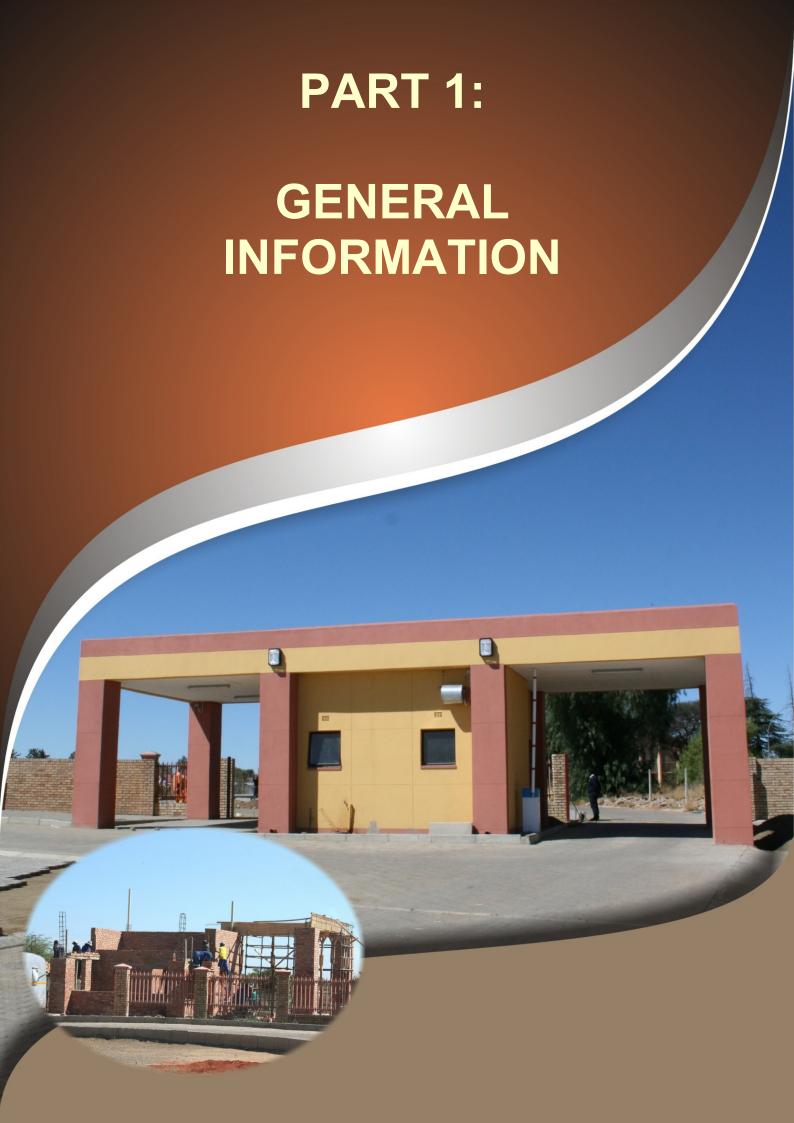
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SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY

I hereby wish to formally submit the annual report of the Department of Roads and Public Works to the executive authority.







1.3 INFORMATION ON THE MINISTRY

POLITICAL MANDATES derived from the ANC Manifesto

- Lead a massive public investment programme for growth and employment creation
- Phase 2 of EPWP has identified 106 193 jobs opportunities to be created in the province; and in the 1st year we created 13 013 job opportunities.
- The department is reviving the policy to suit the procurement policies that will support local contractors and create local jobs.
- Vigorously implement broad-based economic empowerment and affirmative action
 policies and adjust them to ensure that they benefit more broad sections of our
 people, especially the workers, youth, women and people with disabilities.
- Launch a much larger national youth service programme and a new national youth development agency, focusing on access to funding and employment creation, which will be linked to skills development opportunities and build decent work opportunities for young people.

In the Northern Cape Province, the immediate objective of the Expanded Public Works Programme is to create 29 026 work opportunities. To date, Province has created 42,652 job opportunities in all four sectors of EPWP. What this means is that to date, EPWP has achieved 46% above its target to create employment for the citizens of the Northern Cape Province.

The following political outcomes have been set:

- Improvement of the mobility of people;
- Support communities to ensure sustainable empowerment and development;
- Ensure effective communication with the public, provincial departments, and all officials in the department;
- The implementation of GIAMA and through proper management of our immovable properties.
- Balance between the Internal Capacity vs Outsourcing of professional services,
- Contractor Development is aimed at promoting local contractors to higher CIDB grading in order for them to qualify for bigger projects. Empowerment of local contractors: Changing the implementation of the project to advance local contractors.
- "Routing out the Dust" Targeting the access and dirt roads to public facilities throughput the province.
- Taking back the mandate. The department need to take responsibility for the Public Works function as part of their mandate that was assigned by the Premier.

Commitment by management as well as all personnel in the department and the utilization of the expertise, skills and talents of all officials is necessary to meet these outcomes in the development of the province. The department sees itself as a trendsetter in service delivery and is therefore not necessarily bound to old ideas. Excellence in performance must start at management level, and the necessary changes to meet the new challenges must be initiated from management. The rest of the officials must be drawn into this new way of thinking.

PART 1: GENERIC DEPARTMENTAL PERFORMANCE

1.1 Overview by Accounting Officer



Our aim is to empower the people of the Northern Cape by implementing a policy that service providers should procure most of their material locally and use local contractors for sub-contracting.

The department is responsible for the implementation of GIAMA as custodian of all assets in the province. The department provides and maintains functional and accessible buildings, facilities and office accommodation according to the identified needs of the provincial departments.

The department does not have sufficient internal capacity to be deployed full time on the projects. Project Managers are then appointed for the upgrading or rehabilitation of all identified roads. The departmental Engineers would visit the site once a month and would also get a report from the engineering company on the progress of the project.

To be able to reach our target we have introduced and implemented 23 new EPWP infrastructure projects. The value of these projects is R55 million and will create an estimated 1743 additional work opportunities by the end of the financial year. The projects range from:

- Drainage Cleaning and Vegetation Control along Road Reserves;
- Upgrading Of Access Roads;
- Manufacturing of Kerb Stones;
- School Refurbishment Programme;
- Debushing and Vegetation Control;
- Installation of Road Signs;

We are developing a management system to assist with the monitoring of progress on the projects. The system will assist to give more accurate information for reports.

Some of the emerging and established contractors are under performing and the department have finalised the management plan in order to improve the cidb level of the contractors.

HEAD OF DEPARTMENT



Situation Analysis

It is predicted that within 5 years, 40% of our surfaced roads will be in a poor to very poor condition, compared to the 10% we have now. The rapid deterioration is attributable to the age of the roads and the backlog of deferred maintenance, particularly in re-sealing. The roads are near to the end of their design lifespan but their condition and economic life expectancy would be extended substantially if the department had the funds to rehabilitate and upgrade them soon.

Regravelling need

The proportion of the network with a gravel layer thickness of less than 50mm of gravel and thus urgently in need of regravelling is 53% which translates to 11 895 kilometres.

Technical Capacity

Many of the professional personnel left the Department and it is learned through experience that it is very difficult to attract professional and technical personnel to the Department due to numerous factors such as salary scales that are not competitive with the private sector and the long distances to be travelled to attend to one project etc.

New legislations

There are several new legislation which should be adhered to before constructing the road such as Environmental Impact Assessment, approval of borrow pits by Department of Minerals and Energy etc.

Ageing of construction plant

The average age of the current road maintenance / construction plant and equi<mark>pme</mark>nt is more than 20 years and some of the machines have already doubled their economic life span at great maintenance cost.

EPWP

The main objective is to apply the EPWP principle on road projects in order to create work opportunities and skills development as well as to give access and better roads to travel. Maximisation of job creation opportunities through the conventional construction and maintenance contracts that are awarded.

The Northern Cape Province has a limited number of contractors that are registered with the Construction Industry Development Board, especially on higher grade levels such as level seven to level nine

1.3 1.3.1

KEY MEASURABLE OBJECTIVES, PROGRAMMES AND ACVHIEVEMENTS

Key Measurable Objectives

- Promoting the growth, diversification and transformation of the provincial economy
- Poverty reduction through social development
- Enhancing infrastructure for economic growth and social development

1.3.2

Achievements



Overview of Service Delivery Environment for January to March 2010

The department operates in an environment where limited funds are limited and where there is a need to do the following;

- To clearly champion the Expanded Public Works Programme in the province;
- To ensure that communities have access to service centres through the upgrading of access roads to main roads;

To create employment opportunities in all regions.

There is a need for the department to revive all coordinating structures in the province to improve communication and working relations with client departments.

The department as a major driver of infrastructure in the province will engage other sector departments, local government and other spheres of government to ensure that all infrastructure sector development plans are integrated.

1.5 Overview of Organisational Environment for 2009/10

Shortage of Technical Staff

There has been an increase in the volume of work both internally and externally with regard to projects of client departments. Amongst other the department is still receiving the list of projects late from clients, although there was an improvement.

Overall, the department is experiencing an acute shortage of technical skills such as architectural services, quantity surveyors, project managers, engineers, etc. Factors such as salary scales that are not competitive with the private sector and the long travelling distances in the Northern Cape Province make it difficult to attract and retain these professionals.

1.6 Specific Challenges and Responses

- The number of infrastructure projects increases on a year to year basis and is expected to further increase for future financia years taking into account the requirements of NIMS and GIAMA. It is thus critical that we attract, recruit and retain built environment professionals.
- All the consultation processes and maps for the process were completed during the previous financial year. The consultation process with the District Municipalities were done during this year and all finished as well as all the roads's RL diagrams. One of the delays were the reporting back by the District municipalities as some of them did their own investigation to verify what the impact of closing some of the roads will be on the total network. The GIS work was also much more than what was anticipated.

1.7 Issues Requiring Ongoing Concern

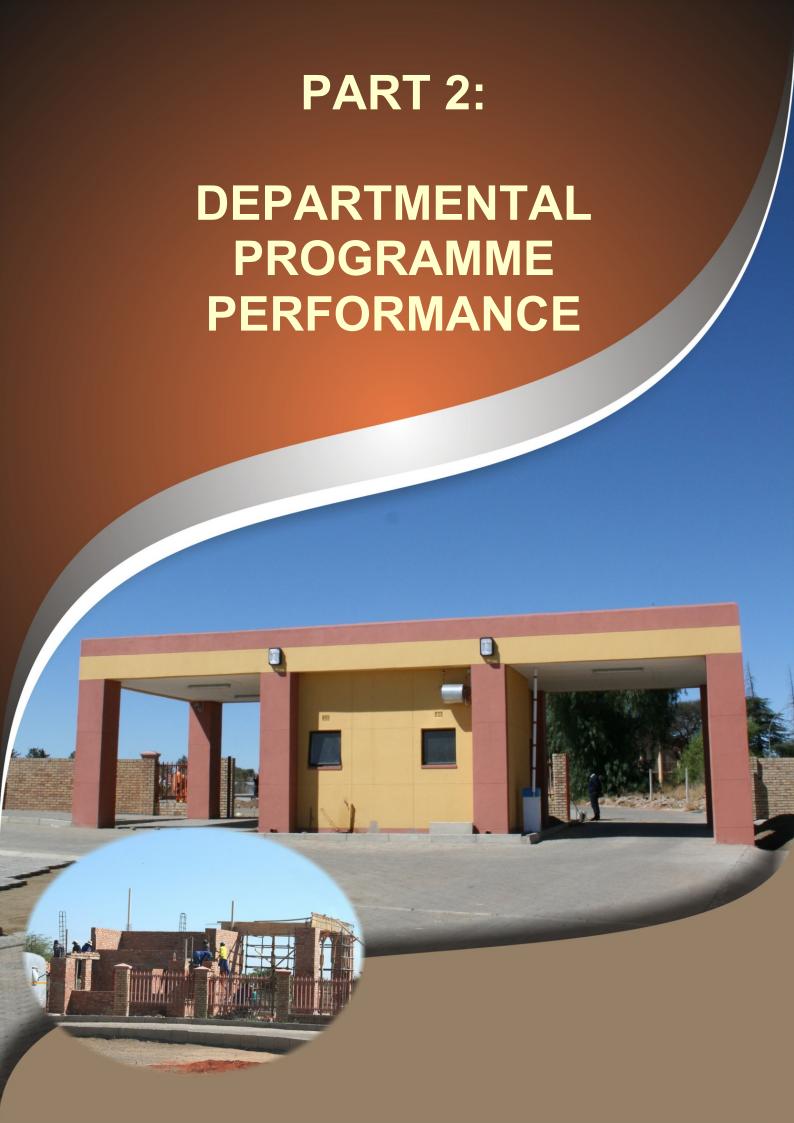
 The inability of the department to meet the required targets as stipulated in the former President's and Premier State of the Nation Address in terms of the socio-economic empowerment of the target groups e.g. the 50/50 target for women and the 5% target for the employment of People with Disabilities needs to be attended to .

Existing infrastructure

The funding level for the maintenance of the existing infrastructure is an ongoing concern as the infrastructure is deteriorating rapidly.

Routine maintenance

The Department is also looking into a new maintenance strategy for routine maintenance, it is very important to finalise it to have a long term plan for routine maintenance. No personnel is appointed for years on operator and labourer level thus the teams that is suppose to have at least 8 to 10 people only have some even only 2 people. This cripples the routine maintenance work which including important work as pothole repair and road signs maintenance. The yellow fleet is also dependant on this maintenance strategy to know if fleet need to be replaced or not.



PART 2: DEPARTMENTAL PROGRAMME PERFORMANCE

2.1 **Voted Funds**

Appropriation	Main Appropriation R'000	Adjusted Appropriation R'000	Actual Amount Spent R'000	Over/Under Expenditure R'000
Equitable Share	R738,180	R752,665	R725,529	R27.136
Responsible MEC	MEC of Roads and Public Works			
Administering Department	Department of Transport, Roads and Public Works			120
Accounting Officer	DDG of Department of Transport, Roads and Public Works			

2.2 Aim of the Vote

The aim of the vote is to promote the mobility of people, maintain integrated road infrastructure that is safe and functional to support social, Meet the accommodation and other needs of the provincial departments

- Responsiveness to stakeholder needs
- The optimization of all available resources
- The ongoing development of our human resources
- Continuous benchmarking of all functions

2.3 Key measurable objectives, programmes

Programme	Sub-programme	Performance measure
Administration	1.1 Office of the MEC	To render advisory, parliamentary, secretarial, administrative and office support services
	1.2. Management	Overall management of the department.
	1.4. Corporate Support	To manage personnel, procurement, finance, administration and related support services for the department.
Public works	2.1. Programme support	
	2.2. Design	Design of new public infrastructure – the intention is that plans should be ready for funding.
	2.3. Construction	New construction and refurbishment
	2.4 Maintenance	Need to have two sub-sub-programmes:
		2.1.1. Routine maintenance 2.1.2. Alterations
		Alterations refers to changes that are required for reasons other than 'maintaining the asset, e.g. changes to interior walls
	2.5 Property Management	All services related to managing a building, including security services.

Programme Programme	Sub-programme	Performance measure
Road Infrastructure	3.1. Programme support	Overall management and support of the program
	3.2. Planning	Provides planning for all modes of transport including the movement of goods and passenger to integrate transport and spatial planning
	3.3. Design	To provide design, of road and transport infrastructure including all necessary support functions such as Environmental Impact Assessments, Traffic Impact Assessments, survey expropriation, material investigations and testing
	3.4. Construction	To develop new, re-construct, upgrade and rehabilitate road and transport infrastructure.
FF age	3.5. Maintenance	To effectively maintain road and transport infrastructure.
Transport Operations	4.1. Programme support	Overall management and support of the program
	4.2. Public and Freight Planning	To develop the statutory plans required in terms of the National Land transport Transition Act, 2000 (NLTTA) (Act 22 of 2000), and accompanying provincial legislation, to give effect to the mission, vision and objectives of the branch.
and the same of th	4.3. Public and Freight Planning Infrastructure	To design and implement, either using own resources or in co-operation with municipalities the public transport infrastructure required for providing services in terms of plans.
	4.4. Institutional Management	To ensure that institutions in the industry who provide and manage public transport are empowered to perform their function and receive adequate training to enable them to provide the required level of service delivery
	4.5. Operator Safety and compliance	To promote and improve safety on the public transport system and to enforce compliance with public transport legislation and regulations as well as the liaison and co-ordination of provincial safety and compliance initiatives
	4.6. Regulation and Control	To manage the processes of regulating public transport operations, including the registration of operators and the processing of applications for operating licences; to provide the support structure, material and manpower resources to the operating licensing board, the provincial transport registrar of public transport operators and other statutory bodies established in terms of legislation,
	4.7. Air Transport	To enhance air passenger and freight transport services.
Community Based Programme	5.1. Programme support	Overall management and support of the program
A A	5.2. Community Development	Programmes to bring about the development and empowerment of impoverished communities
	5.3. Innovation and Empowerment	Programmes to Develop contractor empowerment, development of new programmes and Training.
ALE		It also includes leaner ships and NYS
- Little Control	5.4. EPWP Co-ordination and Monitoring	This sub-programme includes the management and co-ordination expenditure on the Expanded Public Works Programme.

2.4 **Achievements**

The Provincial target for 2009/2010 Financial Year was 13 031 work opportunities. At the end of the 3rd Quarter, the Province achieved 12 432 work opportunities which are 95% of the target, across all Sectors.

To date a total of 24 employees have completed their studies through this fund, though some have left the department for promotional opportunities.

A number of courses were conducted as part of the staff development programme; namely

- Contract Management
- Computer Training
- Hospital Design
- Fleet Management

We have successfully undertaken the following upscaling of EPWP projects during the previous financial.

- Bulletrap Access Road
- Mothibistad T- Junction
- Garies circle road

We have appointed additional staff to resolve our capacity problem in our effort to finalise the identification verification as well as the vesting process. The total number of state owned immovable assets has increased from 2 026 to 2 039. Most of these properties must still be vested in the name of province.

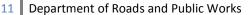
A total number of 85 infrastructure projects were identified.

Of these:

- 69 are completed;
- 15 are in construction, and
- 1 is in tender evaluation stage

The Clinics programme for 2009/10 has been completed and consisted of construction of clinics in the following towns: Douglas, Platfontein, Deben, De Aar, Philipstown, Groblershoop, Hartswater, Olifantshoek, Pampierstad and Hondeklipbaai

During the Taxi Recapitalization Programme there was 480 Applications and 370 vehicles have been inspected and 368 vehicles have been scrapped.



2.5 Overview of the service delivery environment for 2009/10

As an infrastructure delivery department, the department is faced with a challenge to compete with the private sector in the recruitment and retention of professionals and technical manpower.

The upgrading and maintenance of provincial roads taking into account the huge backlog with limited funds, poses an enormous challenge for the department. It is predicted that within 5 years, 40% of our surfaced roads will be in a poor to very poor condition, compared to the 10% we have now. The rapid deterioration is attributable to the age of the roads and the backlog of deferred maintenance, particularly in re-sealing.

The cost of Road Construction to Periodic maintenance increased from R2,29m2 in 2005 to R10m2 in 2008. The result of this is that it cost the department four times more than in 2008, whilst the budget did not increased retrospectively. During 2005 the cost of regravelling in creased for R98,600/km to R400,000/km in 2008. Taking into account that 54% of gravel roads that need urgent attention.

There is a need for the department to revive all coordinating structures in the province to improve communication and working relations with client departments.

Improvement of the managerial processes such as, budgeting, strategic planning, internal control manuals, control of movable assets and implementation of bar-coding, asset registers, filling of vacant posts, etc;

Overall, the department is experiencing an acute shortage of technical skills such as architectural services, quantity Surveyors, project managers, engineers, etc. Factors such as salary scales that are not competitive with the private sector and the long travelling distances in the Northern Cape Province make it difficult to attract and retain these professionals.

The purpose of a Service Level Agreement with the District Municipalities is to optimize the use of funds, strengthen control measures and formalize reporting by municipalities. The department is in the process of reviewing this agreement. The Department is currently busy with the maintenance strategy which will need the approval of the Head of Department. Several meetings have already been held with the five District Municipalities discussing the impact of this decision. The road teams are diminishing due to the moratorium that was placed not to appoint road workers consequently the routine maintenance cannot be done effectively. A number of challenges were identified

- The transfer of staff with different conditions of employment
- The lack of plant availability
- Shortage of staff in the different areas

Some of the emerging and established contractors are under performing and the department will have to look for contract management in order to improve infrastructure service delivery.

The promotion of historically disadvantaged and Northern Cape based contractors remains a challenge for the province since there is no or limited contractors who are registered with the CIDB in a grading of 4GB or above.

Labour-intensive maintenance programme assist with developing of small entrepreneurs, currently these projects takes longer and is not the best way to address backlogs. The contractor development strategy will be rolled out through Contractor Incubator Program (CIP). The contractors targeted for this programme is from Grade 3 to 7.

The Department had to cancel the contract of a consultant due to non performance on 3 projects thus causing the delay in the construction of Longlands, Niekerkshoop road and Hartswater road. On 3 other projects we had to instruct another consultant to change the design to make provision for more job opportunities.



During January 2010, the Province experienced heavy rains in some areas. The amount of rain experienced caused floods damages in areas like Frances Baard with the roads in Windsorton and Hartswater areas were affected more than others. The devastation caused these roads to be washed away causing some of the farms to be not accessible. Most of the farmers had no access to drive or walk out of their farms. The road serves communities and farming businesses in different ways.

2.6 Overview of the organisational environment for 2009/10

Shortage of Technical Staff

There has been an increase in the volume of work both internally and externally with regard to projects of client departments. Amongst other the department is still receiving the list of projects late from clients, although there was an improvement.

Overall, the department is experiencing an acute shortage of technical skills such as architectural services, quantity surveyors, project managers, engineers, etc. Factors such as salary scales that are not competitive with the private sector and the long travelling distances in the Northern Cape Province make it difficult to attract and retain these professionals.

Salary band	No. of posts	No. of posts filled	No. of vacancies at 1 April '09	Number of terminations made during April 09 – Mar '10	Number of appointments made during April 09 – Mar '10
Lower skilled (Levels 1-2)	183	124	59	10	5
Skilled (Levels 3-5)	251	213	38	49	25
Highly skilled production (Levels 6-8)	215	142	73	14	23
Highly skilled supervision (Levels 9-12)	102	72	30	2	7
Senior management (Levels 13-16)	19	14	5	3	2
TOTAL	770	565	215	78	62

Category of expenditure	Percentages			
	2006/07	2007/08	2008/09	2009/10
	%	%	%	%
Personnel expenditure as % of total expenditure	14	13	13	14%
Expenditure on maintenance of buildings as a % of total expenditure	0	0	0	0
Expenditure on maintenance of road infrastructure as a % of total expenditure	13	9	9	3%



2.7 Strategic overview and key policy developments for the 2009/10 financial year

Broad Based Black Economic Empowerment

The focus is on Broad Based Black Economic Empowerment therefore we need to intensify our support for SMME's as a critical component of BEE and ensure that such support reaches them and to enhance the effective use of government instruments such as licensing, procurement state asset restructuring and the provision of finance, to target BEE.

GIAMA

The department is responsible for the implementation of GIAMA as custodian of all assets in the province. The department provides and maintains functional and accessible buildings, facilities and office accommodation according to the identified needs of the provincial departments.

Contractor Development

Our aim is to empower the people of the Northern Cape by implementing a policy that service providers should procure most of their material locally and use local contractors for sub-contracting. Contractor Development is aimed at promoting local contractors to higher CIDB grading in order for them to qualify for bigger projects. Empowerment of local contractors: Changing the implementation of the project to advance local contractors.

2.7.1 Policy developments and legislative changes

The Government Immovable Asset Management Act (GIAMA) has been promulgated. It promotes the sound management of the immovable assets that national and provincial departments use or control. It makes a distinction between users and custodians. The intention is for Accounting Officers of user or custodian departments to be accountable for the use of immovable assets as prescribed by the PFMA and the GIAMA. The User Immovable Asset Management Plan (UAMP) ensures the following:

Accountable, fair and transparent management of immovable assets

Effective, efficient and economic use of immovable assets

Reduced overall cost of service delivery

Reduced demand for new immovable assets



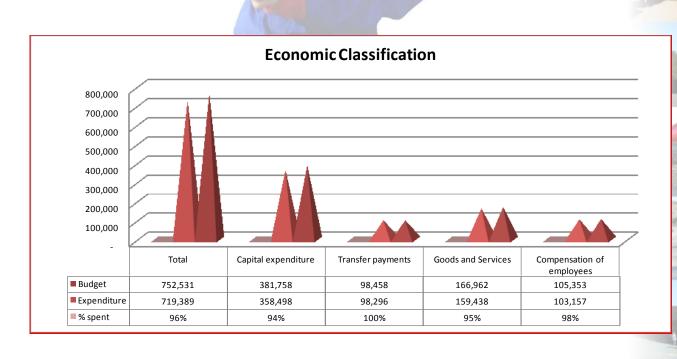
2.8 Departmental revenue, expenditure, and other specific topics

2.8.1 Collection of departmental revenue

Departmental Revenue	2006/07 Actual (R'000)	2007/08 Actual (R'000)	2008/09 Actual (R'000)	2009/10 Actual (R'000)
Non tax revenue	2,220	3,363	3,110	4,531
Total Departmental Revenue	2,220	3,363	3,110	4,531

Departmental expenditure 2.8.2

Programmes	Voted for 2009/10	Roll-overs and adjustments	Virement	Total voted	Actual Expenditure	Variance
Programme 1.	57,420	1.323	(735)	58,108	55,914	2,194
Programme 2.	130,641	20,955	6,291	157,887	157,716	171
Programme 3.	459,394	-10,000	(3,946)	445,448	421,697	23,751
Programme 4.	39,723	12,079	2,200	43,230	42,302	928
Programme 5.	51,002	800	(3,810)	47,992	47,900	92
Total	738,180	25,157		752,665	725,529	27,136



Transfer payments

Name of Institution	Purpose	Amount Transferred 2009/10
Kgalagadi District	Maintenance of Roads	R 3,763,999
Namakwa District	Maintenance of Roads	R15,174,999
Pixely ka Seme District	Maintenance of Roads	R 18,600,999
Siyanda District	Maintenance of Roads	R 12,495,999
Frances Baard District	Maintenance of Roads	R 7,393,000
NC Taxi Council		R 2,652,000

2.9 Spending on Conditional Grants 2009/10 financial year.

The Department has three types of Conditional Grants, being:

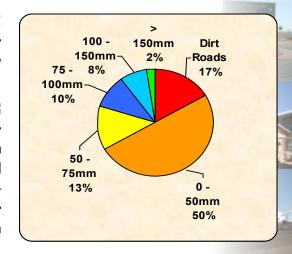
Name of Grant	Purpose	Budget	Expenditure	Variance
		R'000	R'000	R'000
Devolution of Property Rate Fund and Grant	To facilitate the transfer of property rates expenditure responsibility to provinces; and to enable provincial accounting officers to be fully accountable for their expenditure and payment of provincial property rates	<mark>37</mark> 298	37 140	158
EPWP Incentive Grant	To incentivise provinces to increase labour intensive employment through programmes that maximise job creation and skills development in line with the Expanded Public Works Programme (EPWP) guidelines	500	0	500
Public Transport Operations Grant	To provide for accelerated planning, establishment, construction and improvement of new and existing public transport and non-motorised transport infrastructure and systems	22,418	22 418	0
Infrastructure Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education, roads, health and agriculture; to enhance the application of labour intensive methods in order to maximise job creation and skills development as encapsulated in the Expended Public Works Programme (EPWP) guidelines; and to enhance capacity to deliver infrastructure	309 659	287 319	22,340



Capital investment, maintenance and asset management plan

The provincial network comprises 3 134 kilometres (12%) of paved roads and 22 562 kilometres (88%) of unpaved roads. Due to inadequate funding for maintenance over several years, the current condition of the network is generally poor.

The average gravel thickness that was determined during the last survey in 2008 was 41 mm. Only 2% of the unpaved network has a gravel thickness of 150 mm or more, compared to 32% in 2003 and the 4% in 2005. The length of road with no gravel has increased to 17% in 2008. The proportion of the network with a gravel layer thickness of less than 50mm of gravel and thus in need of urgent regravelling is 67% which translates to 15 116 kilometres. In real terms, a gravel layer thickness of 50 mm or less is considered to be ineffective as it is not possible to reshape.



