936	231,046
Transfers and subsidies			
Transfers and subsidies	7	545,346	461,860
Total transfers and subsidies		545,346	461,860
Expenditure for capital assets			
Tangible capital assets	8	13,907	9,011
Total expenditure for capital assets		13,907	9,011
Payments for financial assets	6	26	-
TOTAL EXPENDITURE		789,215	701,917
SURPLUS FOR THE YEAR		85,676	74,082
Reconciliation of Net Surplus for the year			
Voted funds		3,425	8,545
Annual appropriation		3,425	8,545
Departmental revenue and NRF Receipts	13	82,251	65,537
SURPLUS FOR THE YEAR		85,676	74,082

STATEMENT OF FINANCIAL POSITION

For the year ended 31 March 2013

POSITION

ASSETS

Current assets

Unauthorised expenditure
Cash and cash equivalents
Receivables

Note	2012/13 R'000	2011/12 R'000
	18,103	24,157
9	15,226	15,226
10	2,512	8,687
11	365	244

Non-current assets

TOTAL ASSETS

18,103 **24,157**

LIABILITIES

Current liabilities

Voted funds to be surrendered to the Revenue Fund
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund
Payables

	17,993	24,131
12	12,658	17,778
13	4,733	4,892
14	602	1,461

TOTAL LIABILITIES

17,993 **24,131**

NET ASSETS

110 **26**

Represented by:

Recoverable revenue

	110	26
--	-----	----

TOTAL

110 **26**

STATEMENT OF CHANGES IN NET ASSETS

For the year ended 31 March 2013

NET ASSETS

Recoverable revenue

	Note	2012/13 R'000	2011/12 R'000
Opening balance		26	32
Transfers:		84	(6)
Debts recovered (included in departmental receipts)		(57)	(6)
Debts raised		141	
Closing balance		110	26
TOTAL		110	26

CASH FLOW STATEMENT

For the year ended 31 March 2013

CASH FLOW

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts

Annual appropriated funds received
Statutory appropriated funds received
Departmental revenue received

Note	2012/13 R'000	2011/12 R'000
	874,866	775,753
1.1	790,925	708,746
2	1,715	1,716
3	82,226	65,291
	(980)	(15,433)
	(90,955)	(60,741)
	(229,936)	(231,046)
	(26)	
	(545,346)	(461,860)
15	7,623	6,673
8	(13,907)	(9,011)
3.4	25	246
	(13,882)	(8,765)
	84	(6)
	84	(6)
	(6,175)	(2,098)
	8,687	10,785
16	2,512	8,687

Net (increase)/decrease in working capital

Surrendered to Revenue Fund

Current payments

Payments for financial assets

Transfers and subsidies paid

Net cash flow available from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for capital assets

Proceeds from sale of capital assets

Net cash flows from investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Increase/(decrease) in net assets

Net cash flows from financing activities

Net increase/(decrease) in cash and cash equivalents

Cash and cash equivalents at beginning of period

Cash and cash equivalents at end of period



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

1. Presentation of the Financial Statements

1.1 Basis of preparation

The financial statements have been prepared on a modified cash basis of accounting.

Under this basis, the effects of transactions and other events are recognised in the financial records when the resulting cash is received or paid. The “modification” results from the recognition of certain near-cash balances in the financial statements as well as the re-valuation of foreign investments and loans and the recognition of resulting revaluation gains and losses.

In addition supplementary information is provided in the disclosure notes to the financial statements where it is deemed to be useful to the users of the financial statements.

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

1.5 Comparative figures - Appropriation Statement

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

2. Revenue

2.1 Appropriated funds

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

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

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

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

2.2 Departmental revenue

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

Any amount owing to the Provincial Revenue Fund at the end of the financial year is recognised as a payable in the statement of financial position.

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

3. Expenditure

3.1 Compensation of employees

3.1.1 Salaries and wages

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

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

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

3.1.2 Social contributions

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

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

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

3.2 Goods and services

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

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

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

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.



Payments for financial assets

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

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

3.4 Transfers and subsidies

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

3.5 Unauthorised expenditure

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

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

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

3.6 Fruitless and wasteful expenditure

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

3.7 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

4. Assets

4.1 Cash and cash equivalents

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

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

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

4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

4.3 Prepayments and advances

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

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

4.4 Receivables

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

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

4.5 Inventory

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

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

4.6 Capital assets

4.6.1 Movable assets

Initial recognition

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

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

Subsequent recognition

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

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

4.6.2 Immovable assets

Initial recognition

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

Subsequent recognition

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

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

4.6.3 Intangible assets

Initial recognition

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

All intangible assets acquired prior to 1 April 2002 can be included in the asset register at R1.



Subsequent expenditure

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as “expenditure for capital asset” and is capitalised in the asset register of the department.

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

5. Liabilities

5.1 Payables

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

5.2 Contingent liabilities

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

5.3 Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is probable that an inflow of economic benefits will flow to the entity.

5.4 Commitments

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

5.5 Accruals

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

5.6 Employee benefits

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

5.7 Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as a capital expense in the statement of financial performance and are not apportioned between the capital and the interest portions. The total finance lease payment is disclosed in the disclosure notes to the financial statements.

Operating lease

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

5.8 Provisions

Provisions are disclosed 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 will be required to settle the obligation and a reliable estimate of the obligation can be made.

6. Receivables for Departmental revenue

Receivables for Departmental revenue are disclosed in the disclosure notes to the annual financial statements. These receivables are written off when deemed as irrecoverable and are disclosed separately.

7. Net Assets

7.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

7.2 Recoverable revenue

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

8. Related party transactions

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

9. Key management personnel

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013



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:

	Final Appropriation	2012/13 Actual Funds Received	Funds not requested/ not received	2011/12 Appropriation received
	R'000	R'000	R'000	R'000
Administration	100,105	100,105	-	105,318
Integrated Economic Development	231,147	231,147	-	168,219
Trade and Sector Development	320,588	320,588	-	298,536
Business Regulation	60,260	60,260	-	58,694
Economic Planning	7,440	7,440	-	9,178
Environmental Developmental Services	71,385	71,385	-	68,801
Total	790,925	790,925	-	708,746

1.2 Conditional grants

	Note 30	2012/13 R'000	2011/12 R'000
Total grants received		1,000	-

2. Statutory Appropriation

	2012/13 R'000	2011/12 R'000
Member of the Executive Council	1,715	1,716
Total	1,715	1,716
Actual Statutory Appropriation received	1,715	1,716

3. Departmental revenue

	Note	2012/13 R'000	2011/12 R'000
Tax revenue		73,937	60,143
Sales of goods and services other than capital assets	3.1	2,066	1,563
Fines, penalties and forfeits	3.2	5,154	1,978
Interest, dividends and rent on land	3.3	1,017	1,053
Sales of capital assets	3.4	25	246
Transactions in financial assets and liabilities	3.5	52	554
Total revenue collected		82,251	65,537
Less: Own revenue included in appropriation			
Departmental revenue collected		82,251	65,537

The total revenue collected less the proceeds from sale of capital assets is recognised as departmental revenue received in the cash flow statement.

3.1 Sales of goods and services other than capital assets

	Note 3	2012/13 R'000	2011/12 R'000
Sales of goods and services produced by the department			
Sales by market establishment		2,066	182
Administrative fees		-	1,370
Other sales		-	11
Sales of scrap, waste and other used current goods			
Total		2,066	1,563

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

3.2 Fines, penalties and forfeits

	Note	2012/13	2011/12
	3	R'000	R'000
Fines		5,154	1,978
Total		5,154	1,978

3.3 Interest, dividends and rent on land

	Note	2012/13	2011/12
	3	R'000	R'000
Interest: PMG Account		1,017	1,053
Total		1,017	1,053

3.4 Sale of capital assets

	Note	2012/13	2011/12
	3	R'000	R'000
Tangible assets		25	246
Machinery and equipment	28	25	246
Total		25	246