Currently the construction of paved roads is performed by the department of Roads and Public works while the maintenance of gravel roads is outsourced to district municipalities on an agency basis. However, several inefficiencies relating to the agency relationship and systems were identified (e.g. true maintenance cost unclear, weaknesses in performance monitoring, insufficient resources, poor communication etc).

With the current funding only one third of the required blading of the gravel roads is achieved. An additional amount of RISO million will be needed compared to the current amount of R 49 million. With a paved road network of approximately 3 000 kilometers of paved roads, the budget allocated to routine maintenance should be of the order of R 220 million compared to the actual allocation of R54 million.

Capital investment

Project	Infrastructure	Started	Progres	SS Construction Cost		
	ROAD INFRASTROUT	URE PROJECTS				
Ntsweng- Tsineng	Upgrading of 22 km road	Construction	50%	R 67 million		
Churchhill _ Bendel Road	Upgrading of 42 km road	Construction	15%	R 94 million		
Bulletrap Access Road	Regravelling of 15 km road	Nov 2007	Complet	ed R22 million		
Hotazel- Vanzylsrus	Upgrading of 130 km road	Apr-2007	75%	R 20 million		
Mothibistad crossing junction	Upgrading of 15 km road	Construction	Retentio	n R 18 million		
Garies circle road	Upgrading of 7 km road	Nov 2007	Handed o	ver R 3 million		
BUILDING PROJECTS						
Kimberley Conference Centre	Construction of centre	June 2009	45%	R98 Million		

Upington Hospital	Construction of hospital		30%	R560 million
Maruping PS	Construction of new school	Oct 2008	60%	R15 million
Bankhara HS	Construction of new school	Oct 2008	90%	R17 million
Bathlaros HS	Construction of new school	Oct 2008	96%	R16 million

The department has done periodic maintenance projects apart from the normal routine maintenance. We have appointed contractors to do remedial maintenance work on a number of roads and bridges.

- Kommagas road remedial maintenance work was performed
- Emergency repairs on the Spitskop bridge
- Nababeep Concordia road This project was identified for rehabilitation for the 2010/11 financial year. In order to make the road ridable remedial maintenance work was performed.
- Colesberg Phillopolis Road This project was identified for rehabilitation for the 2010/11 financial year. In order to make the road ridable remedial maintenance work was performed.
- Emergency repairs on the Windsorton bridge- The guardrail were damage on this bride which made unsafe for pedestrians. The school children were using this bridge during the day.

Asset Management

Yellow Fleet

- In general the Yellow fleet is old and maintenance and repairs are high, additional funds will have to be sourced to effect the replacement of the Yellow fleet to improve service delivery.
- The Department commenced the process of auctioning the old yellow fleet in Kimberley and Calvinia and realized R 5.2 million. A second auction was held in October 2009 and proceeds to the value of R4 million was realized.

Properties

- We have appointed additional staff to resolve our capacity problem in our effort to finalise the identification verification as well
 as the vesting process. The total number of state owned immovable assets has increased from 2026 to 2039. Most of these
 properties must still be vested in the name of province.
- The Government Immovable Asset Management Act (GIAMA) came into effect from the 1st April 2010 and requires us as custodians to have a maintenance management system that will ensure a complete conditional assessment of all state properties. We are currently identifying buildings that are no longer economically viable in order to decide on the best disposal strategy.

PROGRAMMES 1: ADMINISTRATION

1.1 Purpose

The administration programme serves as a support function to other programmes such as infrastructure, public transport, public works and expanded public works programmes by rendering services like human resource, legal services, communication services, supply chain management services, special programme, internal inspectorate and risk management.

1.2 Measurable objective

To provide the Department with administrative, strategic, financial and corporate support services in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.

Service delivery objectives and indicators: 1.3

- Providing of Information Technology capacity
- Develop a competent workforce and continuously benchmark the internal functions and performance outputs against best practices
- Strategic Management of Human Capital
- Rendering of legal advisory services in support of department
- To provide an effective, proactive and professional labour relations service in support of the department
- Ensure an effective records management in the department
- To manage human resource development in the department.
- To coordinate all special programs through socio-economic empowerment
- To revamp image of the department and restore public confidence in the Department using a communication strategy
- To assess the adequacy and effectiveness of operational and financial controls

1.4 Service delivery achievements:

1.4.1 MINISTRY

Measurable Objective	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			2009/10 Target	2009/10 Actual
Engagement with Management	Minister's engagement with departmental staff	Organise engagements between Minister and departmental staff within department	12 Monthly meetings	3

Reasons for major variances

HEAD OF DEPARTMENT 1.4.2

25 45			Output performance	Actual performance against target	
T	Measurable Objective	Outputs	measures/service delivery indicators	2009/10 Target	2009/10 Actual
	Provide Effective management support	A reporting system for strategic project implemented	Monthly reporting system for strategic project	12 Monthly reports	5
ALC: N	(EE)		Quarterly performance evaluation of Senior Management	Assessment Reports	0
7	2017		Improve communication and information flow	12 Monthly meeting	10
The state of the s		Development of Risk Assessment profile for the department	Risk coverage plan Compliance with Treasury regulations requirements	Implement a fraud prevention plan	0
100		Strategic management with respect to the strategic plan	- Quarterly review of strategic outcomes against strategic plan	4	4
COLUMN NEW PROPERTY.			- strategic leadership with respect to policy co-ordination and discussion and strategic interventions with respect to operations	12 SMS Meetings	10

Reasons for major variances:

1.4.3 **CORPORATE SERVICES**

	Measurable Objective	Outputs	Output performance measures/service delivery	Actual performance against target	
- 4	wsgzni.anis anjectivs	unthors	indicators	2009/10 Target	2009/10 Actual
	Manage Human Resource management in the department	To implement the Performance Management and Development System within the department	Poor performance identified and skills gaps addressed	Research on the Implementation of electronic PMDS system	None
	A I	Design an organizational structure that can address the goals and objectives of the department	Approved and acceptable organizational structure	Continued implementation in terms of recruitment and selection	Achieved
4	Co-ordination and integration of training programmes undertaken within the department in accordance with legal	Develop a Workplace Skills Plan	An approved plan	Update plan according to job profiles	Continuously implementing Workplace Skills Plan.
	requirements as well as reporting requirements	Introducing ABET programmes	Registered illiterate workers 40% of illiterate workers	80% pass level 1, 2 & 3	Achieved

	_	Output performance	Actual performan	ce against target
Measurable Objective	Outputs	measures/service delivery indicators	2009/10 Target	2009/10 Actual
	Addressing the Implementation of the scarce and critical skills	Having the engineers, quantity surveyors, architects in the department	More learners on these programmes	4 full bursaries were awarded. 1 Quantity Survey and 3 Civil Engineer
To ensure effective records management	To implement and maintain an approved filing plan	Approved filing plan implemented and approved	70%	80%
Communications Development and implementation of internal and external communication strategy	Ongoing participation in communication forums such as the Provincial Communicators forum and Transport Communicators forum	Department's communication strategy aligned to the province's	Ensure that the development of strategy will go inline with the government communication cycle	Not achieved
To manage and support the departmental fleet within directorates	12 Advisory Committee meetings	Consistency with transport policies	12 Meetings	4 Meetings
Support and coordinate all special programmes with regard to Gender, Disability , HIV/AIDS, Youth and Children	Monitor all departmental programs with regard to their gender implications	Compliance with legislation, Provincial and National Mandates	Assess 12 monthly reports regarding women empowerment process and implications Conduct 2 surveys with regard to the accessibility of the departmental services to the disabled Expose 500 employees to HIV/AIDS	Assessed three quarterly reports Requested for three reports to assess how the departmental services are accessible to the disabled but received only two reports Exposed 90% of the entire staff to HIV/AIDS Education.
Develop and management of departmental security policy and other related policies	Security policy adopted	Policy drafting which is Minimum Information Security Standards policy • Document security • Physical security • Computer security • Communication security • Security branches	Policies Compiled and approved	Compiled and presented but not approved.

Reasons for major variances:

The file plan was approved and implemented but the line function file plan of the public works is not implemented.

The departmental communications strategy was not initiated and implemented as initially envisaged. The key reason for that is because the Provincial Programme of Action, which is ideally aligned to the communications strategy, was not introduced in the 2009-2010 financial year; consequently, the drafting of the strategy was belated, in contrast to the Government Communication Cycle which is articulated in the Government Communicators' Handbook.

LEGAL SERVICES

	_	Output performance	Actual performance against target		
Measurable Objective	Outputs	measures/service delivery indicators	2009/10 Target	2009/10 Actual	
Set up a structure and develop systems for effective legal advisory and support service	Review of organizational structure.	Recruitment of appropriately qualified staff.	50%	0%	
	Acquisition of research and support material	Well resourced library and up to date research material	60%	60%	
m ()	Development of relevant skills	Consistency and accuracy of legal advice	50%	25%	
Review and develop provincial legislation	Initiation of process for enactment of provincial roads	Draft Bill for internal consultation	100%	0%	
	legislation Consultation with key stakeholders on draft NC Roads Bill	Initiation of legislative process	100%	0%	
Develop system for promotion of policy and legislative compliance	Analyse applicable legislative and policy instruments for compliance gaps	Identified compliance gaps	Ongoing	100%	
	Implementation of remedial plan	Regular engagement with decision makers	ongoing	50%	
	Hold regular workshops with decision-makers on exercise of powers	workshops	2 workshops	0	
Develop system for efficient contract & property management	Review rental debt collection system to increase efficiency	Increased collections and lease compliance	10%	0%	
I TO THE REAL PROPERTY.	Review method and system for registration of title deeds	Faster registration process	5%	5%	
	Develop system to monitor contractual compliance and performance	Existence of a system	100%	0%	
	Develop protocols for engagement with municipalities	Signature of protocols	80%	100%	
Formulate department's collective bargaining and dispute resolution strategy	Support development of an effective mandating system	Make definite proposals for a mandating system	100%	100%	
Sti diegy	Monitor implementation of collective agreements	Compliance with collective agreements	10%	5%	
Al- Es	Support development of dispute resolution strategy	proposals to the employer	100%	0%	
Reasons for major variances: The lack of movement on the development of the Roads Policy makes it impossible to start with the drafting of the provincial roads legislation.					

2.2 FINANCIAL SERVICES

Measurable Objective	Output	Output performance	Actual performance against targe	
		measures/service delivery indicators	2009/10 Target	2009/10 Actual
To ensure proper financial administration with regard to revenue and expenditure	Submit financial statement in accordance with the PFMA regulations	Financial Statements accepted on time by the Auditor-General	31 May 2009	Achieved
management	An Annual budget is compiled	All responsibility managers are involved in budgeting process	Approved budget statement by January 2009	Achieved
	A departmental strategic plan is compiled	All managers involved in strategic planning process	Approved strategic plan by 15 April 2009	Achieved
	Empowerment of HDI suppliers and contractors	Number of contracts awarded to BEE and SMME	70%	Not achieved
Provide an independent evaluation of the adequacy and effectiveness of internal controls established by management.	Asses the effectiveness of Internal controls according to a risk based audit plan:	Approved Risk based audit plan	Evaluate all High Risk , 70% of Medium Risk and 30% of Low Risk Areas	Not achieved

Reasons for major variances:



3. PROGRAMME 2: PUBLIC WORKS

3.1 Purpose

The management of the Provincial Property Portfolio entails the acquisition of property required for use by user departments.

3.2 Measurable objective

It further entails initiating and overseeing construction, upgrading, rehabilitation and scheduled maintenance of all infrastructure related projects. It also includes the rendering of professional services such as architectural, quantity surveying, engineering, project management, horticultural, telecommunication and cleaning services.

3.3 Service delivery objectives and indicators:

A total number of 85 infrastructure projects were identified.

Of these:

- 69 are completed;
- 15 are in construction, and
- 1 is in tender evaluation stage

The Schools Refurbishment Flagship programme consisted of minor repairs to a total of 40 schools. The programme provided soft skills and practical training to community members as part of job creation and at the same time addressing basic maintenance at school buildings. A total of 80 learners from 40 communities benefited from the programme.

The Early Childhood Development (ECD) Classrooms programme consisted of the construction of 16 single classroom and 2 double classroom units. Of these projects, 11 are completed and 7 are still under construction.

The department has also implemented numerous projects on behalf of the department of Education, and these include:

- 13 Ablution Blocks
- 5 classroom projects
- 1 science laboratory

Kimberley Conference Centre (Multi-year Project)

The department has commenced the process to recover the damages suffered as a result of termination of contract. The project is 53% complete.

The New Upington Hospital is progressing well and is on schedule for completion in November 2011. The project budget is estimated at R 580m and construction is 37% complete.



The District and Community Libraries programme consists of construction of 4 libraries with a budget of R30 million in the following communities:

- Barkly West,
- Hartswater and
- Richmond.

The utilisation of property to promote integrated development, and to contribute to the establishment of sustainable human settlements.

The disposal of superfluous properties, which will be used for the development of a parliamentary village.

The identification of properties for disposal or major projects that could serve as a catalyst for unlocking significant economic activity in a particular area, thereby contributing to accelerated and shared economic growth.

Ensure that all properties and facilities are properly maintained and compliant with occupational health and safety regulations.



Service delivery achievements:

PUBLIC WORKS

		Output performance	Actual performance against targe		
Measurable Objective	Outputs	measures/service delivery indicators	2009/10 Target	2009/10 Actual	
Construct immovable assets or upgrading refurbishment to meet the needs of Provincial Departments	Improve client relations with client departments by entering into service delivery agreements	Approved SDA and /or IPIP's	IPIP in place with departments	Plans in place	
	Have monthly meetings with client departments	Satisfied client departments	10 monthly meetings with major client departments	12	
A STATE OF THE PARTY OF THE PAR			1 to 2 meetings with other departments	17	
Project Management of projects including planning, design, procurements by SCM and construction that takes between one to five months for projects below R2m and multiyear for projects above R2m. Performance	Do surveys preliminary planning and cost estimates to determine the scope and extent as well as costs of projects after the client department completed the feasibility study	Number of projects identified by client departments	Per the needs identified by clients according to the IPMP process		
is measured in terms of quality control, timeframes, budgets and			Health 8	13	
compliance to specifications			Education21	32	
			Social Services 3	4	
).			Sport 1	8	
TV-			Transport 2	4	
Marie St.				Agriculture 3	
	Designs and specification	Number of Projects	Health 8	13	
2.0	completed for Infrastructure projects	completed in accordance with IPIP	Education 28	28	
	bi alects	""	Social Services 2	2	
200			Sport 1	8	
A			Transport 2	3	
			6	Agriculture 2	
	New construction / Upgrading and rehabilitation of infrastructure	Number of Projects completed in accordance with	Health 13	17	
A THE STATE OF THE	projects	IPIP [*]	Education 63	84	
0.0			Social Services 3	2	
			Sport 6	3	
-			Transport 5	4	

		Output performance	Actual performanc	
Measurable Objective	Outputs	measures/service delivery indicators	2009/10 Target	2009/10 Actual
Implement project planning and system control	Implement Proman in Directorate	System in operation	April –May run pilot for Health and Education June –August fully implemented for health and Education Sept-March all other	85% implemented; New reports added
	Improve client relations with client departments by entering into service delivery agreements	*Approved SDA and /or IPIP's	IPIP in place with departments	Plans in place
Maintain existing immovable assets or to meet the needs of Provincial Departments	Have monthly meetings with client departments	Satisfied client departments	10 monthly meetings with major client departments	12
			1 to 2 meetings with other departments	17
Project Management of projects including planning, design, procurements by SCM and maintenance execution that takes	Do surveys preliminary planning and cost estimates to determine the scope and extent as well as costs of projects	Number of projects identified by client departments	Per the needs identified by clients according to the IPMP process	
between one to five months for			Education 30	85
projects below R2m and multiyear for projects above R2m.		And the second	Social Serv 15	5
Performance is measured in			Sport 1	5
terms of quality control, timeframes, budgets and compliance to specifications			Transport 2	13 Health 4
	Designs and specification completed for maintenance projects	Number of Projects completed in accordance with IPIP	Education 32	Agriculture 3
			Social Serv 15	
			Sport 1	
			Transport 3	
				Health 4
		AL L. CD.	r,	Agriculture 3
	Implementation phase of maintenance projects	Number of Projects completed in accordance with IPIP	Education 62	88
			Social Serv 20	11
			Sport 1	2
			Transport 8	13
				Premier's Office 11
Reasons for major variances:				A A A

Property Management

Measurable Objective		Output performance	Actual performance against to	
	Outputs	measures/service delivery indicators	2009/10 Target	2009/10 Actual
Acquisition of property	Register for collection of rental from tenants in state houses / buildings	Monthly reminders to tenants on outstanding rentals	100%	
	Proper record of condition on properties let out	Monthly reports on conditions of assets by means of physical inspections	1	
	Collection of rentals	Timeous collection of rentals	100%	
Ensure effective cleaning and gardening services	Revise all existing contacts	All contracts comply to standards	100%	100%
See A	Regular inspections	Monthly reports	48	100%
To vest land in the Province	Identification of properties be vested in the name NCPA	Verification via inspections	300	298
	Register applications at the Provincial State Land Disposal Committee	All land in the name of the province registered	100%	100%
Administration and maintenance of office and housing accommodation	Continues communication with occupants	All clients consulted and needs satisfied	0	100
	Review the asset register	Physical verification of immovable assets	300	3220
	Structured formal asset management forum	Minutes of meetings	4	1
Reasons for major variances				





4. PROGRAMME 3: ROAD INFRASTRUTURE

4.1 Purpose

The purpose of this programme is to provide and maintain an integrated road infrastructure that is safe and functional to support social and economic development. The main functions include: the planning and design of road infrastructure; the construction of new infrastructure; and routine, preventative and periodic maintenance. When referring to roads this includes all elements of roads within the road reserve including, but not limited to, the pavement, bridges and signage.

The administration programme serves as a support function to other programmes such as infrastructure, public transport, public works and expanded public works programmes by rendering services like human resource, legal services, communication services, supply chain management services, special programme, internal inspectorate and risk management.

4.2 Measurable objective

To promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and economic growth.

4.3 Service delivery objectives and indicators:

Mothibistad to T-junction of D3031

This project consisted of upgrading 13.787km of road D300 from Mothibistad to the junction of the road D3031 to surfaced standard. The construction mainly followed the existing gravel road. The commencement date of the Contract was 20 June 2008, and the completion date was 11 May 2009. The construction cost for the project was R22 238 984.71. This project created 39 jobs.

Upscaling of EPWP Bulletrap Road

This project consisted of the upgrading of a 7km gravel roads between N7 and the Bulletrap community to a surfaced standard. The commencement date for this project was 31 July 2007 and was completed on 01 October 2009. The construction cost for the project was RI5 785 574.09. This project created 35 jobs.

Ntsweng to Tsineng Road

A new surfaced road is being constructed between Ntsweng and Tsineng at a total cost of R67 million. This project consists of upgrading to surface standard of 23.6km gravel and sealing the existing 8.6km surfaced road with an overlay of asphalt. Construction commenced on 04 June 2009 and it is anticipated to complete on 03 August 2010. Jobs created - 40 females and 56 males, of these 70 are youths.

Churchill to Bendel Road

A new surfaced road is being constructed between Churchill and Bendel at a total cost of R94M. This project consists of upgrading to surfaced standard of a 42km gavel road. Construction commenced on 13 January 2010 and it is anticipated to complete on 13 September 2011. It is anticipated that more than 120 jobs will be created in this project.

4.4 Service delivery achievements:

- M 11 min 11	Outputs	Output performance	Actual performance against target	
Measurable Objective		measures/service delivery indicators	2009/10 Target	2009/10 Actual
Implement economic, efficient and transparent processes in	All management plans to be in place	Number of Approved plans	Maintenance Strategy	100%
the Directorate Roads	Finalise the Northern Cape Roads Act	Completed and Adopted NC Roads Act	Finalise and distribute for comments the Draft Act	100%
	Manage budget processes	Monthly BAS reports % of budget spent at the end of the financial year	Monthly financial reporting with updated early warning system 100% of budget spent at the end of financial year	100%
Manage and ensure the upliftment of personnel within the directorate	Complete performance agreement for all personnel	No of Signed agreements	Agreements for all personnel signed and HRM	100%
	All technical personnel to register with the applicable recognised body e.g. ECSA	No of technical personnel registered	100% of technical personnel registered as Candidates	50%
P-0 - 0 - 0 - 0 - 0 - 0 - 0 - 0 - 0 - 0	Develop and refine performance management instruments	Number of Performance management instruments finalised	100% of performance instruments completed	100%

PLANNING & DESIGN

	The state of the s				
		_	Output performance	Actual performanc	e against target
	Measurable Objective	Outputs	measures/service delivery indicators	2009/10 Target	2009/10 Actual
C. Marrie	Provide an integrated road infrastructure network plan (5 to	5 year plan capturing IDP priorities	Finalised infrastructure plan	Infrastructure plan finanlised	100%
Dem In	10years) in accordance with IDP's in the Province	Update and refine the rehabilitation and maintenance plan	Identified Length of plan	10 year plan priorities	100%
STORY SOUTH	Develop, update and maintain infrastructure information systems	Update management systems	Annual updating on management systems	Annual updating on management systems	100%
(P)	Compile procedure manual for roads directorate	Procedure manual completed	Procedure manual completed	Construction 100% completed	100%
	Identify a road network to enhance economic growth and development as well as access	Road network where all access/ roads identified as well as economic importance of each road in Province	Minor roads closed and numbered	Completed 100%	50%
	Design the necessary structures for roads	Design safe and labour optimised projects	Number of designs completed	0	
1	Design the necessary roads	Design safe and labour optimised projects	Number of designs completed	2	Colesberg-Tender O'Kiep-Tender

Design the necessary roads for	Design safe and labour	Number of designs completed	3	Karakoel 100%
Scaling up of EPWP	optimised projects			Uap Pahese2 100%
				Jooste Eiland 100%

Reasons for major variances

All the consultation processes and maps for the process were completed during the previous financial year. The consultation process with the District Municipalities were done during this year and all finished as well as all the roads's RL diagrams. One of the delays were the reporting back by the District municipalities as some of them did their own investigation to verify what the impact of closing some of the roads will be on the total network. The GIS work was also much more than what was anticipated.

The tender for Colesberg and O'Kiep was advertised on time but after the report from the Project leader was submitted to SCM, no appointment were made

CONSTRUCTION

		Output performance	Actual performance against target		
Measurable Objective	Outputs	measures/service delivery indicators	2009/10 Target	2009/10 Actual	
Address all safety improvements and accessibility of roads	Number of Projects started/in progress/completed	% complete per project/year	Asbestos Roads	100%	100
Improve the geometrics and capacity of surface roads	Number of Projects started/in progress/completed	% complete per project/year	0	新正	1000
Improve the geometrics and capacity of gravel roads	Number of Projects started/in progress/completed	% complete per project/year	0	国	THE PERSON NAMED IN
Improve and upgrading of gravel roads to surface roads	Number of Projects started/in progress/completed	% complete per project/year	Hopetown – Douglas Vosburg – Carnarvon Ntsweng- Tsineng	50%Retention 0% 58% 50%	Commercial Section
			Scaling up EPWP Mothibistad Uap Hotazel van Zylsrus Karakoel Road Jooste Eiland Hartswater Longlands Bulletrap	100% 0% 75% 0% 0% 0% 0%	The state of the s
Building new surfaced roads	Number of Projects started/in progress/completed	% complete per project/year	0		10
Building / rehabilitate bridges	Number of Projects started/in progress/completed	% complete per project/year	0		W 17 18 18
Regravelling of gravel roads	Roads regravelled	Nu <mark>mbe</mark> r of kilometers	0		100
Resealing of roads	Roads respaled	Number of kilometers	0	Car	B 10.00
Rehabilitating of roads to an acceptable standard	Number of Projects started/in progress/completed	% complete per project/year	D		18

Reasons for major variances

Longlands, Hartwater and Prieska were not finished due to the consultants who did not perform and taken from the project. Money were transferred to the local municipality for Longlands to start with the project. Uap, Jooste eiland and Karakoel were advertised on time but no appointment was made.



M 11 81	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
Measurable Objective			2009/10 Target	2009/10 Actual
Routine maintenance and reseal on paved roads	Provide a safe road and usable structures for all Road users	All surface repairs Km resealed	1799 m2 100 km 25 km	67382m7178m 2 511km
Routine maintenance on gravel roads	Provide a safe road and usable structures for all Road users	Bade km Km regravelled	15 000 km	19427km 26268 km
Develop maintenance policies, norms and standards	Maintenance Policy with norms and standards	Uniformity with acceptable standards	40%	85%
Management of the roads capital trading account	80% of approved budget	Funds available from Departmental Budget	80%	90%
Provide subsidies to local municipalities for maintenance of roads	Budget for municipal main roads	Funds available from Departmental Budget	Budgets approved by Feb/March	0%
Reasons for major variances			The state of the s	•





5. PROGRAMME 4: PUBLIC TRANSPORT

5.1 Purpose

Land transport mainly concentrate on the restructuring of taxi industry, the permit board, transport planning and bus subsidies.

5.2 Measurable objective

To plan, regulate and facilitate the provision of public transport services through co-operation with national and local authorise, as well as the private sector in order to enhance the mobility of all communities particularly those currently without or with limited access

5.3 Service delivery objectives and indicators:

- The taxi recapitalization programme will force provinces to upgrade ranks and bus ranks to accommodate new vehicles in the
- The development, implementation and update of 5 District Integrated Transport Plans.
- The development, implementation and update of 27 Local Integrated Transport Plans
- Management of the transition of the minibus taxi and SMME bus operators to formal business entities;
- Various training and other programmes targeting the public transport operators and drivers such as the introduction of different drivers licenses with a demerit system, a drug recognition system, advanced driving skills, etc;
- Awareness campaigns and information dissemination to inform the public and users of the system of the changes to the restructured services;
- In line with programme of the Transport Registrar provide training and assistance to the minibus taxi industry with respect to the understanding of their Constitutions and their compliance responsibilities;
- Improving the safety and roadworthiness of public transport vehicles through the minibus taxi recapitalisation programme and the restructuring of scheduled services, as well as more regular and stringent roadworthy testing;

Conversion of permits to operating licenses

The Board received a total of 1 168 applications. All these have been verified and approved while 1 160 have been uplifted by operators.



Construction of Taxi Ranks

Implementation Protocols were compiled by Legal Section for the following four Local Municipalities: Dikgatlong-; Phokwane-; Magareng:- and Umsobomvu Local Municipalies. The Protocols were signed by the Municipal Managers as well as the HDD. Khara Hais LM has appointed a project manager and the work has commence. The Service Level Agreements signed for two taxi ranks at Dikhakong- and Batlharos towns are monitored. Springbok Taxi Rank was completed and opened by the MEC during Transport Month. Nama Khoi has also submitted a new Business Plan for the fencing of the rank. (Second phase). An implementation Protocol were compiled and signed by the Municipal Manager as well as the acting HOD, Mrs. R. Palm.

Shova Kalula Bicycle Project

The Business Plan for the Shova Kalula Bicycle Project was approved by National Department of Transport and the Northern Cape Department of Roads and Public Works has received 1850 bicycles during January 2010. The bicycles were distributed to 62 schools province wide.

Public Transport subsidy

The appointment of the Consultants has been extended to develop Public Transport Designs for the entire province.