3.5 Transactions in financial assets and liabilities

	Note	2012/13	2011/12
	3	R'000	R'000
Other Receipts including Recoverable Revenue		52	554
Total		52	554

4. Compensation of employees

4.1 Salaries and Wages

	Note	2012/13	2011/12
		R'000	R'000
Basic salary		104,151	100,671
Performance award		2,788	2,556
Service Based		8,629	8,117
Compensative/circumstantial		1,465	8,685
Other non-pensionable allowances		16,452	9,676
Total		133,485	129,705

4.2 Social contributions

	Note	2012/13	2011/12
		R'000	R'000
Employer contributions			
Pension		13,583	12,996
Medical		7,288	7,064
Bargaining council		24	25
Insurance			
Total		20,895	20,085
Total compensation of employees		154,380	149,790
Average number of employees		445	459

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013



5. Goods and services

	Note	2012/13 R'000	2011/12 R'000
Administrative fees		17	22
Advertising		913	1,271
Assets less than R5,000	5.1	738	512
Bursaries (employees)		-	208
Catering		855	1,136
Communication		6,077	4,601
Computer services	5.2	632	466
Consultants, contractors and agency/outsourced services	5.3	10,211	13,511
Audit cost – external	5.4	2,788	2,696
Fleet services		1,676	1,668
Inventory	5.5	3,021	2,852
Operating leases		23,366	21,493
Property payments	5.6	9,037	12,419
Travel and subsistence	5.7	13,936	15,432
Venues and facilities		545	973
Training and staff development		481	1,073
Other operating expenditure	5.8	1,263	923
Total		75,556	81,256

5.1 Assets less than R5,000

	Note	2012/13 R'000	2011/12 R'000
Tangible assets	5	738	512
Machinery and equipment		738	512
Total		738	512

5.2 Computer services

	Note	2012/13 R'000	2011/12 R'000
SITA computer services	5	296	214
External computer service providers		336	252
Total		632	466

5.3 Consultants, contractors and agency/outsourced services

	Note	2012/13 R'000	2011/12 R'000
Business and advisory services	5	506	592
Infrastructure and planning		1,798	1,023
Laboratory services		-	-
Legal costs		-	98
Contractors		114	252
Agency and support/outsourced services		7,793	11,546
Total		10,211	13,511

5.4 Audit cost - External

	Note	2012/13 R'000	2011/12 R'000
Regularity audits	5	2,788	2,696
Total		2,788	2,696

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

5.5 Inventory

	Note	2012/13	2011/12
	5	R'000	R'000
Food and food supplies		92	285
Fuel, oil and gas		57	4
Other consumables		862	237
Materials and supplies		125	2
Stationery and printing		1,885	2,324
Total		3,021	2,852

5.6 Property payments

	Note	2012/13	2011/12
	5	R'000	R'000
Municipal services		3,284	2,025
Property management fees		3,105	9,576
Property maintenance and repairs		2,648	818
Total		9,037	12,419

5.7 Travel and subsistence

	Note	2012/13	2011/12
	5	R'000	R'000
Local		13,936	15,432
Total		13,936	15,432

5.8 Other operating expenditure

	Note	2012/13	2011/12
	5	R'000	R'000
Professional bodies, membership and subscription fees		3	32
Resettlement costs		193	61
Other		1,067	830
Total		1,263	923

6. Payments for financial assets

	Note	2012/13	2011/12
		R'000	R'000
Debts written off	6.1	26	-
Total		26	-

6.1 Debts written off

	Note	2012/13	2011/12
	6	R'000	R'000
Nature of debts written off			
Ex Employees		26	-
Total			
Total debt written off		26	-

7. Transfers and subsidies

		2012/13	2011/12
		R'000	R'000
Provinces and municipalities	Annex 1	28	5
Departmental agencies and accounts	Annex 2	544,723	460,306
Universities and technikons	Annex 3	-	956
Households	Annex 4	595	1,549
Total		545,346	461,860

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013



8. Expenditure for capital assets

	Note	2012/13 R'000	2011/12 R'000
Tangible assets		13,907	9,011
Buildings and other fixed structures	29	11,895	7,042
Machinery and equipment	27	2,012	1,969
Total		13,907	9,011

8.1 Analysis of funds utilised to acquire capital assets – 2012/13

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	13,907		13,907
Buildings and other fixed structures	11,895	-	11,895
Machinery and equipment	2,012	-	2,012
Total	13,907	-	13,907

8.2 Analysis of funds utilised to acquire capital assets -2011/12

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	9,011		9,011
Buildings and other fixed structures	7,042	-	7,042
Machinery and equipment	1,969	-	1,969
Total	9,011	-	9,011

9. Unauthorised expenditure

9.1 Reconciliation of unauthorised expenditure

	Note	2012/13 R'000	2011/12 R'000
Opening balance		15,226	15,226
Unauthorised expenditure awaiting authorisation / written off		15,226	15,226

9.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2012/13 R'000	2011/12 R'000
Current	15,226	15,226
Total	15,226	15,226

9.3 Analysis of unauthorised expenditure awaiting authorisation per type

	2012/13 R'000	2011/12 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	15,226	15,226
Total	15,226	15,226

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

10. Cash and cash equivalents

	Note	2012/13 R'000	2011/12 R'000
Consolidated Paymaster General Account		2,512	8,687
Total		2,512	8,687

11. Receivables

		2012/13				2011/12
	Note	R'000 Less than one year	R'000 One to three years	R'000 Older than three years	R'000 Total	R'000 Total
Claims recoverable	11.1	107	-	-	107	-
Staff debt	11.2	164	77	17	258	244
Total		271	77	17	365	244

11.1 Claims recoverable

	Note	2012/13 R'000	2011/12 R'000
Public entities	11	107	-
Total		107	-

11.2 Staff debt

	Note	2012/13 R'000	2011/12 R'000
Sal: Tax Debt	11	10	-
Salary Overpayment		107	-
GG vehicle accident		90	244
Other		51	-
Total		258	244

12. Voted funds to be surrendered to the Revenue Fund

	Note	2012/13 R'000	2011/12 R'000
Opening balance		17,778	9,234
Transfer from statement of financial performance		3,425	8,545
Paid during the year		(8,545)	(1)
Closing balance		12,658	17,778

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

	Note	2012/13 R'000	2011/12 R'000
Opening balance		4,892	95
Transfer from Statement of Financial Performance		82,251	65,537
Paid during the year		(82,410)	(60,740)
Closing balance		4,733	4,892

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013



14. Payables – current

	Note	2012/13 R'000	2011/12 R'000
Amounts owing to other entities		100	-
Other payables	14.1	502	1,461
Total		602	1,461

Other payables

Description	Note	2012/13 R'000	2011/12 R'000
Sal: Income Tax	14	-	59
Outstanding Payments: Ca		169	-
Disallowance Miscellaneous: Ca		-	100
Sal: Pension Fund		-	5
Bushbuckridge (Agro Processing)		-	1,297
Environmental Awareness Court Order		333	-
Total		502	1,461

15. Net cash flow available from operating activities

	Note	2012/13 R'000	2011/12 R'000
Net surplus/(deficit) as per Statement of Financial Performance		85,676	74,082
Add back non cash/cash movements not deemed operating activities		(78,053)	(67,409)
(Increase)/decrease in receivables – current		(121)	(22)
Increase/(decrease) in payables – current		(859)	(15,411)
Proceeds from sale of capital assets		(25)	(246)
Expenditure on capital assets		13,907	9,011
Surrenders to Revenue Fund		(90,955)	(60,741)
Net cash flow generated by operating activities		7,623	6,673

16. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2012/13 R'000	2011/12 R'000
Consolidated Paymaster General account		2,512	8,687
Total		2,512	8,687

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

		2012/13 R'000	2011/12 R'000
Liable to Nature			
Claims against the department	Annex 6	14,532	20,447
Other departments (interdepartmental unconfirmed balances)	Annex 8	-	100
Total		14,532	20,547

18. Commitments

	2012/13 R'000	2011/12 R'000
Current expenditure		
Approved and contracted	1,140	4,470
Capital expenditure		
Approved and contracted	251	-
Total Commitments	1,391	4,470