5.4 Service delivery achievements:

	Outputs	Output performance measures/service delivery indicators	Actual performance against target		
Measurable Objective			2009/10 Target	2009/10 Actual	
Ensure the implementation of all relevant Legislative prescripts (NLTTA, NCLTA)	Complete and implementable transport plans	Successful implementation of all relevant legislative prescripts	Review Regulation	The National Land Transport Act, Act 5 of 2009 was only published during December 2009	
Ensure the development of all Transport Plans in the province	Development , implementation and update of all prescribed Transport Plans	Successful completion and implementation of transport plans	Review, update and implement ITP's aligned and integrated into municipal IDP's	Terms of Reference for the updating of PLTF was submitted for approval	
		Provincial White Paper	Implement Provincial White Paper	ė.	
		Provincial Transport master Plan	Implement Provincial Transport master Plan		
Ensure the provision of transport infrastructure and facilities	Assist Municipalities with the construction of public transport facilities	Completion of the first 9 taxi ranks	Completion of the construction of 9 taxi ranks	The following Taxi Ranks were completed namely De Aar. Springbok and Barkly West. Both Municipalities request extra funding for further refurbishments	
Orovide for the development of airports in the province	A completed Provincial Airports Development Strategy	Finalised Strategy	Appoint consultants to develop and finalise the strategy	In the process of compiling Terms of Reference	
Provide for the development of rail infrastructure and Operations	A completed Rail Revitalization Strategy	A finalized Strategy on Rail Revitalization	Implementation of the strategy interventions	Continuous process	
Ensure the planning and implementation of non-motorised transport infrastructure and facilities	Comprehensive Non- motorised Transport Programmes and projects	Completed Plans and Infrastructure interventions	Establish Five bicycle shops and increase the number of bicycle beneficiaries	1850 bicycles was distributed to 63 schools province wide	
nsure the development of comprehensive public transport networks	Comprehensive Public Transport Network Systems throughout the province	Completed Public Transport networks	Develop terms of reference for phase one action plan	Draft document was submitted for comments	
Provide for the Management of public transport subsidies	Efficient management and monitoring of subsidy contracts in the province	Efficiency of subsidized contracts to users of public transport services	Design services for Hartswater, Kimberley and Kuruman Contracts.	The draft Public Transport Network document was submitted	
Develop and implement a policy or special needs users of public ransport	Policy on special needs users of public transport	Improve levels of access to public transport by persons with disabilities	Complete the policy on special needs transport	Terms of reference were compiled and submitted for approval	
Provide for the planning and provision of air transport services	The introduction of scheduled and non-scheduled air transport services linking Kimberley to Upington, Springbok and Johannesburg	The operation of scheduled and non-scheduled air transport services	Commence with the introduction of the services	Ongoing process	

	Measurable Objective	Outputs	Output performance measures/service delivery indicators	Actual performance against target		
				2009/10 Target	2009/10 Actual	
	Provide assistance to the taxi industry in terms of economic opportunities	An economically empowered taxi industry	Sound management of the affairs of the Provincial Taxi Council (PTC)and its affiliates	Assist the PTC with the development of an Economic Development Strategy	A business plan was submitted	
	Ensure the development of small bus operators	A comprehensive programme to assist PDI bus operators in the province	Improved opportunities for PDI bus operators	Provide opportunities for small bus operators to participate in public transport contracts	A database for small bus operators were compiled	
	Provide for the establishment and support of Transport Forums in the various transport sub-sectors	Ensure the establishment of a stakeholder base for all transport matters in the province	A well informed Transport stakeholder base	Finalise Terms of Reference for the establishment of Transport Forums	Terms of Reference for the establishment of the Transport Forums was approved	
120	Provide training in transport matters for operators in the transport sector	A comprehensive Training Plan for stakeholders and officials in the transport sector	The implementation of the sector training plan for the taxi industry	Establish a needs analysis of training in the taxi industry	TETA trained 30 operators	
	Ensure the development of a provincial Freight Logistics Strategy	A comprehensive Freight Logistics Plan	The implementation of the strategy options	Commence with implementation plan	Implementation Plan not yet approved	
The state of the s	Ensure the development of Freight Development corridors	Well defined freight corridors	Proper functioning of corridor development forums	Support forums in the implementation of corridors development interventions	The Freight Forwarders forum meet on a quarterly base	
	Provide for freight modal development across all modes	Optimal utilization of all modes	Sustained optima <mark>l utilization of</mark> all freight modes	Implement interventions to increase capacity of under-utilised modes	Ongoing process	
	Ensure the development and maintenance of Freight Information Systems	A comprehensive freight information system	Completion of a comprehensive information system for freight	Complete update of databank	Terms of Reference for the update of the Freight Strategy was compiled	
	Ensure the smooth Administration of the Registrar's office	Finalization of the registration process	Number of registered operators and associations The improved level of democratic practices within the industry	Ensure that all associations receive final and full registration	Ongoing process	
・地・	Provide for the Administration of the Operating Licence Board	Completion of the Conversion process	Number of conversions completed	Update and maintenance of information systems	Ongoing process	
SA CALL				Establish second office in Upington	The establishment of a regional office in Upington is under investigation	

Reasons for major variances

Most of the projects were not completed due to various reasons. The main reason is that the Transport Section was supposed to incorporate with Department of Transport, Safety and Liaison during the 2009/10 financial year but the actual date was never communicate to the Section.

The Implementation Protocols for the upgrading of taxi ranks were only signed during November 2009.

6. PROGRAMME 5: COMMUNITY BASED PROGRAMME

6.1 Purpose

The aim of the programme is to alleviate poverty and create job opportunities. EPWP is a short- to medium-term strategy to increase economic growth so that the number of net new job opportunities being created starts to exceed the number of new entrants into the labour market; and secondly to improve the education system such that the workforce is able to take up the largely skilled work opportunities which economic growth will generate.

6.2 Measurable objective

To manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors. This includes the provincial management and co-ordination of the Expanded Public Works Programme.

Service delivery objectives and indicators: 6.3

EPWP Phase II started on the Olst April 2009 and aims to create 4, 5 million work opportunities in the next 5 years. The Province must provide 106, 193 work opportunities.

The Provincial target for 2009/2010 was 13031 work opportunities. At the end of the 3rd Quarter, the Province achieved 12, 432 work opportunities which is 95% of the target, across all Sectors. This excludes Municipalities, which created additional 2,000 work opportunities against a target 3,678 work opportunities; and National Departments in the Province which created an additional 4,245 work opportunities. Overall the Province has created 18,677 work opportunities.

- Most of the work opportunities were created in the Infrastructure Sector, which is the main driver of EPWP in the Province.
- The Social Sector also exceeded its target by creating 5,875 work opportunities against the target of 2,650.
- The newly created Non-State Sector exceeding its target by creating 354 work opportunities against a target of 300.

CIDB Construction Contact Centre Northern Cape

- Total number of active contractors has increased to 1100.
- 58 Contractors upgraded to higher grades (Grade 2-8) between June 2009 and March 2010.

Vukupile Contractor Development Porgramme

- 15 Learnerships completed their first phase training at the end of July 2005. All these learnerships were then placed on different projects for their practical training. The second phase of the theoretical training started in June 2006 and will be completed at the end of July 2007. 12 of the learnerships are now busy with their practical training on the following access roads.
- 6 of the 12 exited the programmes for various reasons and 6 successfully continue their participation in the program. 4 of the 6 were registered at the CIDB contractors register. These learners has joint the department in terms of our Management Plan as emerging contractors who completed their learnerships and are now in the Exit Phase.

6.4 Service delivery achievements:

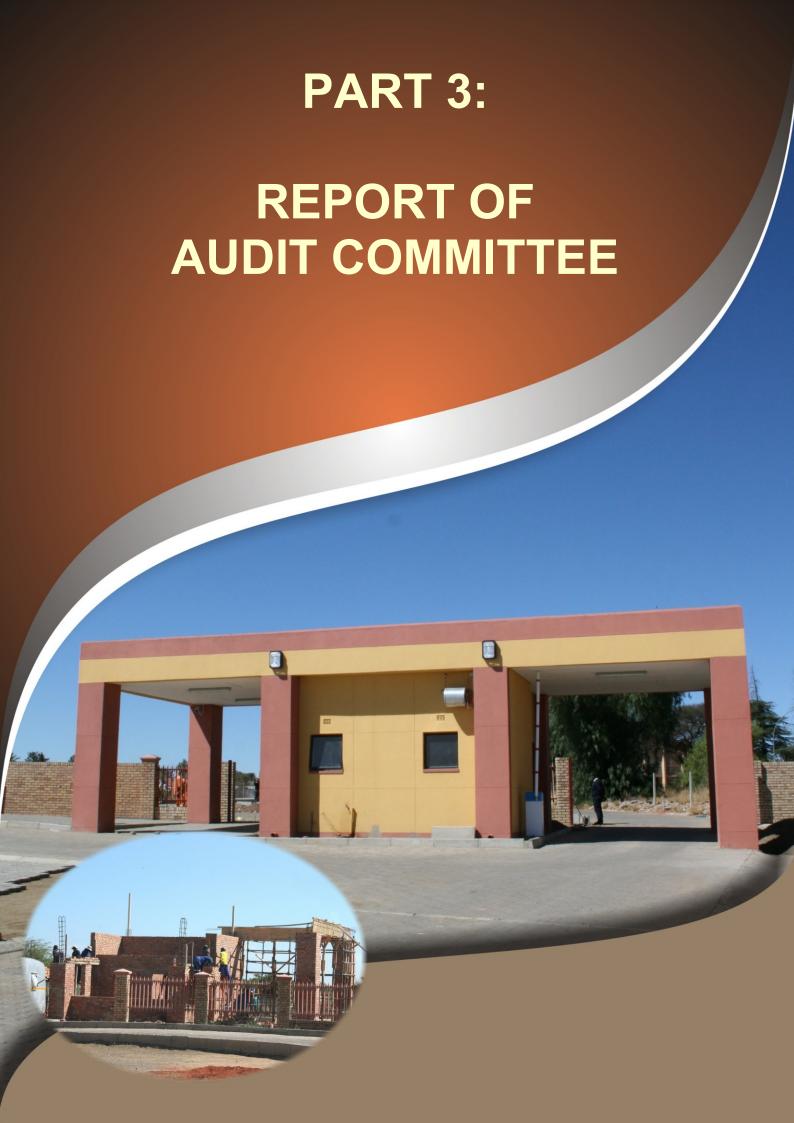
W U. W		Output performance	Actual performance against target			
Measurable Objective	Outputs	measures/service delivery indicators	2009/10 Target	2009/10 Actual		
Improve the grading status of contractors in terms of CIDB	Contractor at levels must have ascended to higher levels	Number of contractor upgraded from grade 1 to grade 2	Grade 1 =10	0		
		 Number of contractor upgraded from grade 2 to grade 3 	Grade 2=6	0		
		Number of contractor upgraded from grade 3 to 4	Grade 3= 4	0		
A Comment	Contractors at lower levels must have received accredited	Number of contractors trained	Grade 1 =10	0		
	technical and business management skills		Grade 2=6	0		
45			Grade 3= 4	0		
Create sustainable contracting enterprises by enabling continues	To provide sustainable work opportunities for the	Number of projects allocated	R200=10	0		
work through a competitive process	contractors	THE PARTY OF THE P	R500= 6	0		
			R1m=4	0		
Improve the performance of cotractors in terms of quality, employment skills development	Contractors must be competitive	Number of projects completed on time	20	0		
		Number of project completed within a tender amount	20	0		
To ensure inter-governmental relations in terms of EPWP	PCC fully operational with Executive Council mandate	Number of meetings and quality of reports submitted	Quarterly meeting/reports	3		
A. Area	Sector alignment and sector	All sector plans submitted, evaluated and approved	Quarterly feedback and appropriate action taken	4		
*	To facilitate the Regional EPWP forums	Regular meetings with the forums	Monthly meetings/reports	4		
To ensure that skills development implemented in all EPWP projects	Coordinate training activities with implementing agents	Compile database	75%	No database in place		
399	Ascertain training implementation	Number of training days	100%	30,64%		
To ensure that all the EPWP projects have designated groupings	Women Youth Physically Challenged BEE	40% women30 youth1% Physically Challenged100%	100%	30% 32% 0,34%		
To ensure that all projects complies with the agreed EPWP guidelines	Compliant contract documents	Labour intensive specifications	50%	0		
	Registered consultants	NQF 5 LIC and NQF 7 LIC		0		

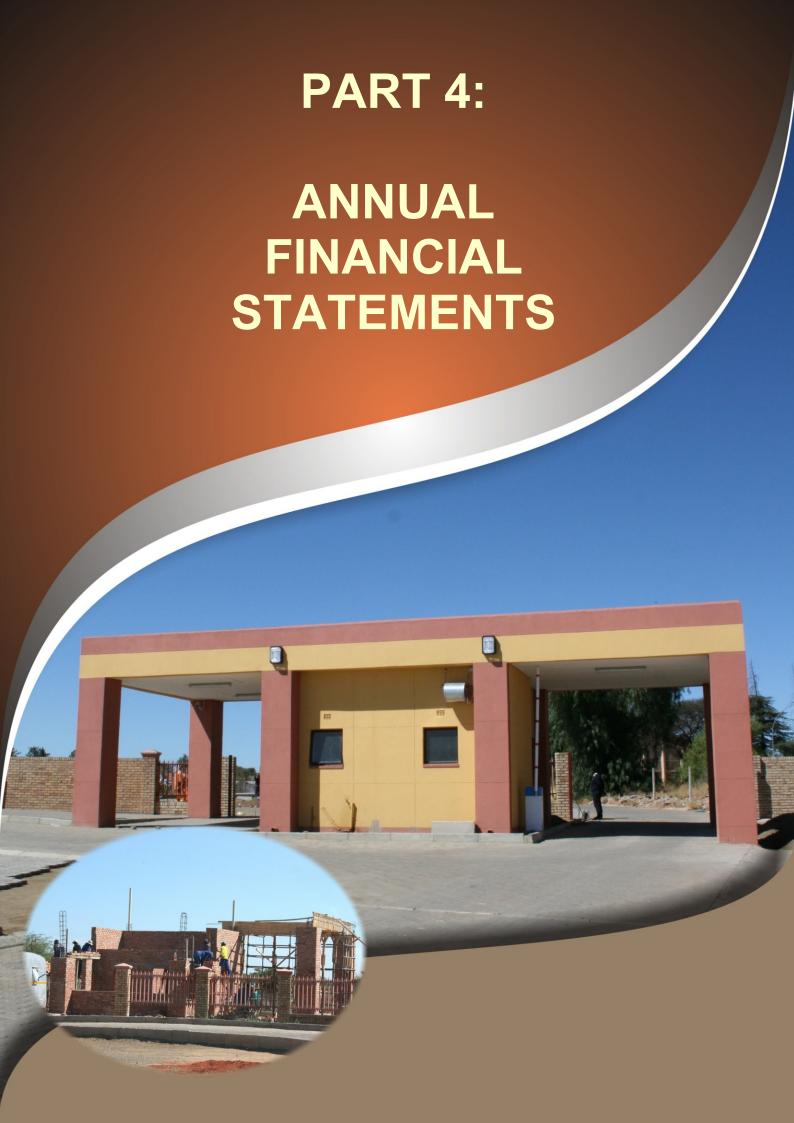
W 11 81: 11		Output performance	Actual performan	ce against target
Measurable Objective	Outputs	measures/service delivery indicators	2009/10 Target	2009/10 Actual
To ensure development and empowerment of communities	Programmes are implemented	Number of people employed	1200	18,677
. 1		Number of employment days	60	4,169
		Number of jobs created	1200	18,677
		Number of youth employed	360	192 (NYS & Phakamile Mabitja)
		Number of women employed	600	0
		Number of people trained	1200	30,64

Reasons for major variances

- Difficulty in reporting against the set targets. Targets sets and performance reported are incompatible; they do not speak to the EPWP business
- Training in EPWP is not a key component of EPWP 2;
- Performance indicators are inconclusive and need to be adjusted;
- Emerging Contractor Development and strategy are not in place and ECDP could not be rolled out;
- Targets for ECDP must be amended to talk to the Department's core function (to facilitate contractor development and not to upgrade, CIDB upgrades contractors);
- Lack of contracts awarded/ ring-fenced for the purpose of developing contractors;
- Vague plans for youth development programs such as Phakamile Mabitja particularly with the placement of learners for on-the-job-training.
- Lack of commitment on contractor development programs;









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REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

1.1

General review of the state of financial affairs

Important policy decisions and strategic issues facing the department

In relation to the funding of infrastructure programmes and in terms of S13 of the Division of Revenue Act. The Provincial Departments of Health and Education are responsible for all capital and maintenance budgets and spending. As the Department, we manage and undertake construction and maintenance on their behalf and entered into service delivery agreements with them.

Compliance with the Construction Industry Development Board Act of 2000, that took effect 31 August 2005. As an infrastructure delivery organization, the Department registered with the Construction Industry Development Board to gain access to the Register of Projects and the Register of Contractors.

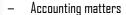
Expanded Public Works Programme (EPWP)'s renewed mandate entails implementing a strategy for the up-scaling of the EPWP to give further impetus to bridging the gap between the first and second economies through the creation of work opportunities coupled with skills development.

The promulgation of the Government Immovable Management Act (GIAMA) in November 2007 (Act 19 of 2007), will enhance the asset management function.This Act provides for both national and provincial gov<mark>ernments</mark> to improve the management of their immoveable assets. This will give the department which acts as custodian of the provincial property portfolio more power to ensure that users of provincial prope<mark>rties use such</mark> properties optimally. We must maintain a complete asset register, alignment of assets with service delivery objectives.

The Department has embarked on capacity-building o<mark>f its workforce and</mark> its Workplace Skills Plan was approved by CETA and PSETA and implementation thereof is progressing well. This involves training of the Skills Development Co-coordinators and the ABET Educators. The Department also fulfilled its obligation in terms of human resource development by appointing interns and continuing with financial assistance to in-service employees and prospective employees under the bursary scheme.

The delivery of maintenance, reconstruction, rehabilitation and upgrading of road infrastructure and interchanges within the road network within the context of backlogs coupled with limited financial resources and aggravating flood damages.

Extensive in-house and external training of staff and management to cover the following:



- Budget process management
- Treasury Regulations
- PFMA
- Delegations
- **Budget Pressure**

The Department is confronted by daunting strategic issues that impact on the business of the Department. Critical to these strategic issues is the effective implementation of the following strategic policy imperatives rectified during the previous and current financial year.

- The effective implementation of EPWP;
- The effective implementation of the IDIP process;
- Integrated Infrastructure- and Service delivery.



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REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

1.2 Comment on significant events that have taken place during the year

An annual event is Transport Month held in October of each year. The aim of Transport Month is to promote public transport in its different modes, infrastructure development and economic growth in the Province. The launch of Transport month kicked off in John Toalo Gaetsewe district with the opening of the Mothibistad T-Juction road by the Premier and the Minister.

Other activities included the: -

- The Protocol on EPWP targets of 104 693 job opportunities was signed by the Premier and the Minster of Public Works.
- The taxi rank in Springbok, together with the Bulletrap Access road was launched.
- The South African Women in Transport programme was launched.

The construction of the conference centre came to a halt forcing the department to cancel the contract with the service provider and a new contractor was appointed in July 2009.

1.3 Comment on major projects undertaken or completed during the year

Public Works

- 11 X Ablution Blocks
- 3 x Admin Blocks
- 5 x classroom blocks
- 40 x education flagship projects
- 6 x New schools
- 18 x Early Childhood development classrooms
- 15 x clinic
- 3 x libraries
- Upington Hospital
- Kimberley Conference Centre

Road Projects

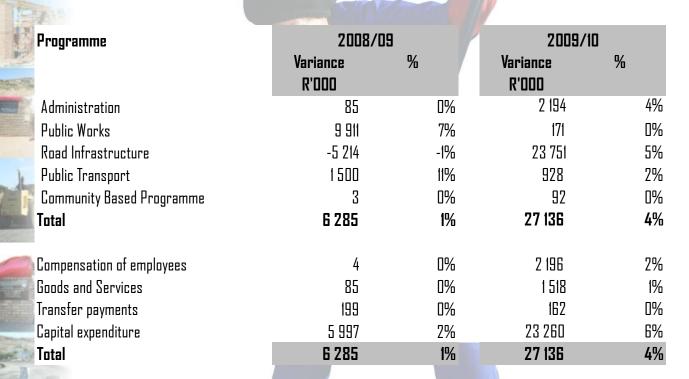
- Churchhill Bendel Road
- Nstweng Tsineng road
- Bulletrap road
- Hotazel van Zysrust road
- Asbestos Roads

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REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

Spending Trends

	2007	7-08	2008	3-09	2009/10		
Programme	Adjusted Budget	Final Expand	Adjusted Budget	Final Expand	Adjusted Budget	Final Expand	
Administration	40 610	40 610	48 496	48 411	58 108	55 914	
Public Works	75 252	75 252	146 377	136 466	157 887	157 716	
Road Infrastructure	371 198	371 198	427 380	432 591	445 448	421 697	
Public Transport	14 560	14 560	14 245	12 745	43 155	42 227	
Community Based Programme	49 575	49 575	51 734	51 731	47 992	47 900	
Total	551 195	551 195	688 232	681 944	752 590	725 454	



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REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

Reasons for underspending

The final appropriation for the 2009/10 financial year for the Department of Roads and Public Works was R752 5 million. The department spent R 712 888 million which resulted in a under spending of R 39 778 million. The department spent 99% of its total budget during the 2008/09 financial year. During this financial year (2009/10) the department decreased its spending to 96% of the total budget.

The department faced a number of challenges during the first six months of the financial year that resulted in the underspending. The department experienced financial pressures during the 2008/09 financial year due to the high rate for contract price adjustments and the additional work on the SKA road resulting in us overspending and made it impossible for us start any additional projects before the start of the 2009/10 financial year, although some of the designs were completed.

The service providers for all the designs of the under mentioned roads were already appointed during 2007/08 financial year.

- Vosburg Carnarvon Road
- Churchill Bendel road
- Longlands Access Road, Prieska Niekerkshoop Road and Hartswater road
- UAP phase 11, Jooste Eiland, Karakoel Access road

The slow progress was as a result of some service providers not performing in according to the agreed time lines. The contract of a consultant for three of the EPWP upscaling projects had to be cancelled due to non-performance. The other projects delayed because the designs were not EPWP compliant.

The department had to cancel the contract of the Vosburg - Carnarvon Road due to the high prices of the bidders which that made it unaffordable.

2. Services rendered by the department

The Department provides mainly four types of services:

The purpose of road infrastructure is to provide a balanced, equitable provincial road network that is accessible to all. The main functions include: the planning and design of road infrastructure; the construction of new infrastructure and the upgrading of existing; and routine, preventative and periodic maintenance as well as the rehabilitation of roads. In addition it includes the construction and maintenance of pedestrian bridges where these are required in order to allow for safe pedestrian access to public facilities in non-urban areas.

This Community Based Programme caters for the development of programmes designed to empower and transfer skills to historically disadvantaged communities, thereby facilitating the process of active participation in the economy of the country. In addition, this programme is aimed at the development and incubation of programmes that utilise the core functions of the Department to facilitate the principles of Broad Based Black Economic Empowerment and rural upliftment.

Public Works include functions ranging from asset management to maintenance of the provincial building infrastructure of the province.

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REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010



- Construction and maintenance of government buildings.
- Development of community infrastructure linked to economic development,
- Provision of government accommodation.



Virement means that an accounting officer may utilise a saving in the amount appropriated under a main in division within a vote towards the defrayment of excess expenditure under another main division within the same Vote subject to certain conditions and limitations. The table below shows the approved virements.

	Main Division			
5		From	To	Reason
-		ROOD	R'000	
No.	Administration	2 333	1398	Saving due to long processes of appointing personnel
200	Number delan	2 888	1000	Equipment purchased for additional staff
E	Public Works	2 648	8 939	Overspending due to security services and additional
				capital expenditure
	Roads	8 011	4 085	Savings on personnel cost due to retirements of road
Str.	A			workers
1	P <mark>u</mark> blic Transport	2 946	5 164	Amount cleared for bus subsidies (not received from
60	Maria Pro-			NDOT from previous years)
	Community Based programmes	4 857	1 047	Overspending on personnel due to additional staff
		3		appointments

Tariff policy

The fees charged and recovered for services rendered by the various branches within the Department have been calculated in accordance with either Provincial or National policy directives and paid into the Provincial Revenue Fund. Tariffs are reviewed annually and are based on sound economic and cost recovery principles in consultation with the Provincial Treasury. Approved tariffs exist for the following major services:

- Letting of properties and related services. This Department maintains a policy of levying market related tariffs for all leaseholds. These tariffs are determined by qualified property evaluators on an annual basis except where rental escalation is determined by running contractual agreements.
- Supply of information.
- Trading accounts. The basic principle of cost recovery is adhered to in the calculation of trading account tariffs.

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REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

3. Capacity constraints

Deficiencies in department capacity

The department had to review its structure as a result of policy changes and to respond to the challenges raised by the Auditor General. The units that required review was

- Property Management to respond to GIAMA
- Legal Service with view to address the issue contract management
- Policy and Planning which is continuously raised by the Auditor General
- EPWP

The department is not only confronted with the equity profile challenge in the engineering profession, but the competition for engineering skills with the private sector has intensified with the focus put on infrastructure economic development. A number of Engineers as well as technicians have resigned during the past financial year.

The Department is faced with a shortage of scarce skills, such as professionals in the building sector. Interventions in this regard include the development of a scarce skills strategy, increasing the number of bursaries awarded.

In order to strengthen capacity in the supply chain management environment the following key initiatives were completed:

- Training was offered and delivered to elevate the skills level of Bid Adjudication Committees members.
- Training was also given internally on the implementation of the Construction Industry Development Board (CIDB) requirements.
- The development of a database aimed at managing the information for training in the field of Supply Chain Management was initiated.

4. Utilisation of donor funds

The department does not receive any donor funds.

5. Trading entities and public entities

The department has the following trading account which is the Roads Capital Account

- The Roads Capital Account procures and hires out road building equipment to the Department. Equipment is charged out on an
 hourly or daily basis depending on the type of equipment or type of construction project. Charge out rates are revised
 annually.
- The HOD of the department is ultimately accountable for the trading account. The day-to-day running of the operations was
 delegated to the Chief Financial Officer. Separate financial statements are submitted on an annual basis.
- Legislation under the Trading accounts was established. Roads Capital Account: Ordinance 10 of 1960. Treasury regulations and PFMA. The latter is presented in accordance with the standards of GAAP (Generally Accepted Accounting Practices) in terms of Treasury Regulation 18.2

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REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

Organisations to whom transfer payments have been made

The department transfers funds to the following institutions:

Taxi Council

- The implementation of its own constitution;
- Better understanding of re-capitalization;
- To protect, secure and promote the interest of registered Taxi operators;
- To promote unity, stability and safety in the taxi industry

The Department transfers funds to the Taxi Council. These parties have signed a MOU and have submitted business plans. The Department receives Progress reports every Quarter and does an audit once per annum.

District Municipalities

The District municipalities were appointed as Agents to do maintenance on gravel roads. Service level agreements were signed with all the district municipalities to enable the department to have better control. A unit in the roads directorate was established to do quality control on the work done by the district municipalities.

Public private partnerships (PPP)

The Department entered into a PPP with Imperial Fleet Services on 30 October 2001, to provide transport to all Provincial Departments including Regional offices of National departments within the Province. The Partnership is monitored by officials from the Department as well as officials from other Departments who serve on the steering committee created for this purpose.

Corporate governance arrangements

8.1 Risk Management

A Consolidated Risk Report was provided by the department order to gain an understanding of the most significant inherent risks facing the Department, an approach of identifying and rating the most significant risks that could prevent the Department from achieving its objectives was adopted. The methodology is based on the principle that: -

- Executive and operational management, together with their nominees should be active participants in the risk identification and assessment process.
- A facilitated series of discussions and workshops would be the most effective manner in which to identify critical risks and risk areas that will need to be addressed through the activities of the internal audit and risk management functions.

The department of Roads and Public Works adhered to the principles and practices of good corporate governance during the last three financial years. This trend is set to continue, with the department focusing on the fine-tuning of certain corporate governance elements and the introduction of other. Where possible governance principles as prescribed by the King II report have been implemented, but the Department has for now mainly focused on elements as prescribed in s38 & 40 of the Public Finance Management Act.

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REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

8.2 Internal Control

To meet its responsibility with respect to providing reliable financial information, the Department maintains financial and operational systems of internal control. These controls are designed to provide reasonable assurance that transactions are appropriately authorized and recorded, and assets are adequately safeguarded against material loss through unauthorized acquisition, use, or disposal.

Compliance officers vested within an internal control inspectorate, supported by a self-assessment questionnaire, evaluated and monitored the functionality and effectiveness of internal controls and reported findings and recommendations to management. Remedial actions were taken to address control deficiencies and improve the systems as identified. There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention or overriding of controls. Consequently, even an effective internal control system can only provide reasonable assurance with respect to financial statement preparation and the safeguarding of assets.

8.3 Internal Audit

The Department makes use of a centralised Internal Audit component, as approved by the Provincial Parliament. The Shared Internal Audit Service is institutionally vested in and resourced by the Office of the Premier. Due to capacity constraints, the internal audit component did not function very successfully during the year. The internal audit plan, approved by the Audit Committee is based on the risk assessment.