19. Accruals

			2012/13 R'000	2011/12 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	3,740		3,740	6,103
Total	3,740	-	3,740	6,103

	2012/13 R'000	2011/12 R'000
Listed by programme level		
Programme 1: Administration	3,740	6,103
	-	-
Total	3,740	6,103

20. Employee benefits

	2012/13 R'000	2011/12 R'000
Leave entitlement	3,179	6,253
Service bonus (Thirteenth cheque)	4,482	4,292
Performance awards	2,408	2,355
Capped leave commitments	11,986	11,672
Total	22,055	24,572

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

21. Lease commitments

21.1 Operating leases expenditure

2012/13	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	5,966	5,719	11,685
Later than 1 year and not later than 5 years	15,792	3,480	19,272
Later than five years	-	-	-
Total lease commitments	21,758	9,199	30,957

2011/12	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	9,684	9,047	18,731
Later than 1 year and not later than 5 years	4,811	7,799	12,610
Later than five years	142	-	142
Total lease commitments	14,637	16,846	31,483

22. Receivables for departmental revenue

	2012/13 R'000	2011/12 R'000
Tax revenue	6,524	2,278
Transactions in financial assets and liabilities	502	-
Total	7,026	2,278

22.1 Analysis of receivables for departmental revenue

	2012/13 R'000	2011/12 R'000
Opening balance	2,278	2,278
Less: amounts received	(2,278)	-
Add: amounts recognised	7,026	-
Closing balance	7,026	2,278

* The closing balance of R7 026 000 relates to;

- Irregular payments of Acting allowances amounting to R502 000 paid to officials. This amount will be recognised under debtors in the 2013/2014 financial year.

-The amount of R396 000 relates to estimated outstanding liquor licence fees to be collected and paid over by SARS to the department during the next financial year.

- The amount of R6,128 relates to Gambling fees for March 2013 from Mpumalanga Gambling Board which was paid to the department only after the end of the month.

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

23. Irregular expenditure

23.1 Reconciliation of irregular expenditure

	2012/13 R'000	2011/12 R'000
Opening balance	26,941	12,636
Add: Irregular expenditure – relating to current year	4,021	14,305
Irregular expenditure awaiting condonation	30,962	26,941
Analysis of awaiting condonation per age classification		
Current year	4,021	14,305
Prior years	26,941	12,636
Total	30,962	26,941

23.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2012/13 R'000
Final payment for the Agro-Processing Hub in Bushbuckridge	None	1,296
Payment of out of court settlement to a service provider for services rendered in relation to Maputo Development Corridor Flagship	None	1,151
Payment of expired lease contracts	None	93
Non compliance with SCM guidelines - SBD4 forms not signed by service providers.	None	1,172
Non compliance with SCM guidelines - SBD4 forms not signed by individuals employed by the State	None	309
Total		4,021

* The department is investigating possible instances of irregular expenditure which has not been included in the amount disclosed above. The full extent of irregular expenditure would only be known at the conclusion of these investigations. The amount disclosed above may change based on the outcome of these investigations.

23.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2012/13 R'000
Deviation from supply chain management policy in the appointment of service provider	Accounting Officer	278
Total		278

24. Fruitless and wasteful expenditure

24.1 Reconciliation of fruitless and wasteful expenditure

	2012/13 R'000	2011/12 R'000
Opening balance	2,883	-
Fruitless and wasteful expenditure – relating to current year	1,053	2,883
Fruitless and wasteful expenditure awaiting resolution	3,936	2,883

24.2 Analysis of awaiting resolution per economic classification

	2012/13 R'000	2011/12 R'000
Current	3,936	2,883
Total	3,936	2,883

24.3 Analysis of Current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2012/13 R'000
Rental for vacant office building and security services in Lieliweg Park Ermelo. The offices have subsequently been occupied.	The responsible official was charged and warning letter was issued.	1,053
Total		1,053

25. Related party transactions**25.1 Zithabiseni Holiday Resort**

The Department had budgeted R17 500 000 for Zithabiseni for the payment of salaries for staff at the Resort. The resort continues to face challenges in generating income in order to become self sustainable over period of time. The MTPA in partnership with the National Department of Tourism have managed to undertake renovations on infrastructure at Zithabiseni. This has managed to attract more visitors to the resort. The total amount transferred to Zithabiseni is R17 500 000 during the year under review.