8.4 Audit committee

The appointment of the Audit committee is the responsibility of the Provincial Executive Council as per audit committee charter. For the period under review all external committee members resigned and no activities relating to the committee were undertaken. Hence there is no audit committee report. The process of the appointment of new members is currently being undertaken and is led by the Head Official of Provincial Treasury.

8.5 Conflict of interest

Members of the Senior Management Service as well as other employees annually disclose their financial interest, the data of which should be captured on the personnel and salary system - PERSAL.

8.6 Code of conduct

All employees are expected to comply with the Code of Conduct for the Public Service. The purpose of the Code is to guide employees as to what is expected of them from an ethical point of view, both in their individual conduct and their relationship with others.

8.7 Safety, health and environmental issues

The Department has and maintains a Health and Safety Management Programme inclusive of Health and Safety Policy in accordance with the Occupational Health and Safety Act, 1993.



REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

8.8 The following elements of governance will remain the focus for the coming year:

a) Accountability

Annual performance contracts will be entered into with senior management of the department. The details of these contracts are based on the strategic and business plans for the 2009/10 year.

b) Discipline

Disciplinary processes within the department are aligned to both National and Provincial frameworks and are geared towards ensuring service delivery. The department will strive towards consistent and just application of our disciplinary processes during the 2009/10 financial year.

c) **External Reporting**

Monthly reporting, focusing primarily on financial issues, will still continue during the new-year. The department will however increase its focus on reliable and accurate projections of expenditure and revenue. In the first instance, this will control the risk of incurring unauthorized expenditure in relation to overspending of the Vote. Secondly, wasteful expenditure, in the form of interest penalties due to incorrect cash requisitions, will also be limited. The department is continuously striving to improve its annual report, specifically relating to the qualifications and matter of emphasis reflected in the audit report.

Asset management

A departmental asset management team has been established in accordance with government's asset management reform programme which drives the departmental asset management plan in association with the Provincial Treasury's asset management unit.

In terms of GIAMA the Premier should delegate the powers to the MEC for Public Works which has not happened. The Asset Register for Properties consists of asset at market related values, municipal values and assets at RI values. Most of the assets with RI values are those from the previous North West province.

10. Events after the reporting date

The Public Transport section was transferred to the Department of Safety and Liaison with the reconfiguration of the department. A submission was forwarded to the Executive Council requesting that this process should be effective from the 1st April 2009.

The service level agreement with the District municipalities expired on the 30 April 2010. The department will extend the agreements with the municipalities whilst we are finalising the processes of taking over the function.

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REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

11. Performance information

The performance of the department is linked between the Strategic Plan and its Operational Plan and the Budget Statement. The performance agreements of senior managers are linked to the operational plan. This is reported quarterly to the Portfolio Committee. All the quarterly reports culminate into an Annual Report. The complete and comprehensive report on the performance of the Department is captured on the Annual Report.

An annual performance plan (2009/10 to 2011/12) was tabled in the Provincial Legislature. These plans attempt to align departmental activities, outputs and goals with provincial and national policy priorities and the budget. The performance of the Department, per programme, is detailed in Part 2 of the Annual Report. In Addition to this the department also submits the following reports:

- In Year Monitoring system
- Quarterly Reports.
- Quarterly Infrastructure Report

12. Standing Committee on Public Accounts Resolutions

		William Willia
REFERENCE	RESOLUTION	ACTION PLAN
Par. 22 Internal control deficiencies Par. 24(6) Audit Committees	The Department must put measures in place to ensure that adequate internal control systems are in place and that creditors are correctly recorded. The Department must forge a relationship with the Office of the Premier to give support to the Audit Committee to effectively fulfil its responsibilities. Systems must be put in place to ensure that annual financial statements are disclosed as required by the International Accounting Standards and Treasury Regulations.	These amounts would not have increased unauthorized expenditure although it was paid after 3D days because it was still in process for payment during the 2008/09 financial year. It means the amounts is already recognized and disclosed in the financial statements as part of the expenditure. There is an improvement in comparison with previous years where we were called to submit our Audit implementation plan. The Audit committee was tasked to do a number of audits at the department The Department uses the template as provided by National Treasury and will implement better review of the annual financial statements before submission. The statement of the Roads Capital Account is based on the GAAP principles while we as government operate on a cash basis of accounting. We have appointed an official on contract to assist the unit with development of a policy and all repowering requirements. Further controls will be to update disclosure note information during the financial year and improved monthly trial balance reviews (including reconciliations) as well. • We also visited the Freestate to benchmark on the systems that they use to assist them. • The department have already developed an Accounting Policy
		for the Roads Capital Account.



REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

REFERENCE	RESOLUTION	ACTION PLAN					
Par 19 Treasury regulations	The Department must implement a creditor system and ensure that creditors are paid within 30 days to comply with the applicable legislation.	All invoices to be sent to Registry where it will be date stampe immediately on receipt thereof, submitted to the various unit responsible, compiled and submitted for payment. Invoices sent direction to responsible unit, to date stamp it themselves immediately, compile where applicable and to forward it to the Payments Section for payment All outstanding orders to be followed up and resolved. Cash flow it monitored daily.					
Par. 20 Treasury regulations	The Accounting Officer must put corrective measures in place to ensure that delegated duties are authorised in writing as required by Treasury Regulations.	The already developed delegation of authority to be approved immediately by the Accounting Officer for implementation thereof. We have already developed delegations for payment approval and for Supply Chain Management. We have also developed appointment letters for the Programme and Responsibility managers that clearly indicate what are their duties and responsibilities.					
Par. 18 Public Finance Management Act	Internal control systems must be implemented to ensure that policies and procedures are developed, approved and implemented for various accounting cycles.	We have approved a number of policies and an additional 3D Policies is currently for review with our Policy Section for review. We already had 2 x two day workshops on policies where the assistant and deputy directors were present. Once they have finalised the draft it will be submitted to the Senior Management.					
Par. 17 Material inconsistencies	Proper records must be kept to ensure that performance information is available for audit purposes.	All filing to be done immediately and the supervisor/manager to regularly monitor the completeness thereof.					
Par 24 (2) Quality of Financial Statements	The Department must at all times avoid material adjustments to the financial statements.	We have developed an implementation plan for the compilation of the statements that have clear due dates and also indicate who are responsible for a particular aspect. Various sections to be liaised with in supplying all relevant information by the pre-determined due dates for compilation. We will make sure that an additional quality control will be performed on the statements before submitting it. The compilation of Interim Financial Statements will also assist in ironing out some of the challenges. Further to ensure that supporting documentation is complete and all relevant information has been forwarded to the compiler of the annual financial statements.					
Par 24 (7) Internal Audit	The effectiveness of the Internal Audit function must be improved and substantially capacitated to fulfil its responsibilities.	The province has an Internal Audit unit that resort under the Office of the Premier. There is a vast improvement in the operations of this unit For this financial year they have already completed two audits and is currently busy with another one.					

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REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

REFERENCE	RESOLUTION	ACTION PLAN				
Par. 23 Risk Assessment	The Department must implement internal control systems in respect of financial and risk management as required by section 38(I) of the PFMA. The department has appointed a dedicated official the to risk management. We have already sent this personal training courses. National Treasury has also developed course that the CFO as well as the risks officer will Inspectorate unit to implement the skills acquired in attended. Full co-operation by senior/executive management audits					
Par 24 (13)	The Department must ensure that prior year audit recommendations are implemented.	We have developed detail implementation plan and assigned individuals to deal with the recommendations made. An audit implementation plan has been developed in line with the requirements as per Provincial Treasury and vacancies to be advertised and filled soonest. As mentioned earlier, all policies and procedures with the delegation of authority to be approved soonest and implemented as well. A further, ever improving drive from staff and senior/executive management to co-operate accordingly as required by laws and regulations through "real value adding". The complete Audit Management letter was already discussed with all finance staff in order develop action plans as well as procedure manual for all aspects of the work.				
Par 23	Effective internal control systems must be implemented to ensure that a risk assessment and risk management strategy, including fraud prevention plan, are in place.	We have already developed draft policies on Risk management Policy, Risk management strategy and the Fraud Prevention Plan. The Inspectorate Unit has been on courses during September/October 2009, which gives them the needed skills to undertake the risk based audits. In line with the afore-mentioned, the risk assessment, risk management strategy to include fraud prevention plan will be addressed by the delegation of authority and implementing of approved policies and procedures.				
Par. 8	The Department must maintain a register of contractual obligations in order to confirm values of commitments disclosed.	The SEM unit to improve on the existing register by updating it with all relevant information of tenders and contracts awarded. The Legal unit also to update their records and both the SCM and Legal units to inform the compiler of the financial statements accordingly with all relevant supporting documentation readily available for audit purposes. A Register was opened in the Office of the CFO where all contracts will be listed.				

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REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

	REFERENCE	RESOLUTION	ACTION PLAN
	Par 10 & 14	Irregular expenditure must be avoided. In the event where irregular expenditure does occur, measures must be implemented to detect and disclose irregular expenditure correctly.	We have introduced a register in the Office of the CFO to record all Irregular, Fruitless and Wasteful expenditure. We have also tasked the Inspectorate unit to audit all payments since April in order to identify all Irregular expenditure. Firstly, all attempts to be made to prevent irregular and wasteful expenditure by educating staff on the requirements of the PFMA and Treasury regulations, etc. by attending courses presented internally (National/Provincial Treasury) and externally. Staff and senior/executive management to determine possible irregular/wasteful expenditure, before committing to such ordering of goods/services.
THE PERSON NAMED AND POST OF THE PERSON NAMED	Par. 11 Accruals	The Department must implement systems to ensure the correct identification and recording of accruals.	All ordering and commitment of goods and services are placed at designated places and all outstanding orders are monitored daily. Contracts to be monitored by SCM and retention monies in line with the contractual obligations. All other payments, e.g. the telephone and cell phone, rates and taxes, etc to be monitored by SCM, Property Unit and Payments office. The regional offices to conform accordingly be reviewed by their supervisors and monitored by Head Office. All relevant staff to inform the compiler of the annual financial statements accordingly in terms of the accruals. The Finance units was already requested to develop a procedure manual to make sure that all accruals are recorded.

13. Prior modifications to audit reports

The Financial Control Division coordinates and ensures that the content of the external audit report and the supporting management letter are resolved timely. For this purpose a Financial Management Improvement Plan has been developed containing all unresolved audit communications. The said plan contains the following information:

- Deviation from the financial management best practice requirements-
- Key area and Category,
- Audit communication number.
- Action to be taken,
- Person responsible,
- Due date and Progress reporting.

The plan is distributed monthly to the officials concerned to update progress in the sense of indicating the corrective measures that have been instituted. These progress reports are evaluated and monitored. The plan which also serves as a progress report is provided to the Provincial Treasury, Internal Audit and Top Management members.

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REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Asset Register incomplete		We have appointed additional staff in the property section to assist with the update of the asset register and verification.
		A new asset manager was appointed in SCM.
Commitments – Incomplete list of contractual obligations	2008/09	Department developed a register of all contracts that is entered into. Also to introduce to have an approval register where all contracts get a reference number for record purposes
Accruals incomplete	2008/09	All project leaders had to identify all outstanding accounts. We are in the process of developing a register of all the different types of accounts that is administered by the department.
Irregular expenditure	2008/09	The inspectorate was task to identify all irregular expenditure and further investigate it.

14. **Exemptions and deviations received from National Treasury**

Inventory

Inventory is generally acquired to ensure production or service delivery can continue as planned without interruptions. The disclosure requirement for inventory for 2008/09 was to reflect the closing balance of inventory in the Accounting Officer's report. Inventory is usually a material item in a department but disclosure requirements of 2008/09 and earlier limited adequ<mark>ate</mark> and meaningful disclosure of inventory for users of the financial statements. Consequently from 2009/10 departments will be required to provide additional disclosure on inventory. This is a step towards gradually implementing accrual accounting concepts. Comparative information is not required for 2009/10 financial year as 2009/10 is the first year that there is a requirement for additional inventory disclosure.

Immovable Assets

All properties vested with a province shall be recorded by the department to which the Premier has delegated the function for the administration of such assets. This would normally be the provincial department of Public Works. In the absence of such delegation, the assets shall be reflected in the asset register of the Premier's office.

A property previously accounted for in the asset register of a department not in compliance with the above should remain in the asset register of the department where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalized.

Where the property is reflected in more than one asset register (e.g. the department of education and public works in the province), the user department will still continue to reflect the asset in its register but not in the notes to the AFS.



REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

15. Other

The Department provides an Agency Services to the national Department of Transport (NDoT). The Public Transport section processes bus subsidy claims each month on behalf of the NDoT. Claims are submitted by the service providers in accordance with the requirements of NDoT. An independent audit certificate that accompanies the claims, verify the number of passenger tickets sold. The claims are then processed by Branch Public Transport, using the computer based Subsidy Management System (SUMS) programme, which in its turn verifies the claims in terms of accuracy. The information is stored in a database, which is forwarded to NDoT.

16. **Approval**

The Annual Financial Statements set out on pages 63 to 127 have been approved by the Accounting Officer.

RR PALM

ACCOUNTING OFFICER



REPORT OF THE AUDITOR-GENERAL TO THE NORTHERN CAPE PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF VOTE NO. 5: DEPARTMENT OF ROADS AND PUBLIC WORKS FOR THE YEAR ENDED 31 MARCH 2010

Introduction

I have audited the accompanying financial statements of the Department of Roads and Public Works which comprise the appropriation statement, the statement of financial position as at 31 March 2010 and the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes, pages xx to xx.

The accounting officer's responsibility for the financial statements

The accounting officer is responsible for the preparation of these financial statements in accordance with the modified cash basis of accounting determined by National Treasury, as set out in accounting policy note 1.1 and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA), Division of Revenue Act (Act No. 12 of 2009) (DoRA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

As required by section 188 of the Constitution of South Africa and section 4 of the Public Audit Act of South Africa, 2004 (Act No.25 of 2004)(PAA), my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis for disclaimer opinion

Assets

I was unable to satisfy myself with regard to the completeness, existence, rights and valuation of capital assets of R17 174 434 000 due to limitation of scope caused by poor record keeping. This resulted in a scope limitation for which no feasible sufficient alternative appropriate audit procedures could be performed to mitigate the risks identified.

The opening balance for the Immovable tangible capital assets has been adjusted by an amount of R7 190 187 000, from the prior year audited closing balance. The risks relating to the adjustment could not be addressed by alternative procedures due to lack of sufficient

appropriate audit evidence. As a result I could not satisfy myself as to the existence accuracy and completeness of the assets related to the adjustment made on the opening balance.

Commitments

Sufficient appropriate audit evidence could not be provided for commitments to the value of R246 748 465 and consequently I was unable to satisfy myself as to the existence, accuracy and completeness of commitments disclosed as R530 339 000 in disclosure note 21 to the financial statements.

Expenditure - Goods and services

The occurrence classification and accuracy of the goods and services amount disclosed as RIS9 438 000 could not be determined as R 19 029 020 of the amount could not be supported by sufficient appropriate audit evidence. There were no feasible satisfactory audit procedures which I could perform to mitigate the risks identified due to the limitation of scope.

Capital Expenditure

The department could not provide the supporting documentation for expenditure relating to capital assets amounting to R 11 322 022. There were no satisfactory alternative procedures that I could perform to obtain reasonable assurance that all capital expenditure was incurred. Consequently I did not obtain sufficient appropriate audit evidence to satisfy myself as to the occurrence, classification and accuracy of capital asset expenditure of R358 116 000.

Irregular expenditure

The completeness of irregular expenditure disclosed as RIO 964 000 (2009: R6 095 000) in note 26 to the financial statements could not be confirmed as I could not rely on the system in place for the detection and complete disclosure of irregular expenditure.

Payments to the value of R77 920 889(2009: R79 445 427), in relation to expenditure which was incurred during the financial year resulted in irregular expenditure. The irregular expenditure relating to this was not disclosed in note 26 to the financial statements due to the limitation imposed by the weaknesses in the departments accounting system I was not enable to quantify the total extent of the omission.

Disclaimer opinion

Because of the significance of the matters described in the Basis for disclaimer of opinion paragraphs, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the Department of Roads and Public works. Accordingly, I do not express an opinion on the financial statements.

Additional matters

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

Unaudited supplementary schedules

No audit opinion will be expressed on the annexure to the financial statements.

Material inconsistencies in information include in the annual report

I have not obtained the other information included in the annual report and have not been able to identify any material inconsistencies with the financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA of South Africa and General notice 1570 of 2009, issued in Government Gazette No. 32758 of 27 November 2009 include below my findings on the report on predetermined objectives, compliance with the PFMA and other enabling legislation and financial management (internal control).

Non-compliance with regulatory and reporting requirements

The accounting officer did not ensure that the department had and maintained an effective, efficient and transparent system and internal controls regarding performance management, which describe and represent how the institutions' processes of performance planning monitoring, measurement, review and reporting will be conducted, organised and managed, as required in terms of section 38(1)(a)(i) and (b) of the PFMA. The department did not comply with PFMA Act sec 41 as they did not submit their quarterly reports within the prescribed timelines set by Treasury

The department did not comply with Treasury circular number 2 of 2007/2008 as they used percentages incorrectly to express performance targets in annual performance plan

The department did not comply to chapter 3 of the Framework for managing performance information as some of their performance indicators included in their annual performance plan were found to not be verifiable and not well defined, while some of their performance targets were found to not be specific or measurable.

The department did not comply with Treasury regulation 5.3.1 as it was noted that no procedures for quarterly reporting to the executive authority to facilitate effective performance monitoring, evaluation and corrective action were established

Usefulness of reported performance information

The following criteria were used to assess the usefulness of the planned and reported performance:

Consistency: the department has not reported on its performance with regard to its objectives, indicators and targets consistent between planning and reporting documents.

Relevance: there is a clear and logical link between the objectives, outcomes, outputs, indicators and performance targets.

Measurability: objectives are not made measurable by means of indicators and targets. Indicators are not well defined and verifiable, and targets are specific, measurable, and in time bound.

The following audit finding relate to the above criteria

Planned and reported indicators not well defined

For the selected Roads programme, 25% of the planned and reported indicators were not clear, with an unambiguous definition to allow for data to be collected consistently.

Reasons for major variances planned and actual reported targets were not explained

Two programmes were selected. The Roads programme and the Community based programme. For the Roads programme performance was reported against 22 targets in the annual report while performance was reported against 10 targets in the annual report for the Community based programme.

Explanations for major variances between the planned and actual reported targets for the selected Roads and Community Based programmes were not reported in the Annual Performance Report as required in terms of the relevant reporting guidance. None of the reported targets with mayor variances had explanations for those variances.

For the selected Community Based programme, 26 of the 28 targets had major variances. No reasons (including supporting documentation) could be provided for 50% of the targets with major variances between the planned and the actual reported targets. An additional 2 targets (8%) had reasons, but no supporting documentation could be provided to verify these reasons.

For the selected Roads Based programme, 18 of the 32 targets had major variances. No reasons (including supporting documentation) could be provided for 67% of the targets with major variances between the planned and the actual reported targets. An additional 2 targets (11%) had reasons, but no supporting documentation could be provided to verify these reasons.

Planned and reported performance targets not specific or measurable

For the selected Community Based and Roads programmes, 25% of the planned and reported targets for the Community Based programme and 22% for the Roads programme were not: specific in clearly identifying the nature and the required level of performance; measurable in identifying the required performance;

Reliability of reported performance information

The following criteria were used to assess the usefulness of the planned and reported performance:

Validity: The actual reported performance information could not be confirmed as the reported information could not be traced to the source data.

Accuracy: Amounts, numbers and other data relating to reported actual performance has been recorded and reported appropriately.

Completeness: All actual results and events that should have been recorded have been included in the reported performance information.

Reported targets not reliable as it does not agree to the consolidated quarterly reports.

Planned and reported indicators/measures not verifiable

For the selected Community Based and Roads programmes, 50% of the planned and reported indicators were not verifiable for the Community Based programme and 35% for the Roads programme, as it was not possible to validate the processes and systems that produce the indicator.

No sufficient supporting documentation was provided for the indicators under the selected programmes

Two programmes were selected. The Roads programme with 24 indicators and the Community based programme with 28 indicators. For the Roads programme performance was reported against 20 indicators in the annual report while performance was reported against 13 indicators in the annual report for the Community based programme. Due to the lack of sufficient supporting documentation, the validity, accuracy & completeness of 65% of the reported performance against Roads programme indicators could not be confirmed and 100% of the reported performance against Community based programme indicators could not be confirmed. There were also no satisfactory audit procedures that I could perform to obtain the required assurance as to the validity, accuracy and completeness of the reported information.

Compliance with laws and regulations

Non adherence to requirements

In contradiction with section 38(1)(a)(i) of the PFMA and section 8 of the Treasury Regulations, no internal policies and procedures are in place for the management of expenditure, inventory, cash and bank, disclosure notes, travel and subsistence, assets, transfer payments, receivables, revenue, payables, thefts and losses and journals.

- As per section 38(I)(j) of the PFMA, the accounting officer for a department, trading entity or constitutional institution before transferring any funds to an entity within or outside government, must obtain a written assurance from the entity that that entity implements effective, efficient and transparent financial management and internal control systems. Due to the lack of policies and procedures in place, these requirements are not complied such written assurance is not or cannot be given, render the transfer of the funds subject to conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control systems. The department made various transfer payments to the receiving entities prior to receiving the monthly statements of the applicable month. This is also in contradiction with Treasury Regulation 8.4.1.
- The officials of the Supply Chain Management unit did not declare their financial interest that could lead to possible conflict of interest. This is required by section 10.2.1 of the Supply Chain Management policy.
- The Supply Chain Management policy of the department does not adhere to the requirements set out in sections 16A9.1, 16A9.2, 16A8.3 and section 16.A8.4.
- Various payments are made at the department more than 30 days after the invoice date. This is in contradiction with section 8.2.3 of the Treasury Regulations.

Internal control deficiencies

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the Section 51(1)(a)(i) of the PFMA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the deficiencies identified during the audit.

Leadership

Senior management did not ensure that corrective actions were taken where all the necessary governance structures were not fully functional throughout the year as the internal audit function and audit committee function was shared services

Senior management did not implement and monitor the controls in place to ensure that all payments are made by the department within 30 days.

Senior management did not ensure that vacancies are filled to ensure that the organizational structure operates effective and efficiently.

Senior management did not ensure that the organizational structure is updated and approved by the human resource department.

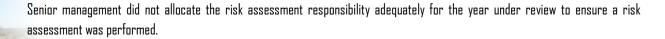
Financial and performance management

The financial statements are not adequately reviewed prior to submission thereof for audit purposes. As a result the financial statements were subjected to material amendments resulting from the audit.

Senior management did not perform an adequate review on the actual performance against predetermined objectives reported. Furthermore senior management did not implement controls to ensure the consistency and accuracy of predetermined objectives reported.

Governance

Risk management



Internal Audit

The department utilised the Northern Cape provincial shared internal audit division within the Office of the Premier. The work of the internal audit division was inadequate for the purposes of the audit as it was not adequately staffed to fulfil its responsibilities

Audit committee

The department utilised the Northern Cape provincial shared audit committee. The audit committee did not function throughout the year as all external audit committee members resigned.

OTHER REPORT

- Investigations

With reference to note 26 in the financial statements dealing with prior year irregular expenditure, and to this audit report, an investigation is being conducted by an independent firm on request of the department. The investigation was initiated based on audit findings related to improper procurement processes followed for the procurement of leasing of photocopiers. Other matters forming part of the investigation include alleged irregularities during the awarding of a contract for work performed on a project, as well as alleged improper procurement procedures during the planning phase for the construction of a state house. The investigation was still ongoing at the reporting date.

audela - General

31 July 2010



Auditing to build public confidence

VOTE 5

Appropriation Statement

for the year ended 31 March 2010

		•	iation per proj	gramme	//				
	Adjusted Appropri- ation	Shifting of Funds	Virement	Final Appropri- ation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2008 Final Appropri- ation	Actual Expen- diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. ADMINISTRATION		11/19							
Current payment	58,255	(942)	(894)	56,419	54,228	2,191	96.1%	46,584	46,50
Transfers and subsidies	165		159	324	323	1	99.7%	221	2
Payment for capital assets	423	942		1,365	1,363	2	99.9%	1,691	1,69
2. PUBLIC WORKS									
Current payment	63,566	(2,039)	3,785	65,312	65,303	9	100.0%	55,457	55,4
Transfers and subsidies	37,403	AND IN	25	37,428	37,269	159	99.6%	24,176	24,1
Payment for capital assets	50,627	2,039	2,481	55,147	55,144	3	100.0%	66,744	56,8
3. ROADS									
Current payment	חחורג	(111)	(4.970)	93,703	92,294	1 4 0 0	98.5%	70,812	70,8
Transfers and subsidies	98,154	(81)	(4,370)		· ·	1,409		-	
Payment for capital assets	57,578		424	58,002	58,002	-	100.0%	55,187	55,1
i ayiliziit iui Capitai assets	293,662	81	-	293,743	271,401	22,342	92.4%	301,381	306,5
4. PUBLIC AND FREIGHT TRANSPORT									
Current payment	32,829	(6)	2,150	34,973	34,958	15	100.0%	7,698	7,6
Transfers and subsidies	2,654	- A-	50	2,704	2,702	2	99.9%	2,528	2,3
Payment for capital assets	5,547	6	-	5,553	4,642	911	83.6%	4,019	2
5. EXTENDED PUBLIC WORKS PROGRAMME									
Current payment	26,558	(706)	(3,810)	22,042	21,952	90	99.6%	17,494	17,4
Transfers and subsidies	20,000	(100)	(0,010)	LL,U7L	۷۱,۵۵۲	Ju	0.0%	12,719	12,

VOTE 5

Appropriation Statement

for the year ended 31 March 2010

	The state of the s		iation per pro						
	1							2008	1/09
	Adjusted Appropri- ation	Shifting of Funds	Virement	Final Appropri- ation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropri- ation	Actual Expen- diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payment for capital assets	25,244	706		25,950	25,948	2	100.0%	21,521	21,519
TOTAL	752,665			752,665	725,529	27,136	96.4%	688,232	681,947
Reconciliation with Statement of Financial Performance									I
Add: Aid assistance		1	1	20,567				11,137	İ
Actual amounts per Statement of Financial Performance (Total R	levenue)	4		773,232				699,369	I
Add: Aid assistance				97	3,641		'		20,222
Actual amounts per Statement of Financial Performance Expenditure					729,170				702,169

VOTE 5

Appropriation Statement

for the year ended 31 March 2010

				conomic classificatio	ın 🌈			_	
	_ _	2009/10]		2008/	' 09			
	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	7 R'000	R'000	%	R'000	R'000
Current payments			No.						
Compensation of employees	120,039	(9,347)	(5,339)	105,353	103,157	2,196	97.9%	86,168	86,16
Goods and services	158,743	6,019	2,200	166,962	159,438	7,524	95.5%	111,877	111,79
Interest and rent on land	580	(446)		134	129	5	96.3%	-	
Financial transactions in assets and liabilities	-	1	-	-	6,011	(6,011)	0.0%	-	
Transfers & subsidies									
Provinces & municipalities	94,726	-	-	94,726	94,568	158	99.8%	78,787	78,78
Departmental agencies & accounts	-	-/	-	14 1	-	-	0.0%	-	
Universities & technikons	-	- /-		_	-	-	0.0%	-	
Foreign governments & international organisations	-	2	1	-	-	-	0.0%	-	
Public corporations & private enterprises	-	3	-	-	-	-	0.0%	-	
Non-profit institutions	2,654	-	-	2,654	2,652	2	99.9%	5,528	5,33
Households	420	-	658	1,078	1,076	2	99.8%	10,516	10,50
Payment for capital assets									
Buildings & other fixed structures	374,524	2,118	2,481	379,123	355,869	23,254	93.9%	391,643	385,65
Machinery & equipment	962	1,289	-	2,251	2,247	4	99.8%	3,676	3,67
Biological assets	-		_	-	<u> </u>	-	0.0%	-	
Software & other intangible assets	17	367	-	384	382	2	99.5%	37	3
Land & subsoil assets	_	-	-	-	-	-	0.0%	-	
Total	752,665	-	-	752,665	725,529	27,136	96.4%	688,232	681,94