25.2 Water Bottling Project (Gert Sibande Region)

The Department entered into a service level agreement with the Department of Public Works, Road and Transport for the construction of infrastructure related to the water bottling project. An amount of R6 800 000 was budgeted for this project during the year under review. The total expenditure on the project is R6 400 000 as at end of the financial year.

25.3 Provincial Tooling Initiative

The Department signed a Service Level Agreement with the National Tooling Initiative to establish a provincial tooling initiative. According to the Service Level Agreement, the programme is to be rolled over for a period of five years valued at R8 400 000, the Mpumalanga Tooling Initiative should be able to sustain itself. The Department has paid an amount of R1 600 000 towards the Tooling Initiative during the year under review.

25.4 Department of Public Works, Roads and Transport

During the year under review the Department received services from the Department of Public Works, Roads and Transport that are related to the Department. The Department of Economic Development, Environment and Tourism occupies Government Building in the Province provided by the Department of Public Works, Roads and Transport free of charge.

25.5 Department of Finance

During the year under review, the Department received service from the Department of Finance that are related to the Department. The Department has entered into a memorandum of understanding for the rendering of Information Communication Technology services (ICT) with the Department of Finance. These services are provided by the Department of Finance free of charge.

25.6 Departmental Agencies

The Department has three (3) Public Entities reporting to it and these entities assist the Department in carrying out its legislative mandate. The Department entered into a shareholders compact with the Boards of these agencies. The public entities are as listed below;

Mpumalanga Gambling Board – MGB

Mpumalanga Economic Growth Agency – MEGA

Mpumalanga Tourism and Parks Agency – MTPA

25.7 Key management Personnel - refer to note 26

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

Payments made to related parties

	2012/13 R'000	2011/12 R'000
Purchases of capital assets	6,468	-
Transfers	17,500	16,000
Total	23,968	16,000

Year end balances arising from revenue/payments

	2012/13 R'000	2011/12 R'000
Payables to related parties	1,790	1,297
Total	1,790	1,297

26. Key management personnel

	No. of Individuals	2012/13 R'000	2011/12 R'000
Member of the Executive Council	1	1,652	1,556
Officials:			
Deputy Director- General (HOD)	1	1,213	1,071
Deputy Director- General (Sector Specialist)	3	2,241	3,110
Chief Financial Officer	1	720	693
Chief Directors	4	3,631	4,199
Total		9,457	10,693

27. Provisions

	Note	2012/13 R'000	2011/12 R'000
Settlement was reached with Mukhaha Consulting Engineers cc and the Department agreed to settle this amount in the next financial year		2,712	-
Settlement Order was issued through State Attorney for compensantion to Mathebula family.		700	-
Total		3,412	-

28. Movable Tangible Capital Assets

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

	Opening balance R'000	Curr Year Adjust- ments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	30,650	(7)	3,345	(455)	33,533
Transport assets	6,555	10	902	(417)	7,050
Computer equipment	17,463	(879)	1,484	(38)	18,030
Furniture and office equipment	4,266	835	739	-	5,840
Other machinery and equipment	2,366	27	220	-	2,613
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	30,650	(7)	3,345	(455)	33,533

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

28.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	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
MACHINERY AND EQUIPMENT	2,012	1,333	-	-	3,345
Transport assets	-	902	-	-	902
Computer equipment	1,457	27	-	-	1,484
Furniture and office equipment	357	382	-	-	739
Other machinery and equipment	198	22	-	-	220
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	2,012	1,333	-	-	3,345

28.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	205	250	455	25
Transport assets	205	212	417	25
Computer equipment		38	38	
Furniture and office equipment				
Other machinery and equipment				
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	205	250	455	25

28.3 Movement for 2011/12

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	28,462	2,543	(355)	30,650
Transport assets	6,138	752	(335)	6,555
Computer equipment	16,816	660	(13)	17,463
Furniture and office equipment	3,759	514	(7)	4,266
Other machinery and equipment	1,749	617	-	2,366
TOTAL MOVABLE TANGIBLE ASSETS	28,462	2,543	(355)	30,650

28.4 Minor assets

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

	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000
Opening balance	9,382	-	9,382
Curr Year Adjustments to Prior Year balances	(109)	-	(109)
Additions	1,076	-	1,076
Disposals	11	-	11
TOTAL MINOR ASSETS	10,360	-	10,360
	Machinery and equipment	Total	
Number of R1 minor assets	97	97	
Number of minor assets at cost	10,122	10,122	
TOTAL NUMBER OF MINOR ASSETS	10,219	10,219	

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2012

	Machinery and equipment	Total
	R'000	R'000
Opening balance	9,175	9,175
Curr Year Adjustments to Prior Year balances	(17)	(17)
Additions	273	273
Disposals	(49)	(49)
TOTAL MINOR ASSETS	9,382	9,382

	Machinery and equipment	Total
	R'000	R'000
Number of R1 minor assets	97	97
Number of minor assets at cost	10,122	10,125
TOTAL NUMBER OF MINOR ASSETS	10,219	10,219

28.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2013

	Machinery and equipment	Total
	R'000	R'000
Assets written off	25	25
TOTAL MOVABLE ASSETS WRITTEN OFF	25	25

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2012

	Machinery and equipment	Total
	R'000	R'000
Assets written off	49	49
TOTAL MOVABLE ASSETS WRITTEN OFF	49	49

29. Intangible Capital Assets

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

	Opening balance	Current Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	115	-	-	-	115
TOTAL INTANGIBLE CAPITAL ASSETS	115	-	-	-	115

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

29.1 Movement for 2011/12

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	115	-	-	115
TOTAL INTANGIBLE CAPITAL ASSETS	115	-	-	115

30. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 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
BUILDINGS AND OTHER FIXED STRUCTURES	12,007	(12,007)	-	-	-
Dwellings					
Non-residential buildings					
Other fixed structures	12,007	(12,007)	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	12,007	(12,007)	-	-	-

30.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	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
BUILDING AND OTHER FIXED STRUCTURES	11,895	-	(11,895)	-	-
Dwellings					
Non-residential buildings					
Other fixed structures	11,895	-	(11,895)	-	-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	11,895	-	(11,895)	-	-

30.2 Movement for 2011/12

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	6,238	5,769	-	12,007
Dwellings				
Non-residential buildings				
Other fixed structures	6,238	5,769	-	12,007
TOTAL IMMOVABLE TANGIBLE ASSETS	6,238	5,769	-	12,007

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

31. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT					2011/12
	Division of Revenue Act Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total I Available	Amount received by department	Amount spent by Department	Under / (overspending)	% of available Funds spend by department	Division of Revenue Act	
	R'000	R'000	R'000		R'000	R'000	%	R'000	%	R'000	R'000
Department of Public Works (EPWP)	1,000	-	-	-	1,000	1,000	1,000	-	100%	-	-
	1,000	-	-	-	1,000	1,000	1,000	-	100%	-	-

A decorative graphic in the bottom right corner. It features a large, stylized sun with many rays in a golden-yellow color. To the left of the sun is a circular inset containing a classical painting of a group of people in a landscape. The background of the graphic consists of overlapping curved shapes in shades of orange and yellow, separated by white lines. A series of small, dark brown dots forms a curved path between the sun and the painting.