VOTE 5

Detail per programme 1 - ADMINISTRATION

For the year ended 31 March 2010

		2009/10		160 91 March Snin				2008.	/09	
	Details per Sub-Programme	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		100							
	Current payment	6,154	94	-	6,248	6,248	-	100.0%	4,990	4,990
	Transfers and subsidies	80	(28)		52	51	1	98.1%	72	65
	Payment for capital assets	17	798	1	815	815	-	100.0%	668	668
1.2	MANAGEMENT OF THE OFFICE									
	Current payment	5,638	2,205	-	7,843	7,825	18	99.8%	5,747	5,747
	Transfers and subsidies	17	-	83	100	99	1	99.0%	27	27
	Payment for capital assets	164	(105)		59	59	-	100.0%	739	739
1.3	CORPORATE SUPPORT			5						
	Current payment	46,463	(3,241)	(894)	42,328	40,155	2,173	94.9%	35,847	35,769
	Transfers and subsidies	68	28	76	172	173	(1)	100.6%	122	122
	Payment for capital assets	242	249	-	491	489	2	99.6%	284	284
	Total	58,843	-/	(735)	58,108	55,914	2,194	96.2%	48,496	48,411



VOTE 5

Detail per programme 1 - ADMINISTRATION

For the year ended 31 March 2010

]	ueu di Marcii Zuio				2008	/09		
Programme 1 Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000 🧥	R'000	R'000	%	R'000	R'000
Current payments					7				
Compensation of employees	39,769	(1,239)	(894)	37,636	35,457	2,179	94.2%	28,526	28,525
Goods and services	18,477	234	-	18,711	18,700	11	99.9%	18,058	17,981
Interest and rent on land	9	63		72	71	1	98.6%	-	-
Financial transactions in assets and liabilities	-			-	-	-	0.0%	-	-
Transfers & subsidies									
Provinces & municipalities	-		-	-	-	-	0.0%	-	-
Departmental agencies & accounts	-	-	-	-	-	-	0.0%	-	-
Universities & technikons Foreign governments & international	-			-	-	-	0.0%	-	-
organisations	-		-	-	-	-	0.0%	-	-
Public corporations & private enterprises	-		-	-	-	-	0.0%	-	-
Non-profit institutions	-	1	-	-	-	-	0.0%	-	-
Households	165	136	159	324	323	1	99.7%	221	214
Payment for capital assets Buildings & other fixed structures	-		7		_	-	0.0%	_	_
Machinery & equipment	423	865	<u> </u>	1,288	1,287	1	99.9%	1,691	1,691
Biological assets	- 1		-	-/	,	-	0.0%	-	-
Software & other intangible assets	_	77	-	77	76	1	98.7%	-	-
Land & subsoil assets	_	-	-	-	-	-	0.0%	-	-
Total	58,843	_	(735)	58,108	55,914	2,194	96.2%	48,496	48,411

VOTE 5

Detail per programme 2 - PUBLIC WORKS

For the year ended 31 March 2010

			2009/10							/09
	Details per Sub-Programme	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	PROGRAMME SUPPORT OFFICE		1		6//					
	Current payment	3,875	(1,369)	(359)	2,147	2,143	4	99.8%	2,271	2,271
	Transfers and subsidies	-	-			-	-	0.0%	-	-
2.2	Payment for capital assets DESIGN	64	(47)		17	17	-	100.0%	28	28
	Current payment	3,355	1,205	-36-	4,560	4,560	-	100.0%	3,690	3,690
	Transfers and subsidies	-	-	A		-	-	0.0%	-	-
2.3	Payment for capital assets CONSTRUCTION	-	10		10	10	-	100.0%	322	322
	Current payment	5,755	(1,695)	-	4,060	4,059	1	100.0%	4,209	4,209
	Transfers and subsidies	-	-	-		-	-	0.0%	-	-
2.4	Payment for capital assets MAINTENANCE	50,500	(418)		50,082	50,080	2	100.0%	65,823	55,918
	Current payment	21,996	(4,384)	7 /-	17,612	17,609	3	100.0%	15,182	15,177
	Transfers and subsidies	105	-/	25	130	129	1	99.2%	82	81
2.5	Payment for capital assets PROPERTY MANAGEMENT	53	212	-	265	264	1	99.6%	500	500
	Current payment	28,585	4,204	4,144	36, <mark>933</mark>	36,932	1	100.0%	30,105	30,105
	Transfers and subsidies	37,298		-	37,298	37,140	158	99.6%	24,094	24,094
	Payment for capital assets	10	2,282	2,481	4,773	4,773	-	100.0%	71	71
	Total	151,596	-	6,291	157,887	157,716	171	99.9%	146,377	136,466

VOTE 5

Detail per programme 2 - PUBLIC WORKS

For the year ended 31 March 2010

		2009/10]					2008/09	
Programme 2 Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000 🧥	R'000	R'000	%	R'000	R'000
Current payments				100	1				
Compensation of employees	27,208	(2,289)	(359)	24,560	24,555	5	100.0%	20,620	20,619
Goods and services	36,353	225	4,144	40,722	40,719	3	100.0%	34,837	34,833
Interest and rent on land	5	25		30	29	1	96.7%	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	-	-
Transfers & subsidies			1						
Provinces & municipalities	37,298	-	-	37,298	37,140	158	99.6%	24,094	24,094
Departmental agencies & accounts	-	-	-	-	-	-	0.0%	-	-
Universities & technikons	-	=/	Tille -	-	-	-	0.0%	-	-
Foreign governments & international							0.00/		
organisations 	-		-	-	-	-	0.0%	-	=
Public corporations & private enterprises	-		-	-	-	-	0.0%	-	-
Non-profit institutions	-		-	-	-	-	0.0%	-	-
Households	105	13.0	25	130	129	1	99.2%	82	81
Payment for capital assets Buildings & other fixed structures	50,438	1,939	2,481	54,858	54,856	2	100.0%	64,815	54,912
-	189		2,401		247	<u> </u>	99.6%	1,899	1,899
Machinery & equipment Biological assets	103	59		248	241	I	0.0%	1,033	1,033
_	_	41	-	41	- 4	-			-
Software & other intangible assets	-	41	-	41	41	-	100.0%	30	28
Land & subsoil assets	454 500	-	-	457 557	1E7 E16	-	0.0%	- 4/0.022	-
Total	151,596	-	6,291	157,887	157,716	171	99.9%	146,377	136,466

VOTE 5

Detail per programme 3 - ROADS For the year ended 31 March 2010

			2009/10]					2008.	/09
	Details per Sub-Programme	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	PROGRAMME SUPPORT		49							
	Current payment	1,034	151	-	1,185	1,182	3	99.7%	881	881
	Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
3.2	Payment for capital assets PLANNING	-	-			-	-	0.0%	-	-
	Current payment	6,490	8,099		14,589	14,588	1	100.0%	6,089	6,089
	Transfers and subsidies	-	-	1		-	-	0.0%	-	-
3.3	Payment for capital assets DESIGN	-	23		23	23	-	100.0%	-	-
	Current payment	6,192	(4,062)		2,130	2,129	1	100.0%	1,168	1,168
	Transfers and subsidies	-	=	19	19	19	-	100.0%	-	=
3.4	Payment for capital assets CONSTRUCTION	-	4,405	-	4,405	4,404	1	100.0%	-	-
	Current payment	10,470	(5,869)	(4,370)	231	230	1	99.6%	1,546	1,544
	Transfers and subsidies	-	-/	-		-	-	0.0%	2	-
3.5	Payment for capital assets MAINTENANCE	293,387	(54,416)	-	238,971	216,632	22,339	90.7%	301,381	306,599
	Current payment	73,968	1,600	-	75, <mark>568</mark>	74,164	1,404	98.1%	61,128	61,128
	Transfers and subsidies	57,578	1	405	57,983	57,983	-	100.0%	55,185	55,185
	Payment for capital assets	275	50,069	-	50,344	50,343	1	100.0%	-	-
	Total	449,394	-	(3,946)	445,448	421,697	23,751	94.7%	427,380	432,594

VOTE 5

Detail per programme 3 - ROADS

For the year ended 31 March 2010

		2009/10		2008/09					
Programme 3 Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments					No.				
Compensation of employees	42,350	(2,923)	(4,370)	35,057	35,051	6	100.0%	29,918	29,918
Goods and services	55,238	3,392	-	58,630	57,228	1,402	97.6%	40,894	40,892
Interest and rent on land	566	(550)	-	16	15	1	93.8%	-	-
Financial transactions in assets and liabilities	-			-	-	-	0.0%	-	-
Transfers & subsidies									
Provinces & municipalities	57,428	-		57,428	57,428	-	100.0%	54,693	54,693
Departmental agencies & accounts	-			-	-	-	0.0%	-	-
Universities & technikons	-	=	-		-	-	0.0%	-	-
Foreign governments & international organisations	-			-	-	-	0.0%	-	-
Public corporations & private enterprises	-	_	-	-	-	-	0.0%	-	-
Non-profit institutions	-		-	-	-	-	0.0%	-	-
Households	150	7	424	574	574	-	100.0%	494	492
Payment for capital assets Buildings & other fixed structures	293,387			293,387	271,047	22,340	92.4%	301,381	306,599
Machinery & equipment	258	(168)		233,307	271,047	22,340 1	98.9%	امد,امد	د در است
Biological assets	200	(100)		30	00	'	0.0%	-	-
Software & other intangible assets	17	249		266	265	-	99.6%	-	
Land & subsoil assets		Z40 -	_	200	203	_	0.0%		
Total	449,394		(3,946)	445,448	421,697	23,751	94.7%	427,380	432,594

VOTE 5

Detail per programme 4 - PUBLIC AND FREIGHT TRANSPORT

For the year ended 31 March 2010

			2009/10		ucu DI Mai Cii 2010				2008.	/09
	Details per Sub-Programme	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	PROGRAMME SUPPORT									
	Current payment	758	(683)	-	75	75	-	100.0%	-	-
	Transfers and subsidies	-	33	-		-	-	0.0%	-	-
4.2	Payment for capital assets PUBLIC AND FREIGHT PLANNING	-		-		-	-	0.0%	-	-
	Current payment	2,664	274	-	2,938	2,934	4	99.9%	-	-
	Transfers and subsidies	-	-			-	-	0.0%	-	-
4.3	Payment for capital assets PUBLIC AND FREIGHT INFRASTRUCTURE	5,527	-		5,527	4,616	911	83.5%	-	-
	Current payment	-	-			-	-	0.0%	-	-
	Transfers and subsidies	-	-	A 100 -		-	-	0.0%	-	-
4.4	Payment for capital assets INSTITUTIONAL MANAGEMENT	-	-		-	-	-	0.0%	3,957	2,650
	Current payment	22,394	279	- 1	22,673	22,672	1	100.0%	275	275
	Transfers and subsidies	2,654	-	-	2,654	2,652	2	99.9%	2,528	2,339
4.5	Payment for capital assets OPERATOR SAFETY AND COMPLIANCE	-	-	7	4	-	-	0.0%	-	-
	Current payment	4,028	2,206	2,200	8,434	8,428	6	99.9%	6,119	6,119
	Transfers and subsidies	-	-/	15	15	15	-	100.0%	-	-
4.6	Payment for capital assets REGULATION AND CONTROL	20	6	-	26	26	-	100.0%	37	37
	Current payment	2,985	(2,082)	(50)	853	849	4	99.5%	1,304	1,301
	Transfers and subsidies	-	-	35	35	35	-	100.0%	-	-
	Payment for capital assets	-	32		-	-		0.0%	25	24
	Total	41,030		2,200	43,230	42,302	928	97.9%	14,245	12,745

VOTE 5

Detail per programme 4 - PUBLIC AND FREIGHT TRANSPORT

For the year ended 31 March 2010

		2009/10			107			2008.	/09
Programme 4 Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments				19					
Compensation of employees	5,812	(2,896)	(50)	2,866	2,862	4	99.9%	2,180	2,179
Goods and services	27,017	2,881	2,200	32,098	27,877	4,221	86.8%	5,518	5,516
Interest and rent on land	-	9		9	8	1	88.9%	-	
Financial transactions in assets and liabilities	-			-	4,211	(4,211)	0.0%	-	
Transfers & subsidies									
Provinces & municipalities	-			-	-	-	0.0%	-	
Departmental agencies & accounts	-	-	-	-	-	-	0.0%	-	
Universities & technikons	-	-/	-	4	-	-	0.0%	-	
Foreign governments & international organisations	-	<i>A</i>		-	-	-	0.0%	-	
Public corporations & private enterprises	-	/ 5	-	-	-	-	0.0%	-	
Non-profit institutions	2,654	3	-	2,654	2,652	2	99.9%	2,528	2,33
Households	-	-	50	50	50	-	100.0%	-	
Payment for capital assets Buildings & other fixed structures	5,527		3	5,527	4,616	911	83.5%	3,957	2,65
Machinery & equipment	20	6	-	26	4,616	וונ	83.3% 100.0%	ა,ყა <i>1</i> 55	2,00 5
Biological assets	Συ			20	20	-	0.0%	ננ	٥
-			-	1	-	-	0.0% 0.0%	- 7	
Software & other intangible assets Land & subsoil assets	-	-	-		-	-	u.u% 0.0%	I	
Land & Sudson assets Total	41,030	-	2,200	43,230	42,302	928	97.9%	14,245	12,74

VOTE 5

Detail per programme 5 - EXTENDED PUBLIC WORKS PROGRAMME

For the year ended 31 March 2010

			2009/10						2008	/09
	Details per Sub-Programme	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	PROGRAMME SUPPORT									
	Current payment	1,477	(858)	-	619	618	1	99.8%	2,679	2,679
	Transfers and subsidies	-	-		0.74	-	-	0.0%	-	-
5.2	Payment for capital assets INNOVATION AND EMPOWERMENT	-	12		12	12	-	100.0%	6	6
	Current payment	5,559	2,663	334	8,556	8,554	2	100.0%	4,884	4,884
	Transfers and subsidies	-	-			-	-	0.0%	7,227	7,227
5.3	Payment for capital assets EPWP CO-ORDINATION AND MONITORING	-	514		514	514	-	100.0%	-	-
	Current payment	19,522	(2,511)	(4,144)	12,867	12,780	87	99.3%	9,931	9,930
	Transfers and subsidies	-	-			-	-	0.0%	5,492	5,492
	Payment for capital assets	25,244	180	7-	25,424	25,422	2	100.0%	21,515	21,513
	Total	51,802	-	(3,810)	47,992	47,900	92	99.8%	51,734	51,731

VOTE 5

Detail per programme 5 - EXTENDED PUBLIC WORKS PROGRAMME
For the year ended 31 March 2010

		2009/10		ugu 01 Mai 611 2010	W			2008	/09
Programme 5 Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments				-	6				
Compensation of employees	4,900	-	334	5,234	5,232	2	100.0%	4,924	4,923
Goods and services	21,658	(713)	(4,144)	16,801	14,914	1,887	88.8%	12,570	12,570
Interest and rent on land	-	7		7	6	1	85.7%	-	-
Financial transactions in assets and liabilities	-	-	-	-	1,800	(1,800)	0.0%	-	-
Transfers & subsidies									
Provinces & municipalities	-	1			-	-	0.0%	-	-
Departmental agencies & accounts	-	-		-	=	-	0.0%	-	-
Universities & technikons	-	-	-		-	-	0.0%	-	-
Foreign governments & international organisations	-	_		-	-	-	0.0%	-	-
Public corporations & private enterprises	-		-	-	-	-	0.0%	-	-
Non-profit institutions	-		-	-	-	-	0.0%	3,000	3,000
Households	-	100	-	- 1	-	-	0.0%	9,719	9,719
Payment for capital assets Buildings & other fixed structures	25,172	179		25,351	25,350	,	100.0%	21,490	21,489
Machinery & equipment	72	527	_	599	598	1	99.8%	21,450 31	21,465 30
Biological assets	12	JZI		1111	Ja0 _	<u>'</u>	0.0%	۔	ال -
Software & other intangible assets			_	4		_	0.0%	_	_
Land & subsoil assets		- -		-		_	0.0%		
Total	51,802		(3,810)	47,992	47,900	92	99.8%	51,734	51,731

VOTE 5

Notes to the Appropriation Statement

for the year ended 31 March 2010

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 I (A-H) 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 I (Annual Appropriation) to the Annual Financial Statements.

3. Detail on financial transactions in assets and liabilities

> Detail of these transactions per programme can be viewed in the note to Financial transactions in assets and liabilities to the Annual Financial Statements.

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

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

Programme name

Per programme:

Administration 58.108 55.914 2.194 4%

The saving is as a result of resignations as well as vacant posts not filled duri<mark>ng the year.</mark>

Programme name

445,448 421,697 23,751 5% Roads Infrastructure

The underspending can be attributed to projects that started later than planned because of slow progress by the design consultants or late appointments.

Programme name

Public and Freight Transport 43,230 42,302 928 2%

The underspending can be attributed to service level agreements that were signed late, due to detail discussions with the different municipalities to clear uncertainties.

VOTE 5

Notes to the Appropriation Statement for the year ended 31 March 2010

		Final Appropri- ation	Actual Expen- diture	Variance	Variance as a % of Final Approp.
4.2	Per economic classification:	R'000	R'000	R'000	%
	Current expenditure				
	Compensation of employees	105,353	103,157	2,196	2%
	Goods and services	166,962	159,438	7,524	5%
	Interest and rent on land	134	129	5	4%
	Financial transactions in assets and liabilities	-	6,011	(6,011)	100
	Unauthorised expenditure approved	-	-	-	-
	Transfers and subsidies				
	Provinces and municipalities	94,726	94,568	158	0%
	Departmental agencies and accounts	_	-	-	
	Universities and technikons	-	-	-	1745
	Public corporations and private enterprises	-	-	-	
	Foreign governments and international organisations	_	_	_	
	Non-profit institutions	2,654	2,652	2	0%
	Households	1,078	1,076	2	0%
	Payments for capital assets				
	Buildings and other fixed structures	379,123	355,869	23,254	6%
	Machinery and equipment	2,251	2,247	4	0%
	Biological assets	-	-	-	0%
	Software and other intangible assets	384	382	2	1%
	Land and sub soil assets	-	-	-	0%

Statement of Financial Performance for the year ended 31 March 2010

	.e /2	Nate	2009/10 R'000	2008/09 R'000
	REVENUE		ALC: NO PERSON NAMED IN COLUMN TO PERSON NAM	
61.0	Annual appropriation	1	752,665	688,232
	Departmental Revenue	2	4,531	3,110
	Aid assistance	3	20,567	11,137
F	TOTAL REVENUE		777,763	702,479
	EXPENDITURE		//	
1000	Current expenditure			
-	Compensation of employees	4	103,157	86,164
	Goods and services	5	159,438	111,792
	Interest and rent on land	Б	129	-
	Financial transactions in assets and liabilities	7	6,011	-
III II	Aid assistance	3	3,641	20,222
	Total current expenditure		272,376	218,178
THE STATE OF	Transfers and subsidies		98,296	94,632
THE	Transfers and subsidies	8	98,296	94,632
			A	
1	Expenditure for capital assets	A97		
mi mil	Tangible capital assets	9	358,116	389,324
Acoll .	Software and other intangible assets	g	382	35
	Total expenditure for capital assets		358,498	389,359
	TOTAL EXPENDITURE		729,170	702,169
	SURPLUS/(DEFICIT) FOR THE YEAR		48,593	310
Michael I	Reconciliation of Net Surplus/(Deficit) for the year			
P N	Voted Funds		27,136	6,285
	Departmental Revenue		4,531	3,110
A STATE OF	Aid assistance	3	16,926	(9,085)
	SURPLUS/(DEFICIT) FOR THE YEAR		48,593	310

Statement of Financial Position as at 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
ASSETS			C. C.
Current Assets		39,272	37,336
Unauthorised expenditure	///	7,257	7,257
Cash and cash equivalents	//	20,940	10000
Prepayments and advances	12	-	14
Receivables	13	6,777	8,841
Aid assistance receivable	3	4,298	21,224
			1-100
TOTAL ASSETS		39,272	37,336
	44000		
			THE TEN
IABILITIES			
	No.		- 42
urrent Liabilities		39,272	37,336
Voted funds to be surrendered to the Revenue Fund	14	26,589	11,504
Departmental revenue to be surrendered to the Revenue Fund	15	780	(239)
Bank overdraft	16	-	24,700
Payables	17	11,903	1,371
		.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1
OTAL LIABILITIES		39,272	37,336
IET ASSETS			-
ILI AUULIU	-		3.30
	8		
			N. A.
<i>S</i>			

VOTE 5

Cash Flow Statement

for the year ended 31 March 2010

4	CASH FLOWS FROM OPERATING ACTIVITIES	Nate	2009/10 R'000	2008/09 R'000
	Receipts		777,218	702,479
	Annual appropriated funds received	1.1	752,120	688,232
- Lawrence	Departmental revenue received	2	4,531	3,110
	Aid assistance received	3	20,567	11,137
60	Net (increase)/ decrease in working capital		12,610	3,718
-	Surrendered to Revenue Fund		(15,018)	(14,283)
	Current payments		(272,376)	(218,178)
	Transfers and subsidies paid		(98,296)	(94,632)
	Net cash flow available from operating activities	18	<mark>40</mark> 4,138	379,104
衙門	CASH FLOWS FROM INVESTING ACTIVITIES			
阿斯	Payments for capital assets	9	(358,498)	(384,140)
The second second	Net cash flows from investing activities	N. S.	(358,498)	(384,140)
A STREET				
1,3	Net increase/ (decrease) in cash and cash equivalents		45,640	5,036
	Cash and cash equivalents at beginning of period		(24,700)	(19,664)
	Cash and cash equivalents at end of period	19	20,940	(24,700)

VOTE 5

ACCOUNTING POLICIES for the year ended 31 March 2010

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 2 of 2006.

1. **Presentation of the Financial Statements**

1.1 Basis of preparation

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

1.2 Presentation currency

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

1.3 Rounding

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

1.4 **Comparative figures**

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

1.5 Comparative figures - Appropriation Statement

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

VOTE 5

ACCOUNTING POLICIES for the year ended 31 March 2010

2. Revenue

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

The total appropriated funds received during the year are presented in the statement of financial performance.

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.

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 is recognised as a payable in the statement of financial position.

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

Direct Exchequer receipts / payments

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and subsequently paid into the Provincial Revenue Fund, unless otherwise stated.

All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

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



Aid assistance

Aids assistance is recognised as revenue when received

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authori<mark>sation for p</mark>ayments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as expenditure in the statement of financial performance when final

VOTE 5

ACCOUNTING POLICIES for the year ended 31 March 2010

authorisation for payments effected on the system (by no later than 31 March of each year). Inappropriately expensed amounts using CARA funds are recognised as payables in the statement of financial position. Any unutilised amounts are transferred to retained funds as they are not surrendered to the revenue fund.

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

The cost of short-term employee benefits are expensed in the statement of financial performance when financial authorisation for payment is effected on the system (by no later than 31 March each year)

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

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

3.1.2 Post retirement benefits

Employer contributions (i.e. social contributions) 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 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 Provincial Revenue Funds and not in the financial statements of the employer department.

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

3.1.3 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the statement of financial performance as a transfer (to households) when the final auth<mark>ori</mark>sation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements.

3.2 **Goods and services**



ACCOUNTING POLICIES for the year ended 31 March 2010

Payments made 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.

3.3 Interest and rent on land

3.4

3.5

3.6

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.

Financial transactions in assets and liabilities

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

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

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).

Unauthorised expenditure

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

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

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

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.

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.

Assets

VOTE 5

ACCOUNTING POLICIES for the year ended 31 March 2010

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 shortterm 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 where the goods and services have not been received by year end.

Prepayments 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 or from the sale of goods/rendering of services.

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

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.6 Loans

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are outstanding at year-end are carried in the statement of financial position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

4.7 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.

VOTE 5

ACCOUNTING POLICIES for the year ended 31 March 2010

4.8 Capital assets

4.8.1 Movable 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 movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at RI.

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 asset" 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.

4.8.2 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 RI 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 asset". On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial department of public works.

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

Liabilities

5.

5.1

5.2

Payables

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

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 possible that an inflow of economic benefits will flow to the entity.

5.4 Commitments

VOTE 5

ACCOUNTING POLICIES for the year ended 31 March 2010

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 an expense in the statement of financial performance and are apportioned between the capital and interest portions. The finance lease liability 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 discloser 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.

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 underlining asset is disposed and the related funds are received.

VOTE 5

ACCOUNTING POLICIES for the year ended 31 March 2010

.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.

Public private partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.