ANNEXURE 1

STATEMENT OF TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2011/12	
	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										
Mbombela Local Municipality	R'000	R'000	R'000		R'000	R'000	%	R'000	R'000	%	Division of Revenue Act
	-	-	-	-	28	-	-	-	-	-	5
	-	-	-	-	28	-	-	-	-	-	5

ANNEXURE 2

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION			TRANSFER		2011/12 Appropriation Act
	Adjusted Appropriation	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred
	R'000	R'000	R'000	R'000	R'000	%
Mpumalanga Gambling Board	41,908	-	-	-	41,908	100%
Mpumalanga Tourism and Parks Agency	278,275	-	-	-	278,275	100%
Mpumalanga Economic Growth Agency	207,040	-	-	-	207,040	100%
Zithabiseni Resort and Conference Centre	17,500	-	-	-	17,500	100%
	544,723	-	-	-	544,723	100%
						460,306

A decorative graphic in the bottom right corner. It features a large, stylized sun with many rays in a golden-yellow color. To the left of the sun is a circular inset containing a classical painting of a group of people in a landscape. The background of the graphic consists of overlapping curved shapes in shades of orange and yellow, separated by white lines. A series of small, dark brown dots forms a curved path between the sun and the painting.

ANNEXURE 3

UNIVERSITY/TECHNIKON		TRANSFER ALLOCATION				TRANSFER		2011/12 Appropriation Act
		Adjusted Appropriation	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Amount not transferred	
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Bursaries Non Employees		-	-	-	-	-	-	956
		-	-	-	-	-	-	956

Bursaries Non Employees

ANNEXURE 4

ANNEXURES NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2011/12 Appropriation Act
	Adjusted Appropriation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave Gratuity	-	-	-	-	460	-	593
Claims against State (Cash)	-	-	-	-	135	-	-
Total	-	-	-	-	595	-	593

ANNEXURES NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

ANNEXURE 5

STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDI-TURE R'000	CLOSING BALANCE R'000
Received in cash					
Department of Trade and Industry	Establishment of Agro-Processing Hub in Bushbuckridge area	1,297	-	1,297	-
Subtotal		1,297	-	1,297	-
TOTAL		1,297	-	1,297	-

ANNEXURE 6

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2013

Nature of Liability	Opening Balance 1 April 2012	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2013
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
MW Nkosi and 3 others	9,330	-	-	-	9,330
Izimfanelo Trading cc v/s dedet	3,900	-	3,900	-	-
Magamatha v/s dedet	1,217	-	-	-	1,217
Carol Bouwer Productions	-	3,985	-	-	3,985
Subtotal	14,447	3,985	3,900	-	14,532
TOTAL	14,447	3,985	3,900	-	14,532

ANNEXURES NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

ANNEXURE 7

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
Department	R'000	R'000	R'000	R'000	R'000	R'000
Other Government Entities						
South African Revenue Services - SARS						
	-	-	107	107	107	107
TOTAL	-	-	107	107	107	107

ANNEXURE 8

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2013 R'000	31/03/2012 R'000	31/03/2013 R'000	31/03/2012 R'000	31/03/2013 R'000	31/03/2012 R'000
DEPARTMENTS						
Current						
Limpopo Econ. Dev. Environment and Tourism	-	-	-	100	-	100
Department of Public Works, Roads and Transport	1,790	652	-	-	1,790	652
Mpu. Tourism and Parks Agency - MTPA	100	-	-	-	100	-
Subtotal	-	652	-	100	-	752
Total	1,890	652	-	100	1,890	752

ANNEXURES NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

ANNEXURE 9

INVENTORY

Inventory	Note	Quantity	2012/13 R'000	Quantity	2011/12 R'000
Opening balance		24,549	1,205	16,411	700
Add/(Less): Adjustments to prior year balance		5,091	102		
Add: Additions/Purchases - Cash		15,493	1,436	81,613	2,852
Add: Additions - Non-cash		514	56	110	16
(Less): Disposals					
(Less): Issues		(25,714)	(1,328)	(73,373)	(2,368)
Add/(Less): Adjustments		-	-	(212)	5
Closing balance		19,933	1,471	24,549	1,205

ANNEXURE 10

MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance R'000	Current Year Capital WIP R'000	Completed Assets R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	12,007	11,895		23,902
Dwellings				
Non-residential buildings				
Other fixed structures	12,007	11,895		23,902
TOTAL	12,007	11,895		23,902