Notes to the Annual Financial Statements for the year ended 31 March 2010

Annual Appropriation

1.1 **Annual Appropriation**

	Final Appro-	Actual Funds	Funds not requested/	Appro- priation
	priation	Received	not received	Received 2008/09
Programmes	R'000	R'000	R'000	R'000
ADMINISTRATION	58,108	58,108	-	48,496
PUBLIC WORKS	157,887	157,842	45	146,377
RDADS	445,448	444,948	500	427,380
PUBLIC AND FREIGHT TRA <mark>ns</mark> port	43,230	43,230	-	14,245
EXTENDED PUBLIC WORKS PROGRAMME	47,992	47,992	-	51,734
Total	752,665	752,120	545	688,232

Provide an explanation for funds not requested/not received in the space provided below:

The Province did not receive the incentive grant of R500 000-00 from NPW that was not paid over to the department although it was allocated in terms of DORA. Provincial Treasury over allocated an amount of R45 000-00 on rates and taxes during the adjustment budget. They discovered the error and the amount was not paid over to the Department

	UIBCOVC	Ca the error and the amount was	s not paid over to the bepartin	GIIC			
					Note	2009/10	
						R'000	
	1.2	Conditional grants**					
		Total grants received			34	369,375	
		Provincial grants included in T	otal Grants received			369,071	
				2			
2	Departi	mental Revenue	9/				
	Sales of	goods and services other than c	apital assets		2.1	4,142	
	Financia	l transactions in assets and liabi	ities		2.2	389	
	Total re	venue collected				4 531	

Departmental revenue collected

2008/09 R'000

> 333,219 333,219

> > 2,981 129 3,110

3,110

4,531

Sales by market establishment Administrative fees Other sales	
Sales of goods and services other than capital assets Sales of goods and services produced by the department Sales by market establishment Administrative fees Other sales	4,142 2,981 3,252 -
Sales of goods and services produced by the department Sales by market establishment Administrative fees Other sales	3,252 -
Sales by market establishment Administrative fees Other sales	3,252 -
Administrative fees Other sales	
and the second s	Y. C. Carlotte and C. Carlotte
Total	652 2,981
	4,142 2,981
Tutal	1,142 2,301
2.2 Financial transactions in assets and liabilities 2	
Recievables	23
Other Receipts including Recoverable Revenue	366 129
Total	389 129
	<u> </u>
3 Aid Assistance	
3.1 Aid assistance received in cash from other sources	
Local Consider Palmone (2)	774) (17170)
	.224) (12,139) 1,567 11,137
	641) (20,222)
	(20,222)
COLUMN TO THE PART OF THE PART	,041) (20,222)
Closing Balance (4,2	298) (21,224)
3.2 Total	
A SECTION OF THE PROPERTY OF T	.224) (12,139)
The state of the s	1,567 11,137
	641) (20,222)
Current (3	(20,222)
Closing Balance (4,2	
Uluany bullic	(21,224)
Analysis of balance	
	,298 21,224
	,298 21,224 21,224
Tanta sources 7	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Closing balance 4,	,298 21,224

VOTE 5

		Note	2009/10 R'000	2008/09 R'000
Com	pensation of Employees			
4.1	Salaries and wages			-
	Basic salary		70,432	57,969
	Performance award		1,723	4,887
	Service Based		139	73
	Compensative/circumstantial		703	1,139
	Periodic payments		2,104	2,179
	Other non-pensionable allowances		14,106	7,930
	Total		89,207	74,177
4.2	Social Contributions			
	Employer contributions			
	Pension		8,381	6,955
	Medical		5,550	4,962
	Bargaining council	7	19	70
	Total		13,950	11,987
	Total compensation of employees		103,157	86,164
	Average number of employees		565	541
	Average number of employees		<u> </u>	<u> </u>
	ds and services			U41
Admii	ds and services inistrative fees		622	
Admii Adver	ds and services inistrative fees vrtising		622 1,460	2,756
Admii Adver Asset	ds and services inistrative fees ortising tts less than R5,000	5.1	622 1,460 1,350	2,756 1,435
Admii Adver Asset Bursa	ds and services inistrative fees ortising ots less than R5,000 aries (employees)	5.1	622 1,460 1,350 130	2,756 1,435 126
Admii Adver Asset Bursa Cater	ds and services inistrative fees vrtising ts less than R5,000 aries (employees)	5./	622 1,460 1,350 130 978	2,756 1,435 126 859
Admin Adver Asset Bursa Cater Comr	ds and services inistrative fees vrtising vrts less than R5,000 varies (employees) ring munication		622 1,460 1,350 130 978 2,848	2,756 1,435 126 859 2,967
Admin Adver Asset Bursa Cater Comp	ds and services inistrative fees ertising ets less than R5,000 aries (employees) ring munication puter services	5.2	622 1,460 1,350 130 978 2,848 1,167	2,756 1,435 126 859 2,967 1,185
Admii Adver Asset Bursa Cater Comr Comp	ds and services inistrative fees virtising tts less than R5,000 aries (employees) ring munication puter services sultants, contractors and agency/outsourced services		622 1,460 1,350 130 978 2,848 1,167 66,428	2,756 1,435 126 859 2,967 1,185
Admin Adver Asset Bursa Cater Comp Comp Consi	ds and services inistrative fees vertising tes less than R5,000 verties (employees) ring munication puter services sultants, contractors and agency/outsourced services retainment	5.2 5.3	622 1,460 1,350 130 978 2,848 1,167 66,428	2,756 1,435 126 859 2,967 1,185 48,409
Admin Adver Asset Bursa Cater Comr Comp Consi Enter Audit	ds and services inistrative fees rtising its less than R5,000 aries (employees) ring munication puter services sultants, contractors and agency/outsourced services rtainment t cost – external	5.2 5.3 5.4	622 1,460 1,350 130 978 2,848 1,167 66,428 35 3,075	2,756 1,435 126 859 2,967 1,185 48,409 34 2,440
Admin Adver Asset Bursa Cater Comp Comp Consi Enter Audit	ds and services inistrative fees vertising verts less than R5,000 vertises (employees) ring munication puter services veltants, contractors and agency/outsourced services retainment to cost — external intory	5.2 5.3	622 1,460 1,350 130 978 2,848 1,167 66,428 35 3,075 23,337	2,756 1,435 126 859 2,967 1,185 48,409 34 2,440 4,361
Admin Adver Asset Bursa Cater Comn Comp Consi Enter Audit Inven	ds and services inistrative fees initration general munication puter services initration, contractors and agency/outsourced services intended into the services in	5.2 5.3 5.4 5.5	622 1,460 1,350 130 978 2,848 1,167 66,428 35 3,075 23,337 5,867	2,756 1,435 126 859 2,967 1,185 48,409 34 2,440 4,361 5,252
Admin Adver Asset Bursa Cater Comp Comp Consi Enter Audit Inven Opera	ds and services inistrative fees virtising its less than R5,000 aries (employees) ring munication puter services sultants, contractors and agency/outsourced services rtainment t cost – external intory vating leases ed and leasehold property expenditure	5.2 5.3 5.4	622 1,460 1,350 130 978 2,848 1,167 66,428 35 3,075 23,337	2,756 1,435 126 859 2,967 1,185 48,409 34 2,440 4,361 5,252 26,574
Admin Adver Asset Bursa Cater Comn Comp Consi Enter Audit Inven Opera Owne	ds and services inistrative fees irising its less than R5,000 aries (employees) ring munication puter services sultants, contractors and agency/outsourced services rtainment it cost – external intory rating leases ed and leasehold property expenditure sport provided as part of the departmental activities	5.2 5.3 5.4 5.5	622 1,460 1,350 130 978 2,848 1,167 66,428 35 3,075 23,337 5,867 33,164	2,756 1,435 126 859 2,967 1,185 48,409 34 2,440 4,361 5,252 26,574 265
Admin Adver Asset Bursa Cater Comn Comp Consi Enter Audit Inven Opera Owne Trans	ds and services inistrative fees rising tts less than R5,000 aries (employees) ring munication puter services cultants, contractors and agency/outsourced services rtainment tt cost – external intory rating leases ed and leasehold property expenditure sport provided as part of the departmental activities el and subsistence	5.2 5.3 5.4 5.5	622 1,460 1,350 130 978 2,848 1,167 66,428 35 3,075 23,337 5,867 33,164	2,756 1,435 126 859 2,967 1,185 48,409 34 2,440 4,361 5,252 26,574 265 10,781
Admin Adver Asset Bursa Cater Comp Comp Consi Enter Audit Inven Opera Owne Trans Venue	ds and services inistrative fees prising ts less than R5,000 aries (employees) ring munication puter services sultants, contractors and agency/outsourced services retainment t cost – external intory rating leases ed and leasehold property expenditure sport provided as part of the departmental activities el and subsistence uses and facilities	5.2 5.3 5.4 5.5	622 1,460 1,350 130 978 2,848 1,167 66,428 35 3,075 23,337 5,867 33,164 -	2,756 1,435 126 859 2,967 1,185 48,409 34 2,440 4,361 5,252 26,574 265 10,781
Admin Adver Asset Bursa Cater Comn Comp Consi Enter Audit Inven Opera Trans Trave Venue	ds and services inistrative fees inistrative fees inistrative fees inistrative fees inistrative fees initising its less than R5,000 aries (employees) ring munication puter services initiants, contractors and agency/outsourced services retainment it cost – external intory rating leases ind and leasehold property expenditure sport provided as part of the departmental activities in and subsistence in and staff development	5.2 5.3 5.4 5.5 5.6 5.7	622 1,460 1,350 130 978 2,848 1,167 66,428 35 3,075 23,337 5,867 33,164 - 12,035 274 3,042	2,756 1,435 126 859 2,967 1,185 48,409 34 2,440 4,361 5,252 26,574 265 10,781 114
Admin Adver Asset Bursa Cater Comn Comp Consi Enter Audit Inven Opera Trans Trave Venue	ds and services inistrative fees prising ts less than R5,000 aries (employees) ring munication puter services sultants, contractors and agency/outsourced services retainment t cost – external intory rating leases ed and leasehold property expenditure sport provided as part of the departmental activities el and subsistence uses and facilities	5.2 5.3 5.4 5.5	622 1,460 1,350 130 978 2,848 1,167 66,428 35 3,075 23,337 5,867 33,164 -	2,756 1,435 126 859 2,967 1,185 48,409 34 2,440 4,361 5,252 26,574 265 10,781

5.2 5.5

DEPARTMENT OF TRANSPORT, ROADS AND PUBLIC WORKS

VOTE 5

	Nate	2009/10 R'000	2008/09 R'000
Assets less than R5,000	5		
Tangible assets		497	1,262
Machinery and equipment		497	1,262
Intangible assets		853	173
Total		1,350	1,435
Computer services	5		
SITA computer services	<i>b</i>	1,101	1,165
External computer service providers	A	66	20
Total		1,167	1,185
		<i>y</i>	
Consultants, contractors and agency/outsourced services	5		
Business and advisory services		6,129	4,577
Infrastructure and planning		11,662	12,218
Laboratory services		37	-
Legal costs		1,073	1,818
Contractors		45,610	-
Agency and support/outsourced services		1,917	29,796
Total		66,428	48,409
Audit cost – external	5		
Regularity audits	D	2,960	2,440
Other audits		115	-
Total		3,075	2,440
Investory.	5		
Inventory Learning and teaching support material	J	7	
Food and food supplies		77	101
Fuel, oil and gas		290	IUI -
Other consumable materials		19,499	- 846
Maintenance material		1,894	1,877
Stationery and printing		1,570	1,537
Total		23,337	4,361

VOTE 5

Notes to the Annual Financial Statements for the year ended 31 March 2010

6		Note	2009/10 R'000	2008/09 R'000	
5.6	Owned and leasehold property expenditure	5			
	Municipal services		2,108	2,022	
	Property management fees		-	-	
	Property maintenance and repairs		5,137		Towns.
	Other		25,919	24,552	
	Total		33,164	26,574	4
5.7	Travel and subsi <mark>stence</mark>	5			
	Local		11,756	10,781	
	Foreign		279	- 12	- Control of the second
	Total		<u>12,035</u>	10,781	
5.8	Other operating expenditure	5			1057FE00200
	Learnerships		1,575	2,758	
	Professional bodies, membership and subscription fees		112	198	
	Resettlement costs		222	246	
	Other		1,717	160	-
	Total		3,626	3,362	1
	et and Rent on Land		129		
Interes	т рани			200	200
Total			<u>129</u>		
Financi	al Transactions in Assets <mark>and Liabilitie</mark> s				- State of the
Nehts w	vritten off	7.1	6,011	1000	
Total	THE STATE OF THE S	7.1	6,011		
.2.2.				3.3	
7.1	Debts written off	7			
	Nature of debts written off				
	Bus Subsidies		6,011		
	Total		6,011		

6

7

Notes to the Annual Financial Statements

H= A	Notes to the Annual Financial Statements for the year ended 31 March 2010							
		Note	2009/10 R'000	2008/09 R'000				
C SIP		•						
8	Transfers and Subsidies		100					
	Provinces and municipalities	Annexure IA Annexure IB	94,569	78,787				
	Non-profit institutions	Annexure IC	2,652	5,339				
-	Households	Annexure ID	927	10,506				
	Gifts, donations and sponsorships made	Annexure IE	148	10,000				
T.	Total	AIIIIEXUTE IL	98,296	94,632				
9	Expenditure for capital assets		30,230	<u> </u>				
and the same of	Tangible assets		358,116	389,324				
MANUEL TERM	Buildings and other fixed structures	27	355,869	385,651				
	Machinery and equipment	32	2,247	3,673				
	Software and other intangible assets Computer software Total	43	382 382 358,498	35 35 389,359				
	9.1 Analysis of funds utilised to acquire capital assets	- 2008/09						
	Tangible assets Buildings and other fixed structures	Voted Funds R'000 389,324		TOTAL R'000 389,324				
	Machinery and equipment	385,650 3,674		385,650 3,674				
14.00	Software and other intangible assets	35	_	35				
A D	Computer software	35		35				
5	Total	389,359	-	389,359				
100								

VOTE 5

						Note	2009/10 R'000	2008/09 R'000	
10	Unauthori	sed Expenditure							
		44 100 100 100 100	f unauthorised expen	diture					(4)
		Opening balance					7,257	2,038	1
		Unauthorised exp	oenditure - discovered i	n the current year		<i>14</i> _	<u>-</u>	5,219	
	1	Unauthorised e	xpenditure awaiting a	uthorisation / writt	en off	=	7,257	7,257	- Committee
		Analysis of awa	iting authorisation pe	r economic classific	eation				
	•	Current	iting dather laution per		Julion		2,038	2,038	4
		Capital	- 225				5,219	5,219	
		Total				-	7,257	7,257	
		lulai			10/83	-	1,231	1,2,1	
									I SA
								535	17/11/11
11	Cash and I	Cash Equivalent	s	2	DE.			-100	THE REAL PROPERTY.
	Consolidate	ed Paymaster Ge	neral Account			_	20,940	-	
	Total					=	20,940		
12	Prenavme	nts and Advanc	PS						1)
-		subsistence					-	14	10
	Total					-	-	14	
					2009/	10		3.20	12
				Less than	One to three years	Older than	Total	2008/09	
				one year R'000	R'000	three years R'000	R'000	R'000	
			Note	K 000	Kooo	K GGG	K 000	K GGG	- Jolo
13	Receivable							1000	A
	Claims rec	overable	13.1						
			Ann 4	2,208	966	1,639	4,813	6,495	3 500 3
		le Expenditure	13.2	205	473	-	678	-	
	Staff debt		13.3	175	93	136	404	564	
	Other debt	ors	13.4	48	38	796	882	1,782	1
	Total			2,636	1,570	2,571	6,777	8,841	
									0

VOTE 5

		Note	2009/10 R'000	2008/09 R'000
13.1	Claims recoverable	13		
	National departments	,,	29	-
	Provincial departments		4,784	6,495
	Total		4,813	6,495
13.2	Recoverable expenditure (disallowance accounts)			
	Disallowance Damages & Losses		447	-
	Disallowance Dishonoured cheques	198	26	-
	Disallowance Miscellaneous	13	205	
			678	-
	100			
13.3	Staff debt	13		
	(Group major categories, but list material items)			
	Debt Account		393	467
	Salary Disallowance Account		10	86
	Salary Medical Aid Sal:Insurance Deductions		-	5
	Sal:ACB Recalls:CA		-	6
			1	-
	Total		404	564
13.4	Other debtors	13		
13.4	(Group major categories, but list material items)	lu lu		
	Claims Recoverable National		_	292
	Claims Recoverable Northern Cape		786	801
	Disallowance Damages & Losses	3	-	447
	Disallowance Miscellaneous		-	174
	Disallowed Dishonoured Cheques		-	26
	Salary:Income Tax		-	-
	Tender deposit		96	42
	Total		882	1,782
				·
Voted Fu	inds to be Surrendered to the Revenue Fund		4	
Opening Ł			11,504	10,568
	from statement of financial performance		27,136	6,285
	uthorised expenditure for current year	/[]	-	5,219
	nds not requested/not received	1.1	(545)	-
	ng the year		(11,506)	(10,568)
Closing b	balance		26,589	11,504

VOTE 5

		Note	2009/10 R'000	2008/09 R'000
15		nental revenue to be surrendered to the Revenue Fund		Co.p.
		balance	(239)	366
		r from Statement of Financial Performance		
		ing the year	(4,531)	(3,110)
	Liosing	balance	780	(239)
16	Bank Ov	verdraft		
		ated Paymaster General Account		20,441
	Total		<u> </u>	24,700
17		s - current s owing to other entities Annex 5	10 COO	4.000
		s owing to other entities Annex 5 accounts 17.1	10,632 54	4,259
	Other pa		1,217	1,331
	Total		11,903	1,371
	10101		11,000	1,011
	17.1	Clearing accounts 17		-10-3
		(Identify major categories, but list material amounts)		1
		Salary Income Tax	55	39
		Salary Pension Fund	(1)	1
		Total	<u>54</u>	40
				11000
	17.2	Other payables 17		
		(Identify major categories, but list material amounts)		
		Claims Recoverable Northern Cape	-	91
		Claims Recoverable Province Department Disallowance Miscellaneous	174	10
		Salary Disallowance Account	271	357
		Sal:ACB Recalls	-	89
		Debt Receivable Income	10	16
		T & S Advance Dom	-	15
		Salary Tax Debt	-	2
		Rental and Tender Deposits	728	716
		Removed Tender Deposits	34	34
		Total	1,217	1,331
				d All

VOTE 5

	Notes to the Annual Financial Statements for the year ended 31 March 2010			
			2009/10	2008/09
		Note	R'000	R'000
18	Net cash flow available from operating activities			
C4 \$10	Net surplus/(deficit) as per Statement of Financial Performance		48,593	(2,800)
	Add back non cash/cash movements not deemed operating activities	-	355,817	386,163
	(Increase)/decrease in receivables – current		2,064	8,985
	(Increase)/decrease in prepayments and advances		14	-
-	(Increase)/decrease in other current assets		-	(5,219)
	Increase/(decrease) in payables – current		10,532	48
I	Expenditure on capital assets		358,498	389,359
60	Surrenders to Revenue Fund		(15,018)	(14,283)
	Voted funds not requested/not received		(545)	-
1	Own revenue included in appropriation	M	4,531	3,110
-	Net cash flow generated by operating activities	4/1/2	408,669	379,104
	Reconciliation of cash and cash equivalents for cash flow purposes			
A PARTIE STATE OF THE PART	Consolidated Paymaster General account	-	20,940	(20,441)
100	Total	=	20,940	(24,700)
N =				

VOTE 5

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

			Nate	2009/10 R'000	2008/09 R'000
Season .					
Contingi 20.1	ent liabilities and contingent asse	IS			
ZU.I	Contingent liabilities Liable to	Nature			
	100		Annex 3A	114	321
	Housing loan guarantees	Employees	Annex 3B	23,172	321 19,328
	Claims against the department	t-lf:d b-l)	Annex 5	23,172 5	13,326 507
	Other departments (interdepartments	nentai uncontirmed daiances)			
	Total		_	23,291	20,156
	-				
20.2	Contingent assets				
	Nature of contin <mark>gent asset</mark>				
	Claim 1: Khumbula P <mark>roperty ser</mark> vi	CES		28,883	-
	Claim 2: Khumbula Property serv	ices		23,352	
	Claim 3: Gaurd Risk			7,869	42
	Total	3	_	60,104	-
			_		-0.00
_					
Commit					
	expenditure				50.405
	d and contracted			112,293	80,169
Approve	d but not yet contracted			2,020	_ 2000
				114,313	80,169
-	expenditure (including transf <mark>ers)</mark>		_	1	
• •	d and contracted			297,135	34,652
Approve	d but not yet contracted			118,891	182,57
		2	_	416,026	217,223
Total Co	mmitments			530,339	297,392

Indicate whether a commitment is for longer than a year

The contract of security services was signed for 3 years staring January 2009



22	Accruals				1000	
	Listed by economic classification		30 days	30+ days	Total	Tota
C. CIP	Goods and services		2,774	6,858	9,632	10,687
100	Interest and rent on land		-	-	- Mary -	-
	Transfers and subsidies		-	-	107 -	4
	Buildings and other fixed structures		-	-	W -	33,627
A PARKET	Machinery and equipment		25	129	154	2
	Software and other intangible assets		96	-	96	576
7	Other		372	- /	372	-
60	Total		3,267	6,987	10,254	44,896
4				and the	<u> </u>	
1	Listed by programme level			1		
	Administration			No. of Contract of	2,564	2,738
	Public Works				1,453	5,404
AND TOWN	Roads Infrastructure				2,344	35,715
通常 数图	Public Transport				45	245
国整 联邦	Community Based Programme				3,848	794
	Total			_	10,254	44,896
	Total			_	10,204	77,000
	Confirmed balances with departments			Annex 5	163	52
	Total				163	52
-175	Tata.	100		_		
Mintered and						
D. C.						
2.00						
		10000				
Marchael Co.						
A P						
ALC: MARKET MARK				13		
		100				
				The state of the s		
4/4/2						
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VOTE 5

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

23	Emplayee benefits	Nate	2009/10 R'000	2008/09 R'000
	Leave entitlement		2,723	1,061
	Service bonus (Thirteenth cheque)		2,914	2,450
	Performance awards		13	
	Capped leave commitments		1,005	9,754
	Total		6,655	13,265

7,635

24 Lease commitments

24.1	Operating	leases e	expenditure
------	-----------	----------	-------------

Operating leases expenditure				
The same	Land	Buildings and other fixed structures	Machinery and equipment	Total
2009/10				
Not later than 1 year	MARIE	1,226	698	1,924
Later than 1 year and not later than 5 years		243	1,129	1,372
Later than five years	-	4,184	<u> </u>	4,184
Total lease commitments	-	1,469	1,827	3,296
	Land	Buildings and other fixed structures	Machinery and equipment	Total
2008/09				
Not later than 1 year	-	429	1,316	1,745
Later than 1 year and not later than 5 years	-	626	5,264	5,890

1,055

6,580

24.2 Finance leases expenditure **

Later than five years

Total lease commitments

	Land	Buildings and other fixed structures	Machinery and equipment	Total
2009/10				-
Not later than 1 year		-	554	554
Later than 1 year and not later than 5 years		-	131	131
Later than five years		-	<u> </u>	1
Total lease commitments	-	-	685	685
LESS: finance costs		-	48	48
Total present value of lease liabilities	-	-	637	637



VOTE 5

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

2008/09	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	1,083	1,083
Later than 1 year and not later than 5 years	-	-	263	263
Later than five years		-	<u> </u>	
Total lease commitments	-	-//	1,346	1,346
LESS: finance costs		100	-	
Total present value of lease liabilities	_	1000	1346	1346

Note

2009/10

R'000

2008/09

R'000

PRACTICE NOTE 5 OF 2006/2007

Entering into future finance leases

- 2.8 Despite the provisions contained in Treasury Regulations 13 and 32, departments, constitutional institutions and public entities may in future enter into finance lease transactions without approval of the relevant treasury, provided that:
- 2.8.1 the finance lease is found to be more economical than an operating lease; and
- 2.8.2 the period of the finance lease does not exceed 36 months or 60 months in respect of motor vehicles

25	Pagaive	ables for departmental reveni		Note	2009/10 R'000	2008/09 R'000
20		f goods and services other than			584	338
		ו אחחת? פוות פבו גורב? חרוובו. רוופוו	capital assets	_		
-	Total			_	584	338
A STATE OF THE PARTY OF THE PAR	25.1	Analysis of receivables for	departmental revenue			
and the		Opening balance			610	272
		Less: Amounts received			366	-
2		Add: Amounts recognised			340	338
A Laboratory		Closing balance			<u>584</u>	610

VOTE 5

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

		Nate	2009/10 R'000	2008/09 R'000	
i	Irregular expenditure				
	26.1 Reconciliation of irregular expenditure			0	
	Opening balance		6,095	4,446	Ì
	Add: Irregular expenditure - relating to prior year		-	-	
	Add: Irregular expenditure - relating to current year		5,942	1,649	
	Less: Amounts condoned		(1,073)		
	Irregular expenditure awaiting condonation		10,964	6,095	
	Analysis of awaiting condonation per age classification				
	Current year		4,869	1,649	
	Prior years		6,095	4,446	
	Total		10,964	6,095	

- 2007/08: Condoned photocopier machine leases which resulted in financial leases = R2,043 million
- 2007/08: Inadequate procurement process for accommodation and transport = R0,717 million
- 2007/08: Inadequate procurement processes for leasing photocopiers = R940,026
- 2005/06: Installation of IT networks and cabling = R2,789m.
- 2009/10 Inadequate procurement of photocopiers, insufficient quotation, No tax Clearance certificate, procurement process not followed not sufficient supporting documentation = R4,869 million
- 2009/10 finance lease of copy machine and cell phones that result in irregular expenditure R1,073 m

26.2 Details of irregular expenditure - current year

Incident

Finance leases

Inadequate procurement

Disciplinary steps taken/criminal proceedings

Busy with investigations



5,966



26

VOTE 5

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

	Nate	2009/10 R'000	2008/09 R'000
Page Built for the state of			
26.3 Details of irregular expenditure condoned		1000	
Incident Condoned by (condoning authority)			
Finance leases PRACTICE NOTE 5 OF 2006/2007		1,097	1,097
		1,097	1,097
Related party transactions Revenue received			
Sales of goods and services other than capital assets	A STORY	13,088	13,099
Total	9//-	13,088	13,099
Loans to/from related parties			
Non-interest bearing loans to/(from)	/ _	10,632	4,259
Total		10,632	4,259

The Department hires the Yellow Fleet from the Roads Capital Account to maintain the road network, which results in a Rental of Road Equipment of R13 088m due and paid to the Roads Capital Account. The Bank Account is kept in the name of the Department of which a portion thereof RIO 632 is that of the Roads Capital Account. The Roads Capital Account prepares its own annual financial statements.

> 2008/09 R'000

> > 1,258

983 2,057 4,298

		3	
		Na. a	2009/10 F R'000
70			
28	Key management personnel	Individua	US .
II Marie Com	Political office bearers (provide detail below)		1,327
	Officials:		
	Level 15 to 16		657
BES TO	Level 14 (incl CFO if at a lower level)		4 3,091
P _D	Total		5,075

27

VOTE 5

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

	R'000	R'000
Public Private Partnership		170
Contract fee paid	67,965	89,146
Fixed component	3,309	89,146
Indexed Component	64,656	-

2009/10

2008/09

The service provider should provide fleet services to the Northern Cape Provincial Government either long term fleet as well as short term rentals. An agreement was signed with a service provider Nyumbane Investments (Pty) Ltd on 27 January 2010 for a period of 5 years on behalf of all departments in the province. Amounts spent by all

Agriculture	6,786
Economic Affairs	1,750
Education	8,382
Health	15,850
Housing	2,690
Premiers Office	1,637
Safety and Liaison	5,415
Social Services	10,828
Sports Arts and Culture	2,719
Tourism	3,943
Transport	3,380
Treasury	1,276

The service provider should provide

29

- 583 long term fleet vehicles to all provincial departments.
- Point to point service should be provided to user departments.
- A call centre should be 24 hours per day x days per week x 356 days.
- a Management Information System to enable and facilitate the efficient provision of service.
- Provide pro -active fleet advisory and technical consulting service.
- All vehicles have to be in good working order at all times and shall be serviced or repaired

Changes in the agreement took place.

- The waiting time is extended from 8 hours to 24 hours on relief vehicles.
- The collection of vehicles will be collected by department officials from the regional offices of Nyaumbane Fleet services
- The monthly tariff includes insurance premium on the vehicles

If the Private Party wishes to sell or alienate the ownership of the long term fleet during this agreement or as a result of early termination this should be communicate to the department. The department will have a right to

- purchase these fleet.
- alternatively to match the offer made by the third party

VOTE 5

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

Termination options

- Should either party commit a material breach of this lease and fail to remedy such breach within 30 days of receipt of written notice from the other part calling upon it to do so, the other party may terminate the lease on written notice.
- The province need to inform the service provider of their intention after 4 years whether they will continue with the contract or not.

The contractual for the remainder of the period

Not later than 1 year Later than 1 year and not later than 5 years 76,984 224,538

301,522

		The same	
Provisions	Note	2009/10 R'000	2008/09 R'000
Potential irroroverable debts			

Potential irrecoverable debts
Staff debtors

Other debtors
Claims recoverable

Total

229 -834 -7,376 -**8,439** -

The amount for claims recoverable include local aid for bus subsidies to the value of R4,298 million which is regarded

as irrecoverable.

The traffic function was moved from Transport to Department of Safety and Liaison as at 31 March 2005. The two departments did not agree at the tie on the assets and liabilities transferred. Extensive reconciliations have been done by the Department of Safety and Liaison to determine the value of receivable as at 1 April 2005. An amount of R57 million has now been deemed as irrecoverable. A submission has been made to cabinet to write off the amount but at reporting date this approval was outstanding.



VOTE 5

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

31 **Movable Tangible Capital Assets**

MOVEMENT IN MOVABLE TANGIBLE CAPITAL AS:	SETS PER ASSE Opening balance	T REGISTER FOR TH Curr year adjust-ments to prior year balances	IE YEAR ENDED 31 Additions	MARCH 2010 Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	9,993	-	2,247		12,240
Transport assets	1,185	-	768	-	1,953
Computer equipment	4,244	-	999	-	5,243
Furniture and office equipment	2,133	10/10	455	-	2,588
Other machinery and equipment	2,431	(13)/ -	25	-	2,456
					1
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	9,993	1	2,247	-	12,240

Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL	ASSETS PE	R ASSET REGIS	TER FOR THE	YEAR END	ED 31 MARCH 2010

ING IG MOTABLE INNUIDLE GALLIAL	AUULIUI LIN AU	OF! KEDIO!	EN TUN THE TEAM END	LD DI MANDII ZUID
	Cash	Non-	(Capital work-in-	Received
6		cash	progress current	current, not paid
			costs and finance	(Paid current
			lease payments)	year, received
				prior year

	R'000	R'000	R'000		R'000	R'000
MACHINERY AND EQUIPMENT	2,247			-	<u>-</u>	2,247
Transport assets	768		100	-	-	768
Computer equipment	999			-	-	999
Furniture and office equipment	455			-	-	455
Other machinery and equipment	25	À		-	-	25
				-		

TOTAL ADDITIONS TO MOVABLE TANGIBLE					
CAPITAL ASSETS	2,247	-	-	<u> </u>	2,247

Total

VOTE 5

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

Movement for 2008/09

	Opening balan	ice Ai	dditions	Disposals	Closing balance
	R'000		R'000	R'000	R'000
MACHINERY AND EQUIPMENT	6,3	319	3,674	_	9,9
Transport assets	1,1	185	-	-	1,
Computer equipment	3,	.412	832	-	4,2
Furniture and office equipment	1,0	103	1,130		2,
Other machinery and equipment		719	1,712	-	2.
			- in	1	
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	6,3	319	3,674	<u> </u>	9,9
Minor assets MINOR ASSETS OF THE DEPARTMENT AS AT 311					
\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		Heritage assets	Machinery and equipment	Biological assets	Total
\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	Intangible	_	AND THE RESERVE OF THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN COLUMN TWO IS NAMED IN COLUM	_	Total R'000
\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	Intangible assets	assets	equipment	assets	R'000
MINOR ASSETS OF THE DEPARTMENT AS AT 31	Intangible assets R'000	assets	equipment R'000	assets	R'000 3,
MINOR ASSETS OF THE DEPARTMENT AS AT 31 I	Intangible assets R'000 1,046	assets	equipment R'000 2,700	assets	
MINOR ASSETS OF THE DEPARTMENT AS AT 31 I	Intangible assets R'000 1,046 Intangible	R'000 -	R'000 2,700 2,700 Machinery and	assets R'000 Biological	R'000 3.7 3.7
MINOR ASSETS OF THE DEPARTMENT AS AT 31 I Minor Assets TOTAL	Intangible assets R'000 1,046 Intangible	R'000 -	R'000 2,700 2,700 Machinery and equipment	assets R'000 Biological	R'000 3,7 3,7 Total

VOTE 5

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

	31 MARCH 2009 Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
400	R'000	R'000	R'000	R'000	R'000
Minor Assets	-	-	1,336	-	1,336
TOTAL	-	-	1,336	-	1,336
	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets	-	-	1,336	-	1,336
TOTAL	-	-	1,336	-	1,336
MOVEMENT IN INTANGIBLE CAPITAL ASSETS	Opening balance R'000	Curr year adjust-ments to prior year balances R'000	Additions	Disposals R'000	Closing balance R'000
COMPUTER SOFTWARE	725		- 382		1,107
TOTAL INTANGIBLE CAPITAL ASSETS	725		- 382	_	1,107
Additions Additions to intangible capital assets	S PER ASSET REGIST Cash		(Developmen t work-in- c progress current	Received urrent, not paid (Paid current year, received	Total
			costs)	prior year	R'000
COMPLITED EDETHARE	R'000	R'000	R'000	R'000	0
COMPUTER SOFTWARE TOTAL ADDITIONS TO INTANGIBLE CAPITAL	R'000 382		R'000 -		382

VOTE 5

	Disclosu	re Notes to the Ann for the year ended		tements		
	Movement for 2008/09					
4 9	MOVEMENT IN INTANGIBLE CAPITAL ASSETS	S PER ASSET REGISTE Opening balance	Additic		l 2009 Disposals	Closing balance
		R'000	R'000		R'000	R'000
10000	COMPUTER SOFTWARE	69	30	35	//	725
	TOTAL INTANGIBLE CAPITAL ASSETS		30	35		725
33	Immovable Tangible Capital Assets MOVEMENT IN IMMOVABLE TANGIBLE CAPIT	Opening balance	Curr year adjust-ments to prior year balances	Additions	Disposals	Closing balance
	BUILDINGS AND OTHER FIXED	R'000	R'000	R'000	R'000	R'000
	STRUCTURES	9,376,845	7,190,187	594,055	-	17,161,087
-	Non-residential buildings	811,138	555,393	49,384	-	1,415,915
Bank M.	Other fixed structures	8,565,707	6,634,794	544,671	-	15,745,172
CALLED TO SERVICE STATE OF THE PERSON NAMED IN						

VOTE 5

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITA	L ASSETS PER AS Cash	SSET REGISTER Non-cash	FOR THE YEAR END (Capital work- in-progress current costs and finance lease payments)	ED 31 MARCH 2010 Received current, not paid (Paid current year, received prior year	Total
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	355,869	589,439	(351,253)	_	594,055
Dwellings	-	-	(001,200)	-	-
Non-residential buildings	59,429	44,768	(54,813)	-	49,384
Other fixed structures	296,440	544,671	(296,440)	-	544,671

Movement for 2008/09

MOVEMENT IN IMMOVABLE TANGIBLE CAP<mark>ITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009</mark>

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	9,267,460	109,385	-	9,376,845
Dwellings		-	-	-
Non-residential buildings	811,138	-	-	811,138
Other fixed structures	8,456,322	109,385	-	8,565,707
TOTAL IMMOVABLE TANGIBLE CAPITAL	0.207.400	100 205		0.270.0/5

9 267 460	109 385	_	9.376.845
	9.267.460	9.267.460 109.385	9 267 460 109 385 -

VOTE 5

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

Immovable assets valued at R1

IMMOVABLE ASSETS VALUED AT RI IN THE ASSET REGISTER AS AT 31 MARCH 2010

Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Invest-ment property	Total
R	R	R	R	R
1,035	-	-	<i>III</i>	1,035
1,035	-	-	_	1,035

R1 Immovable assets
TOTAL

IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2009

R1 Immovable assets **TOTAL**

Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Invest-ment property	Total
R	R	R	R	R
1,141		-	-	1,141
1,141			-	1,141





Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

34 STATEMENT OF CONDITIONAL GRANTS RECEIVED

			GRANT ALLOCATI	ON			SPENT		200	18/2009
NAME OF DEPARTMENT	Division of Revenue Act/ Provincial Grants	Rall Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	% of available funds spent by dept	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R '000	R'000	R'000	%	R'000	R'000
Division of Revenue Act Provincial Grants										
Infrastructure Grants Provinces	309,659	-	/-	187	309,659	309,659	287,319	93%	309,125	309,125
Devolution of Property Rates Funds Grant to Provinces	26,998	-		10,300	37,298	37,298	37,140	100%	24,094	24,094
Expanded Public Works Programme Incentive Grant	500	-	3		500	-	-		-	-
Public Transport Operations Grant	22,159	-	-	259	22,418	22,418	22,418	100%	-	-
	359,316	-		10,559	369,875	369,375	346,877		333,219	333,219

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

35 STATEMENT OF CON<mark>ditional</mark>/unconditional grants paid to municipalities

	GRA	NT ALLOCATION		TRANSFER				
NAME OF MUNICIPALITY	Division of Revenue Act	Rall Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Ga-Segonyana	445		70	445	445	-	- 1	
Gammagara	83		65	148	148	-	-	
Kgalagadi	1		-	1	1	-	-	
Richterveld	-	-	36	36	36	-	-	
Nama Khoi	438	-	18	456	454	-	-	
Kamiesberg	241	-	-	241	241	-	-	
Hantam	314		-	314	314	-	-	
Karoo Hoogland	29	+	93	122	122	-	-	
Khai-Ma	131	-	-	131	131	-	-	
Ubuntu	296	-	7	296	296	-	-	
Umsabamvu	180	-		180	180	-	-	
Emthanjeni	588	-	-	588	588	-	-	
Kareeberg	380	-	-	380	380	-	-	
Renosterberg	89	-	-	89	89	-	-	
Thembelihle	221	-	(67)	154	-	-	-	

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

35 STATEMENT OF CONDITIONAL/UNCONDITIONAL GRANTS PAID TO MUNICIPALITIES

	GRA	NT ALLOCATION	10	To the same of the	TRANSFER				
NAME OF MUNICIPALITY	Division of Revenue Act	Rall Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000		
Siyathemba	836		-	836	836	-	-		
Siyancuma	407	-	-	407	407	-	-		
Kai Garib	619	-	1	620	620	-	-		
Khara Hais	1,011	A	-	1,011	1,011	-	-		
Kheis	21	7	-	21	21	-	-		
Tsantsabane	170	-	-	170	170	-	-		
Kgatelopele	-	-	36	36	36	-	-		
Sol Plaatjie	20,184	-	10,116	30,300	30,300	-	-		
Dikgatlong	2	-	2	4	2	-	-		
Magareng		-	-	-	-	-	-		
Phokwane	312	-	-	312	312	-	-		
	26,998	-	10,300	37,298	37,140	-	-		

VOTE 5 Annexures to the Annual Financial Statements for the year ended 31 March 2010

Annexure 1A STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

		GRAN	NT ALLOCATION			TRANSFER			SPENT		2008/2009
NAME OF MUNICIPALITY	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Ga-Segonyana	445	-	-	445	445	-	-	445	445	100%	940
Gammagara	83	-	65	148	148		-	148	148	100%	131
Kgalagadi	1	-	-	1		1	-	1	1	0%	-
Richterveld	-	-	36	36	36	-	-	36	36	100%	37
Nama Khoi	438	-	18	456	454	-	-	454	454	100%	217
Kamiesberg	241	-	-	241	241	-	-	241	241	100%	114
Hantam	314	-	-	314	314	-	-	314	314	100%	270
Karoo Hoogland	29	-	93	122	122	-	-	122	122	100%	388
Khai-Ma	131	-	-	131	131	-	-	131	131	100%	119
Ubuntu	296	-	-	296	296	-	-	296	296	100%	563
Umsabamvu	180	-	-	180	180		-	180	180	100%	120
Emthanjeni	588	-	-	588	588	-	-	588	588	100%	643
Kareeberg	380	-	-	380	380	-	-	380	380	100%	469
Renosterberg	89	-	-	89	89	-	-	89	89	100%	25

VOTE 5

Annexures to the Annual Financial Statements for the year ended 31 March 2010

Annexure 1A STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

		GRAN	IT ALLOCATION			TRANSFER	7		SPENT		2008/2009
NAME OF MUNICIPALITY	Division of Revenue Act	Rall Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Thembelihle	221	-	(67)	154	-	7	-	-	-		201
Siyathemba	836	-	-	836	836	-	-	836	836	100%	828
Siyancuma	407	-	-	407	407	-	-	407	407	100%	389
Kai Garib	619	-	1	620	620	-	-	620	620	100%	310
Khara Hais	1,011	-	-	1,011	1,011	-	-	1,011	1,011	100%	1,171
Kheis	21	-	-	21	21	-	-	21	21	100%	25
Tsantsabane	170	-	-	170	170	-	-	170	170	100%	156
Kgatelopele	-	-	36	36	36		-	36	36	100%	29
Sol Plaatjie	20,184	-	10,116	30,300	30,300	-	-	30,300	30,300	100%	16,351
Dikgatlong	2	-	2	4	2	-	-	2	2	100%	2
Magareng	-	-	-	1	-	-	-	-	-		328
Phokwane	312	-	-4	312	312	-	-	312	312	100%	268
	26,998	1	10,300	37,298	37,140		-	37,140	37,140		24,094

Annexures to the Annual Financial Statements

for the year ended 31 March 2010

Annexure 1B Statement of unconditional grants and transfers to municipalities

		GRANT	ALLOCATION		TR	ANSFER		SPENT		2008/2009
NAME OF MUNICIPALITY	Amount	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Frances Baard D M	7,393	-		7,393	7,393	100%	7,392	7,392	100%	7,040
Pixley Ka Seme D M	18,601	-	-	18,601	18,601	100%	18,601	18,601	100%	17,716
Namakwa D M	15,175	-	-	15,175	15,175	100%	15,175	15,175	100%	14,452
Siyanda D M	12,496	-	-	12,496	12,496	100%	12,496	12,496	100%	11,901
John Toalo Gaetsewe D M	3,764	-	-	3,764	3,764	100%	3,764	3,764	100%	3,584
				-	1					
	57,429	-	-	57,429	57,429		57,428	57,428		54,693

Annexures to the Annual Financial Statements for the year ended 31 March 2010

ANNEXURE IC STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

		TRANSFER ALLOCATION		EXPEN	DITURE	2008/2009	
NON-PROFIT INSTITUTIONS	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	2 R'000	R'000	R'000	%	R'000
Transfers		1					
Northern Cape Taxi Council	2,652		-	2,652	2,652	100%	2,528
Youth Commission	- /		-	-	-		3,000
		16					
	2,652	-	-	2,652	2,652		5,528

VOTE 5

Annexures to the Annual Financial Statements

for the year ended 31 March 2010

ANNEXURE 1D STATEMENT OF TRANSFERS TO HOUSEHOLDS

		TRANSFER ALI	TRANSFER ALLOCATION		EXPENDITURE		2008/2009
HOUSEHOLDS	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers Other	927		-	927	927	100%	10,407
	927		-	927	927		10,407

VOTE 5

Annexures to the Annual Financial Statements

for the year ended 31 March 2010

ANNEXURE 1E

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

NATURE OF GIFT, DONATION OR SPONSORSHIP		2009/10	2008/09
(Group major categories but list material items including name of organisatio	n)	R'000	R'000
Paid in cash			
Fourie NGC -Reimbursement related to funeral		9	
KLK Landbou Beperk(Donation:Purchase of paint for Ms Sophia Meintjies		1	
Business Gala Dinner		10	
Huis E J Appies Donation		1	
Numain Donation:Groceries for the funeral of Johanna Steyn		1	
Honolulu Mica Renovations: Donation:Purchase of paint for Methodist Primary		3	
Lorato's Creations & Traditional wear		3	
C Louw Boerdery:Funding for the funeral of Johanna Steyn		1	
Horseshoe Motel Catering :MEC 's suite @stadium during Bafana Bafana Game		5	
Didi's Grass& Flowers:Cake& Flowers for Ms Mina Guga		1	
Funeral Donation for employees		10	
St :Cyprians Primere School: Donation		3	
McGregors ShopTist Schoolrophies for Klipfontein Method		1	
Ms Mile :Funding for Funeral		60	
South African Woman in construction		39	
Subtotal		148	-

VOTE 5

Annexures to the Annual Financial Statements

for the year ended 31 March 2010

ANNEXURE 3A STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2010 - LOCAL

GUARANTOR INSTITUTION	Guarantee in respect of	Original guaranteed capital amount	Opening bal <mark>ance 1</mark> April 200 9	Guarantees draw downs during the year	Guaranteed repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2010	Guaranteed interest for year ended 31 March 2010	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing		(
ABSA		1,138	239	16	210	-	45	-	-
FIRSTRAND BANK		223	50		26	-	24	-	-
STANDARD BANK		45	9		9	-	-	-	-
NEDBANK		345	24	45	24	-	45	-	-
					-		-		
TOTAL		1,751	322	61	269	-	114	-	-

VOTE 5

Annexures to the Annual Financial Statements

for the year ended 31 March 2010

ANNEXURE 3B STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2010

Nature of liability	Opening balance 1 April 2009	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilites recoverable (Provide details hereunder)	Closing balance 31 March 2010	100
	R'000	R'000	R'000	R'000	R'000	
Claims against the department						
Cheket Investment/Maruping Plant	400	-	400	-	call a	100
R J Coetze(car Accident)	8,224	-	8,224	-	4 2 7 2 7	
Mr H Smook	264		-	-	264	
Mr S Mbi	125	69/8/3	125	-	-	
C Taute	29	-	-	-	29	7
Hendrech Rupping	13		13	-	400	į
Peter Agencies	80		80	-	1	7
Accident Claim	13	-	13	-	13	
Ms M.E Mocwaledi		100	-	-	100	77.6
Renier Renecke	1,528		-	-	1,528	I
Big Sky Coaches	91	1	66	-	25	
Loubser E	1,105	-	-	-	1,105	
A J Groenewald	365	-	365	-	-	1
L & J Azevedo	6,753	-	2.300	-	4.453	d
R Clue	18	165	-	-	183	
R Proctor-Simms	33	-	-	-	33	
S Geel	48	-	-	-	48	200
C Geel	30		-	-	30	
W.Shendy	-	8	-	-	8	6
D de Wit	-	5	-	-	5	
Mutshana	209	-	-	-	209	
S.J.H Venter	-	3	-	-	3	176
Danie Fourie	-	18	-	-	18	1
I.C.Van Niekerk	-	15,000	-	-	15,000	
Office of the Premier	-	6	-	-	6	
J.A Fortuin	-	24	-	-	24	
P Swartz	-	7	-	-	2	
Herman Hoving	-	2	-	-	2	
J Botha,Danielskuil,Steenwerke	-	2	-	-	76	100
Ms M J Nkoane	-	76	-	-	1	1
P Swartz	-	5	-	-	5	1
M van der Ryst	-	10,000	-	-	10,000	1
TOTAL	19,328	15,431	11,587	-	23,172	The second

VOTE 5

Annexures to the Annual Financial Statements

for the year ended 31 March 2010

ANNEXURE 4 CLAIMS RECOVERABLE

	Confirmed bala	nce outstanding	Unconfirmed bal	ance outstanding	Ti	otal
Government entity	31/03/2010	31/03/2009	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	R'000	R'000	R'000	R'000	R'000	R'000
Department		4				
Agriculture,Land Reforms and Rural Development			69	16	69	16
Provincial Treasury	264	-	-	75	264	75
Education		-	1,113	2,455	1,113	2,455
Health	279	-	-	279	279	279
Co operative Governance, Human Settlements & Traditional Affairs	5	-	-	119	5	119
Office of the Premier	-	-	848	2,091	848	2,091
Transport Safety & Liason	-	5	708	599	708	599
Agriculture (KZN)	-	-	9	9	9	9
Tourism	24	The same of the	-	-	24	-
Social Development	-	-	763	148	763	148
Sports, Arts and Culture	-	-	559	332	559	332
Economic Development	<u>-</u>	1	142	138	142	138
·	-		_	235	-	235
Total	572	-	4,211	6,496	4,783	6,496

DEPARTMENT OF ROADS AND PUBLIC WORKS VOTE 5

Annexures to the Annual Financial Statements for the year ended 31 March 2010

ANNEXURE 5 INTER-GOVERNMENT PAYABLES

		Confirmed bala	nce outstanding	Unconfirmed bal	ance outstanding	Ta	tal
GOVERNMENT ENTITY		31/03/2010	31/03/2009	31/03/2010	31/03/2009	31/03/2010	31/03/2009
		R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS			/				
Current							
Transport,Safety and Liason		21	-	-	38	21	38
Officer of the Premier			-	-	40	-	40
Public Works,Roads & Transport- Free State Province		- (19)	-	-	1	-	1
Government Printing Works			-	-	59	-	59
Education			24	-	-	-	24
Sports,Arts and Culture		-	38	-	-	-	38
Public Safety, Security & Liason-Free State Province		-	-	-	112	-	112
Economic Development and Tourism		-	-	-	24	-	24
Justice and Constitutional Development	-	-	-	-	233	-	233
Environment and Nature Conversation		112	-	-	-	112	-
Department of Agriculture (Limpopo)		5	-	-	-	5	-
Department of Agriculture,Land Reform& Rural Dev		22	-	5	-	27	-
Department of Rural Development and Land Reforms		3	-	-		3	
Total	D.	163	62	5	507	168	569

VOTE 5

Annexures to the Annual Financial Statements

for the year ended 31 March 2010

ANNEXURE	6
INVENTORY	,

ENTORY	Note	Quantity	2009/10 R'000
Inventory			
Opening balance		4,817	-
Add/(Less): Adjustments to prior year balances		W/-	-
Add: Additions/Purchases - Cash		61,303	21,609
Add: Additions - Non-cash		/// -	-
(Less): Disposals		/// -	-
(Less): Issues		(46,235)	(12,648)
Add/(Less): Adjustments	_	-	
Closing balance	<u>-</u>	19,885	8,961



ROADS CAPITAL ACCOUNT

REPORT OF THE ACCOUNTING AUTHORITY

31 MARCH 2010

1. General review of the state of financial affairs

The trading account is a self-funded business entity within the Department of Transport, Roads and Public Works operated on a recoverable charge out rate. The rate also has a component built in to ensure that the fund build up enough reserves to enable it to replace its fleet of road construction and maintenance equipment as and when required.

The current situation necessitated the Roads Capital Account to replace the total yellow fleet. A task team was established to draw up a proper asset register and to identify the needs for District Municipalities to carry out their functions as well as that of the Department.

2. Services rendered by the fund

The Major Road Plant Fund procures and hires out road construction and maintenance equipment to the Department of Roads and Public Works. Equipment is charged out on an hourly or daily basis depending on the type of equipment or type of construction project. Charge-out rates are revised annually.

3. Significant events notified to the Executive Authority during the year;

The auction of the yellow fleet continued in Upington, Springbok and Calvinia. The proceeds of the auction amounted to R4,3

The department purchased 30 new yellow LDVs during this financial year.

4. Corporate governance arrangements

The Department, inclusive of the Trading Account has a fraud prevention policy in place. We also have an internal inspection unit that assists management to ensure that all units comply with the quidelines, policies and procedures within the Department and Trading Account.

5 Auditor General report

3. Auditor General report	
Finding	Response/ Action
Treasury Regulations Payments to the value of R876 569 were not made within 30 days of receipt of invoices as required by Treasury Regulation section 8.2.3.	These amounts would not have increased unauthorized expenditure although it was paid after 30 days because it was still in process for payment during the 2008/09 financial year. It means the amounts is already recognized and disclosed in the financial statements as part of the expenditure.
Treasury Regulations No delegation for the authorisation of journals exists at the trading entity as required by section 15.12.1, which requires the accounting officer to assign delegations of authority in writing.	The already developed delegation of authority to be approved immediately by the Accounting Officer for implementation thereof. We have already developed delegations for payment approval and for Supply Chain Management. We have also developed appointment letters for the Programme and Responsibility managers that clearly indicate what are their duties and responsibilities.
Public Finance Management Act Documented policies and procedures were not developed, approved and implemented for various accounting cycles at the entity. This is in	We are currently making use of the departmental policies in the operation of the Roads Capital Account.

	Finding	Response/ Action
	contravention of section 51 of the PFMA, which requires the entity to have effective, efficient, and transparent systems of internal control.	
100		
	Internal control deficiencies	
15-11 N	Section 51(1)(a)(i) of the PFMA states that the accounting officer must ensure that the trading entity has and maintains effective, efficient and transparent systems of financial and risk management and internal control.	The department has appointed a dedicated official that will be dedicated to risk management. We have already sent this person on a number of training courses. National Treasury has also developed an online training course that the CFO as well as the risks officer will be enrolled on

6. Progress with financial management improvements

The Fund has implemented a fixed asset register as prescribed in the guidelines of the Accountant General and GAAP. The PFMA implementation is progressing according to schedule with the inception of the accounting system. The Fund is required to account for its transactions on the accrual basis as prescribed by GAAP. However, the prescribed financial system does not cater for this requirement and as such the Fund did not comply with this specific criteria.

APPROVAL

The attached Annual Financial Statement set out on pages 134 to 145 have been approved by the Accounting Officer.

RR PALM

ACCOUNTING AUTHORITY
Date : 31 May 2010

REPORT OF THE AUDITOR-GENERAL TO THE NORTHERN CAPE PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS OF THE ROADS CAPITAL ACCOUNT FOR THE YEAR ENDED 31 MARCH 2010

Introduction

I have audited the accompanying financial statements of the Roads Capital Account, which comprise the statement of financial position as at 31 March 2010, statement of financial performance, statement of changes in net assets and cash flow statement for the yea then ended, and a summary of significant accounting policies and other explanatory notes as set on pages X to XX.

The accounting officer's responsibility for the financial statements

The accounting officer is responsible for the preparation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

- As required by section 188 of the Constitution of South Africa and section 4 of the Public Audit Act of South Africa, 2004 (Act No.25 of 2004)(PAA), my responsibility is to express an opinion on these financial statements based on my audit.
- I conducted my audit in accordance with International Standards on Auditing and General Notice 1570 of 2009 issued in Government Gazette 32758 of 27 November 2009. 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.
- 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 Roads Capital Account's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Roads Capital Account 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.
- I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis for adverse opinion

Annual financial statements

- The Roads Capital Account has not complied with the disclosure requirements as required by the International Accounting Standards (IAS) and the Treasury Regulations section 18.2.
- The financial statements of the trading account are not prepared in accordance with the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS)

Property, plant and equipment

. I was unable to satisfy myself with regard to the completeness, existence, rights and valuation of capital assets amounting to R2O 685 000 due to the discrepancies which were noted in the asset register including; duplications, lack of unique identification of the individual assets and the condition thereof.

Capital reserve

- 10. In terms of the policy the RCA should have a capital replacement reserve and a capital augmentation reserve, which should be the shortfall between the amount per replacement reserve fund and the replacement value of the vehicles.
- II. The statement of changes in net assets only includes a *Share capital (cont. from owners)* amounting to R21 850 000, which is not cash backed
- 12. I could not obtain sufficient appropriate evidence to satisfy myself as to the existence, accuracy and valuation of the reserve fund
- 13. Assets amounting to R4 739 000 were disposed of during the current year under review and the amount has not been transferred to the reserve account as required by the policy.

Related parties

14. IAS 24 requires the disclosure of all related parties and related party transactions. The Roads Capital Account did not disclose any related parties in the disclosure notes to the financial statements. Thus resulting in the related party transaction being understated by an amount RI4 605 013

Receivables

15. The receivables included an amount of R2 928 768 that is older than 120 days. No provision was made for bad debt as this amount may not be recoverable. This resulted in overstatement of receivables and understatement of provision for bad debt.

Revenue recognition

- 16. In terms of IAS 18 revenue should be recognised when the recognition criteria is met regardless of whether the cash movement has taken place. An amount of R1 651 987, which relates to prior year and received in the current was recognised as Revenue. This resulted in overstatement of revenue with R1 651 987 and understatement of the opening balance for Receivables.
- 17. I was unable to confirm the completeness valuation and accuracy of receivables relating to rental income as no sufficient and appropriate audit evidence was provided for the estimated rental income amounting to of R709 229.
- 18. The completeness of receivables amounting to R3 170 000 could not be confirmed by alternative procedures due to lack of an appropriate and sufficient audit evidence provided by the Roads Capital Account.

Expenditure

- 19. Expenditure incurred in prior year amounting to R928 298 was incorrectly recognised as expenditure in current year. This resulted in an overstatement of expenditure in the current year and understatement of the opening balance of Trade and other payables. The completeness of expenditure amounting to R14 560 000 could not be confirmed by alternative procedures due to the lack of an appropriate accounting system by the Roads Capital Account.
- 20. The depreciation amounting to R585 529 was not calculated in terms of the accounting policy, which resulted in an overstatement of the depreciation and accumulated depreciation amount and an equivalent understatement of property, plant and equipment.

Fruitless and wasteful

Section 38(1)(a)(iii) of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) requires the Roads Capital Account to implement and maintain an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective. Interest payments amounting to R35 515 were made in contravention of the supply chain management requirements. The amount was not disclosed as fruitless and wasteful, to the financial statements, resulting in fruitless and wasteful being understated by R35 515.

Cash flow statement

- 22. I was unable to confirm the accuracy and completeness of the presentation and disclosure of the cash flow statement due to
- Sales of capital asset (R5,229,000) in respect of assets disposed in the previous financial year, should be moved to the investing activities as per the requirements of IAS 7
- Decrease in prior year payables of R169,000 for the current year and R222,000 for the prior year should be removed from the cash flow statement as this amount does not represent the cash flow movement in the current period. This balancing figure is distorting the presentation and disclosure of the changes in the cash and cash equivalents of the Roads Capital Account.
- Proceeds from sales of assets: R 4,378,000 should not be deducted from accumulated surplus for the year as this amount represents the physical cash flow by the RCA for the year under review. The Gains from sale of assets will normally be deducted when the asset disposed of was part of Property, plant and equipment being disclosed in the financial statements; however the proceeds included here were from sale of fully depreciated assets hence not a non-cash item.

Adverse opinion

23. In my opinion, because of the significance of the matters described in the Basis for adverse opinion paragraphs, the financial statements do not present fairly, in all material respects, the financial position of the Roads Capital Account as at 31 March 2010 and its financial performance and its cash flows for the year then ended, in accordance with the South African Statements of Generally Accepted Accounting Practice (SA Statements of GAAP) and in the manner required by PFMA.

Additional matters

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

Unaudited supplementary schedules

25. No audit opinion will be expressed on the annexure to the financial statements.

Material inconsistencies in information include in the annual report

26. I have not obtained the other information included in the annual report and have not been able to identify any material inconsistencies with the financial statements.



REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Non-compliance with applicable legilsation

Treasury Regulations

- Payments to the value of R660 552 were not made within 30 days of receipt of invoices requires by Treasury Regulation section 8.2.3.
- 28. No delegation for the authorised journals exists at the Roads Capital Account as required by section 15.12.1. which requires the accounting officer to assign delegation in writing.

Public Finance Management Act

29. Documented policies and procedures were not develop, approved and implemented for various accounting cycles at the Roads Capital Account as required by section 15.12.1. which requires the accounting officer to assign delegations of authority in writing.

Internal control deficiencies

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the Section 51(1)(a)(i) of the PFMA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the deficiencies identified during the audit.

Leadership

Senior management did not ensure that corrective actions were taken where all the necessary governance structures were not fully functional throughout the year as the internal audit function and audit committee function was shared services

Senior management did not implement and monitor the controls in place to ensure that all payments are made by the Roads Capital Accounts within 30 days.

Senior management did not ensure that vacancies are filled to ensure that the organizational structure operates effective and

Senior management did not ensure that the organizational structure is updated and approved by the human resource Roads Capital

Financial and performance management

The financial statements are not adequately reviewed prior to submission thereof for audit purposes. As a result the financial statements were subjected to material amendments resulting from the audit.

Senior management did not perform an adequate review on the actual performance against predetermined objectives reported. Furthermore senior management did not implement controls to ensure the consistency and accuracy of predetermined objectives reported.

Governance

Risk management

Senior management did not allocate the risk assessment responsibility adequately for the year under review to ensure a risk assessment was performed.

Internal Audit

The Roads Capital Account utilised the Northern Cape provincial shared internal audit division within the Office of the Premier. The work of the internal audit division was inadequate for the purposes of the audit as it was not adequately staffed to fulfill its responsibilities

Audit committee

The Roads Capital Account utilised the Northern Cape provincial shared audit committee. The audit committee did not function throughout the year as all external audit committee members resigned.

audela - General Kimberley





NORTHERN CAPE- DEPARTMENT OF TRANSPORT, ROADS AND PUBLIC WORKS VOTE 5

ROADS CAPITAL TRADING ACCOUNT

Statement of Financial Performance (SPR) for the year ended 31 March 2010

		31 March 2010	31 March 2009
	Notes	R'000	R'000
REVENUE			
Rendering of services	1	16,257	15,299
Gains on disposal of assets	2	4,379	5,230
TOTAL REVENUE		20,636	20,529
EXPENDITURE			
Other operating expenses	3	(14,560)	(15,346)
TOTAL EXPENDITURE		(14 <mark>,5</mark> 60)	(15,346)
Surplus/(Deficit) for the year		6,076	5,183
18/			



NORTHERN CAPE- DEPARTMENT OF TRANSPORT, ROADS AND PUBLIC WORKS VOTE 5

ROADS CAPITAL TRADING ACCOUNT

Statement of Financial Position (SPO) as at 31 March 2010

	Notes	31 March 2010 R'000	31 March 2009 R'000
STETS			
on-current assets		20,685	17,997
roperty, plant and equipment	4	20,685	17,997
urrent assets		13,802	11,140
oans and receivables	5	13,802	11,140
ash and cash equivalents	6	-	
OTAL ASSETS	(M)	34,487	29,137
IABILITIES			
Jurrent liabilities		927	1,483
rade and other payables	7	927	1,483
OTAL LIABILITIES		927	1,483
ET ASSETS)(
APITAL AND RESERVES			
hare Capital (Contributions from owners)	12	21,850	16,621
ccumulated surplus/(deficit)	13	11,710	11,033
OTAL NET ASSETS	100	33,560	27,654
OTAL NET ASSETS AND LIABILITIES	F	34,487	29,137
	50		



NORTHERN CAPE- DEPARTMENT OF TRANSPORT, ROADS AND PUBLIC WORKS VOTE 5 ROADS CAPITAL TRADING ACCOUNT

Statement of Changes in Net Assets as at 31 March 2010

	Share Capital (Cont. from Owners)	Accumulated Surplus/ (Deficit)	Total Equity (ENTITY)
	R'000	R'000	R'000
Notes	12	13	
	16,621	6,072	22,693
	-	-	-
	-	_	-
	16,621	6,072	22,693
	1.3	5,183	5,183
		(222)	(222)
The second second	16,621	11,033	27,654
-	16,621	11,033	27,654
	5,229	-	5,229
		6,076	6,076
		(5,230)	(5,230)
		(169)	(169)
	21.850	11.710	33.560



- correction of prior period error
- change in accounting policy

As restated

Surplus/(Deficit) for the year

Adjustment

Balance as at 31 March 2009

As restated

Conversion of other instruments into shares Surplus/(Deficit) for the year

Transfers to/ (from) reserves

Adjustment

Balance as at 31 March 2010



NORTHERN CAPE- DEPARTMENT OF TRANSPORT, ROADS AND PUBLIC WORKS VOTE 5 ROADS CAPITAL TRADING ACCOUNT **Cash Flow Statement**

1311	1 1U W	010	reille
31	Mar	ch 2	010

		31 March 2010	31 March 2009	
	Notes	R'000	R'000	
			1	V. ().
CASH FLOWS FROM OPERATING ACTIVITIES				-
P. L. S. C.		12.007	10.047	
Cash receipts from customers Cash paid to suppliers and employees		13,087 (17,959)	13,647 (11,379)	- A
Cash generated from/(utilised in) operations	8	(4,872)	2,268	
	100			
Net cash inflows/outflows from operating activities	9	(4,872)	2,268	100
CASH FLOWS FROM INVESTING ACTIVITIES	10		and the same	1105
Proceeds on disposal of:			1周3	PART
Property, plant and equipment		4,378		- restrict or annual
Investment property				-
Acquisition of:		(4.705)	(0.000)	
Property, plant and equipment Net cash flows from investing activities	10	(4,735) (357)	(2,268) (2,268)	The state of the s
WEL COSH HOWS HAND HIVESTING OCCUPANTES		(111)	(2,200)	1
CASH FLOWS FROM FINANCING ACTIVITIES			-754	-
_				
Proceeds from:		5,229		
Other (Sales of Capital Assets) Net cash flow financing activities	11	5,229	2.5.4	
Net cosh now inidicing octivities	" =	0,220	1 1	1
Net increase/(decrease) in cash and cash equivalents		-		
Cash and cash equivalents at the beginning of the year	100/1	<u> </u>	- 7-	41
Cash and cash equivalents at end of the year	6	-	4-	
				1
	3			

The Annual Financial Statements are prepared in accordance with Statements of Generally Accepted Accounting Practice (GAAP) and the Public Finance Management Act, (Act1 of 1999) as amended.

The following are the principle accounting policies of the entity:

Basis of preparation

The Annual Financial Statements are prepared in the historical cost basis, except for property, plant and equipment that have been measured at fair value.

The Annual Financial Statements are presented in South African Rand, as this is the currency in which the entity's transactions are denominated.

2. Comparative Figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The comparative figures shown in these financial statements are limited to the figures in the previous year's audited financial statements.

3. Revenue recognition

Revenue is recognized when it is probab<mark>le that future economic benefits will flow to</mark> the entity and these benefits can be measured reliably.

Revenue arising from the rendering of services, as well as related expenses is recognized according to the stage of completion of the transaction at the balance sheet date.

Revenue from daily tariffs are calculated and charged against clients over the estimated useful life cycle of vehicles to enable the Roads Capital Account to replace the vehicle at the end of its cycle and to cover overheads.

Revenue is also charged against clients for all kilometers covered in vehicles according to a tariff per classification code of the vehicle to cover the maintenance and running costs of the yellow fleet.

Recoverable revenue

Recoverable revenue represent payments relating to the misuse and or/damage of vehicles and third party. This type of income has its own origin from two sources and the income is only recognized when it actually received

Irregular and fruitless and wasteful expenditure

Irregular expenditure is expenditure incurred in contravention of or not in accordance with a requirement of any applicable legislation, including:

- The PFMA
- Any provincial legislation providing for procurement procedures in that provincial government.

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised.

Property, plant and equipment

Plant and equipment are tangible assets held by Roads Capital Trading Account for use in the supply of yellow fleet management services, which are expected to be used for more than a one year period.

Plant and equipment are originally measured at cost and are depreciated on a basis considered appropriate to reduce the carrying amount over the expected lifespan of the assets.

Items of plant and equipment are stated at historical cost less accumulated depreciation. The actual useful life of these assets is assed annually and could vary as a result technological innovations and maintenance programs and based on the replacement policy of the Roads Capital Account.

The change in the useful life will be accounted for as a change in accounting estimate, thus the depreciation for the current year and the future years will be restated. Depreciation figures may in future vary on an annual basis.

Gains and losses on the disposal of plant and equipment are recognized in the Income Statement once they accrue to the entity.

5.1 Estimated useful lives.

Vehicles Straight line (4-15 years)

Tools Straight line (5 years)

Workshop Equipment Straight line (15% per annum)

5.2 Impairment of assets

The entity asses at each reporting <mark>date</mark> whether there is objecti<mark>ve evidence that</mark> a asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the entity makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

6. Recognition

Financial assets and financial liabilities are recognized on the entity's Balance Sheet when the entity becomes a party to the contractual provisions of the instrument.

All "regular way" purchases and sales of financial assets are initially recognized using trade date accounting.

7. Cash and cash equivalents

Cash and cash equivalents consists of cash in the bank and short-term deposits, and other short-term investments that are highly liquid and can readily be converted into cash.

For the purpose of the cash flow statement, cash and cash equivalents comprise of cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilized. Finance charges on bank overdraft are expensed as incurred.

8. **Employee cost**

Employee cost is currently carried by the department since all the staff that work on entity are performing dual functions.

Replacement reserve and Replacement liability

a) Replacement reserved

The Yellow Fleet has a reserve that has been created over the number of years that the entity exists. The vehicle replacement reserve represents funds availability to meet the obligation of replacing the fleet at the end of its useful life. The reserve fund will be credited with funds received from the clients for the purchasing of additional fleet.

Capital Augmentation

Capital augmentation represents the inflow of funds from clients. These funds are required to be used to augment the capital shortfall between the cost of vehicles, as represented within the replacement fund, and the replacement value of the vehicles.

11. Provisions

Provisions are recognised when the entity has a present obligation as a result of a past event and it is a probable than this will result in an outflow of economic benefits that can be estimated reliably.

12. Related party disclosure

Inventory is no more sold (at cost price) by the Roads Capital Account to the Department of Roads and Public Works - the Department buys all its inventory directly from suppliers. Rental in respect of road construction and maintenance equipment is received from the Department of Roads and Public Works. The Roads Capital Account's bank balance represents a portion of total bank balance kept in the name of the PMG Paymaster General Account by the Department of Roads and Public Works.

Events after the reporting date

The Entity considers events that occur after the balance sheet date for inclusion in the AFS. Events that occur between the balance sheet date (31 March 2009) and the date on which the audit of the financial statements is completed (31 July 2009) are considered for inclusion in the AFS.

The entity considers two types of events that can occur after the balance sheet date, namely those that-

- provide evidence of conditions that existed at the balance sheet date (adjusting events after the reporting date), and
- were indicative of conditions that arose after the balance sheet date (non-adjusting events after the reporting date).

NORTHERN CAPE- DEPARTMENT OF TRANSPORT, ROADS AND PUBLIC WORKS VOTE 5

ROADS CAPITAL TRADING ACCOUNT

		31 March 2010 R'000	31 March 2009 R'000
1	Rendering of services		1
	Provincial Departments	12,024	13,099
	Local Governments	4,233	2,200
	Total	16,257	15,299
2	Gains / losses on disposal of assets		
_	Gains on disposal of asse <mark>ts</mark>	4,379	5,230
	Auction of yellow fleet	4,379	5,230
			JA I
3	Other operating expenses		
	Maintenance, repairs and running costs	11,586	11,949
	- Machinery and Equipment	26	1,128
	- Other maintenance, repairs and running costs	11,560	10,821
	Depreciation	2,047	1,914
	- Assets carried at cost	2,047	1,914
	Stores/consumables	927	1,483
	Total	14,560	15,346
4	Property, Plant and equipment Plant and equipment		
	Opening net carrying amount	17,997	17,641
	Gross carrying amount	20,072	17,802
	Accumulated depreciation	(2,075)	(161)
	Additions	4,735	2,270
	Depreciation charge	(2,047)	(1,914)
	Closing net carrying amount 31 March	20,685	17,997
	Gross carrying amount	24,807	20,072
	Accumulated depreciation	(4,122)	(2,075)
			一种性。

NORTHERN CAPE- DEPARTMENT OF TRANSPORT, ROADS AND PUBLIC WORKS

VOTE 5

ROADS CAPITAL TRADING ACCOUNT

	31 March 2010 R'000	31 March 2009 R'000
Total Property, plant and equipment	//	
Opening net carrying amount	17,997	17,641
Gross carrying amount	20,072	17,802
Accumulated depreciation	(2,075)	(161)
Additions	4,735	2,270
Depreciation charge	(2,047)	(1,914)
Closing net carrying amount 31 March	20,685	17,997
Gross carrying amount	24,807	20,072
Accumulated depreciation	(4,122)	(2,075)
	(:,:==)	(=,=,=,
As at 31 March 2010 no valuation could be done on the Road building equipment based on fair value due to lack of funds. We have appointed a mechanical Engineer who is qualified as well as having the relevant experience to perform such responsibilities		
Loans and receivables		
Current Trade receivables	(0.000	W 14 D
	13,802	11,140
Total current	13,802	11,140
Cash and cash equivalents		
Cash and balances with banks		
	-	
	6	
For the purposes of the cash flow statement:		
For the purposes of the cash flow statement: Cash & cash equivalents	-	

NORTHERN CAPE- DEPARTMENT OF TRANSPORT, ROADS AND PUBLIC WORKS VOTE 5

ROADS CAPITAL TRADING ACCOUNT

		31 March 2010 R'000	31 March 2009 R'000
7	Trade and other payables		
	Trade creditors	927	1,483
	Total	927	1,483
8	Cash generated from/(utilised in) operations		
	Surplus/(deficit) before tax	6,076	5,183
	Non-cash movements/working capital changes	(10,948)	(2,915)
	Depreciation	2,047	1,914
	Increase/(Decrease) in payables	(556)	541
	(Gains)/Losses on sale of property, plant and equipment	(4,378)	(5,230)
	(Increase)/Decrease in receivables	(7,892)	82
	Increase/(decrease) in prior years p <mark>ayables</mark>	(169)	(222)
	Net cash flows from operating acti <mark>vities</mark>	(4,872)	2,268
9	Net each inflame / autiliam frage was time at this		
3	Net cash inflows/ outflows from operating activities Cash receipts from customers	13,087	13,647
	Cash payments to suppliers and employees	(17,959)	(11,379)
	Net cash inflows/ outflows from operating activities	(4,872)	2,268
	Net dash limbwa/ dathawa ii din aper dang dativida	(4,012)	2,200
10	For net cash flows from investing activities		
	Proceeds on disposal of:		A
	Property, plant and equipment	4,378	
	Acquisition of: Property, plant and equipment	(4,735)	(2,268)
	Net cash flows from investing activities	(357)	(2,268)
	NOT GOOD HOWS II OIL HAVESTING BOLLVILLES	(007)	(2,200)

NORTHERN CAPE- DEPARTMENT OF TRANSPORT, ROADS AND PUBLIC WORKS

VOTE 5

ROADS CAPITAL TRADING ACCOUNT

	31 March 2010 R'000	31 March 2009 R'000
For net cash flows from financing activities		
Proceeds from:	E 220	
Other (Sales of Capital Assets) Net cash flow financing activities	<u>5,229</u> 5,229	
NET Cash now inidicing activities	3,220	
Share capital (Contributions from owners)		
Balance at the beginning of the year	16,621	16,621
As restated Conversion of other instruments into shares	16,621	16,621
Capitalisation	5,229	-
Balance at the end of the year	21,850	16,621
		-
Accumulated surplus/(deficit)		
Balance at the beginning of the year	11,033	6,072
As restated	11,033	6,072
Conversion of other instruments into shares Surplus/(Deficit) for the year	6,076	5,183
Transfers to/ (from) reserves	(5,230)	0,100
Adjustment	(169)	(222)
Balance at the end of the year	11,710	11,033

NORTHERN CAPE- DEPARTMENT OF TRANSPORT, ROADS AND PUBLIC WORKS VOTE 5

ROADS CAPITAL TRADING ACCOUNT

Inter-entity transactions 31 March 2010

Transactions

Name of entity	Nature of the relationship	Transaction Type	Value R'000
Department of Transport, Roads and Public Works	The Roads Capital Account hires road construction and maintenance equipment, i.e.	Rental of Yellow Fleet	12 024
I ablic from as	Yellow Fleet to the Department of Transport, Roads and Public Works.		

Balances

Name of entity	Nature of the Relationship	Transaction type	Value R'000
Department of Transport, Roads and Public Works	The Department of Transport, Roads and Public Works has one bank account in its name i.e the "Paymaster General Account "of which a portion thereof is	Bank Balance	10 632



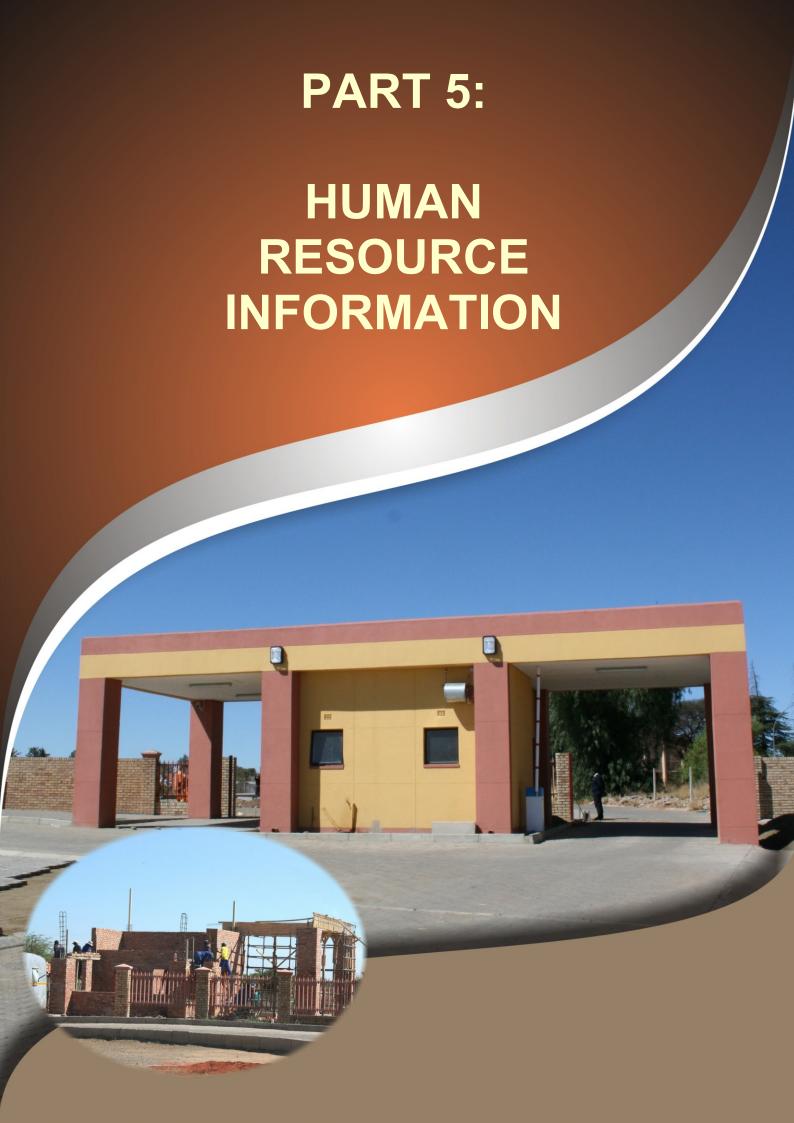


TABLE 2.1 - Personnel costs by Programme

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)	Employment
Prog 1: Administration	55 914	35 457	1 122	4 527	62.6	61	150
Prog 2: Public works	157 716	24 555	68	3 873	15.6	44	120
Prog 3: Transport infrastructure	421 697	35 051	54	30 599	8.3	62	269
Prog 4: Public and freight transport	42 302	2 862	-	26 580	7.5	5	9
Prog 5:Community based programme	47 900	5 232		6 097	11.3	9	17
Total	725 529	103 157	1244	71 676	14.2	180	565

TABLE 2.2 - Personnel costs by Salary band

TABLE 2.2 - Persunnel custs by Salary Danu									
Salary Bands	Compensation of Employees Cost (R'000)	Percentage of Total Personnel Cost for Department	Average Compensation Cost per Employee (R)	Total Personnel Cost for Department including Goods and Transfers (R'000)	Number of Employees				
Lower skilled (Levels 1-2)	12 704	11.9	107 661	106 948	118				
Skilled (Levels 3-5)	19 961	18.7	99 805	106 948	200				
Highly skilled production (Levels 6-8)	28 618	26.8	210 426	106 948	136				
Highly skilled supervision (Levels 9-12)	23 712	22.2	343 652	106 948	69				
Senior management (Levels 13-16)	10 371	9.7	797 769	106 948	13				
Contract (Levels 1-2)	453	0.4	75 500	106 948	6				
Contract (Levels 3-5)	4 701	4.4	361 615	106 948	13				
Contract (Levels 6-8)	1 199	1.1	199 833	106 948	6				
Contract (Levels 9-12)	873	0.8	291 000	106 948	3				
Contract (Levels 13-16)	565	0.5	565 000	106 948	1				
TOTAL	103 157	97	182 579	106 948	565				

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

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HDA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme (R'000)
Prog 1: Administration	26 235	74	20	0	603	2	1 532	4.3	35 457
Prog 2: Public works	16 800	68	-	-	750	3	1 433	5.8	24 555
Prog 3: Transport infrastructure	23 507	67	8	-	1 402	4	2 365	6.7	35 051
Prog 4: Public and freight transport	1 705	60	-	-	53	2	124	4.3	2 862
Prog 5:community based programme	3 145	60	-	_	39	1	70	1.3	5 232
TOTAL	71 392	69	28	4	2 847	3	5 524	5.4	103 157

TABLE 2.4 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band

Salary bands	Salaries (R'000)	Salaries as % of Personnel Cost	Overti (R'00		Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Salary Band (R'000)
Lower skilled (Levels 1-2)	8 577	67.5		1	0	812	6.4	1287	10.1	12 704
Skilled (Levels 3-5)	13 599	68.1		6	0	996	5	1994	10	19 961
Highly skilled production (Levels 6-8)	18 321	64	1	8	0	602	2.1	1482	5.2	28 618
Highly skilled supervision (Levels 9-12)	18 223	76.9		10	0	251	1.1	623	2.6	23 712
Senior management (Levels 13-16)	8 325	80.3		0	0	185	1.8	138	1.3	10 371
Contract (Levels 1-2)	453	100		0	0		0		0	453
Contract (Levels 3-5)	1 448	30.8	1200	2	0	0	0	0	0	4 701
Contract (Levels 6-8)	1 184	98.7	15	0	0	0	0	0	0	1 199
Contract (Levels 9-12)	820	93.9	V.		0	D	0	0	0	873
Contract (Levels 13-16)	441	78.1		0	0	0	0	0	0	565
TOTAL	71 391	69.2		27	0	2846	2.8	5524	5.4	103 157

TABLE 3.1 - Employment and Vacancies by Programme at end of period

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Prog 1: Administration	225	150	33.3	2
Prog 2: Public works	176	120	31.8	0
Prog 3: Transport infrastructure	327	269	17.7	0
Prog 4: Public and freight transport	11	9	18.2	0
Prog 5:Community based programme	31	17	45.2	1
TOTAL	770	565	26.6	3

TABLE 3.2 - Employment and Vacancies by Salary Band at end of period

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2),	177	118	33.3	0
Skilled (Levels 3-5)	238	200	16	0
Highly skilled production (Levels 6-8)	209	136	34.9	0_
Highly skilled supervision (Levels 9-12)	99	69	30.3	0
Senior management (Levels 13-16)	18	13	27.8	1
Contract (Levels 1-2)	6	6	0	0
Contract (Levels 3-5)	13	13	0	0
Contract (Levels 6-8)	6	6	0	
Contract (Levels 9-12)	3	3	0	0
Contract (Levels 13-16)	1	1	0	1
TOTAL	770	565	26.6	3

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

TABLE 3.3 - Employment and Vacancies by Critical Occupation a Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administrative related	38	27	28.9	0
All artisans in the building metal machinery etc.	35	25	28.6	0
Artisan project and related superintendents	1	1	0	0
Civil engineering technicians	13	12	7.7	0
Cleaners in offices workshops hospitals etc.	15	10	33.3	0
Client inform clerks(switchb recept inform clerks)	1	1	0	0
Communication and information related	3	3	0	0
Engineering sciences related	6	4	33.3	0
Engineers and related professionals	20	14	30	0
Finance and economics related	11	6	45.5	0
Financial and related professionals	5	3	40	0
Financial clerks and credit controllers	12	8	33.3	1
Food services aids and waiters	3	2	33.3	0
General legal administration & rel. Professionals	11	4	63.6	0
Human resources & organisat developm & relate prof	2	2	0	0
Human resources clerks	22	18	18.2	0
Human resources related	1	1	0	0
Inspectors of apprentices works and vehicles	40	25	37.5	0
Library mail and related clerks	9	9	0	0
Light vehicle drivers	1	1	0	0
Messengers porters and deliverers	3	1	66.7	0
Matar vehicle drivers	36	29	19.4	0
Other administrat & related clerks and organisers	154	96	37.7	0
Other administrative policy and related officers	31	21	32.3	0
Other information technology personnel.	6	4	33.3	0
Other occupations	1	1	0	0
Quantity surveyors & rela prof not class elsewhere	5	3	40	0
Risk management and security services	2	1	50	0
Road workers	238	200	16	0
Secretaries & other keyboard operating clerks	11	9	18.2	0
Senior managers	19	13	31.6	2
Trade labourers,	14	10	28.6	0
Trade quality controllers	1	1	0	0
TOTAL	770	565	26.6	3

TABLE 4.1 - Job Evaluation



Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgrade d	% of Downgrade d Posts Evaluated
Lower skilled (Levels 1-2)	177	0	0	0	0	0	0
Contract (Levels 1-2)	6	0	0	0	0	0	1
Contract (Levels 3-5)	13	5	38.5	0	0	0	
Contract (Levels 6-8)	6	0	0	0	0	0	
Contract (Levels 9-12)	3	1	33.3	0	0	0	0
Contract (Band A)	1	0	0	0	0	0	0
Skilled (Levels 3-5)	238	6	2.5	2	33.3	0	
Highly skilled production (Levels 6-8)	209	19	9.1	0	0	0	0
Highly skilled supervision (Levels 9-12)	99	12	12.1	1	8.3	0	0
Senior Management Service Band A	12	2	16.7	0	0	0	-EÎ
Senior Management Service Band B	4	2	50	0	0	0	0
Senior Management Service Band C	1	ı		0	0	0	0
Senior Management Service Band D			0	0	0	0	a proper
TOTAL	770	47	6.1	3	6.4	0	1110

TABLE 5.1 - Annual Turnover Rates by Salary Band		7 3/4		1000
Salary Band	Employment at Beginning of Period (April 2009)	Appointments	Terminations	Turnover Rate
Lower skilled (Levels 1-2)	127	0	9	7.1
Skilled (Levels 3-5)	217	5	22	10.1
Highly skilled production (Levels 6-8)	129	17	10	7.8
Highly skilled supervision (Levels 9-12)	65	5	1	1.5
Senior Management Service Band A	13	0	1	7.7
Senior Management Service Band B	0	0	0	0
Senior Management Service Band C	1	0	1	100
Senior Management Service Band D	1	1	1	100
Contract (Levels 1-2)	2	5	1	50
Contract (Levels 3-5)	20	20	27	135
Contract (Levels 6-8)	4	6	4	100
Contract (Levels 9-12)	2	2	1	50
Contract (Band A)	0	1	0	0
TOTAL	581	62	78	13.4



TABLE 5.2 - Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period (April 2009)	Appointments	Terminations	Turnover Rate
Administrative related	26	2	1	3.8
All artisans in the building metal machinery etc.	24	1	0	0
Artisan project and related superintendents	1	0	0	0
Civil engineering technicians	11	2	1	9.1
Cleaners in offices workshops hospitals etc.	10	0	0	0
Client inform clerks(switchb recept inform clerks)	1	0	0	0
Communication and information related	2	1	0	0
Engineering sciences related	3	1	0	0
Engineers and related professionals	12	2	0	0
Finance and economics related	5	1	0	0
Financial and related professionals	4	0	1	25
Financial clerks and credit controllers	9	1	2	22.2
Food services aids and waiters	2	0	0	0
General legal administration & rel. Professionals	4	0	0	0
Human resources & organisat developm & relate prof	2	0	0	0
Human resources clerks	16	4	1	6.3
Inspectors of apprentices works and vehicles	23	7	5	21.7
Library mail and related clerks	9	0	0	0
Light vehicle drivers	2	1	2	100
Messengers porters and deliverers	1	0	0	
Motor vehicle drivers	34	0	5	14.7
Other administrat & related clerks and organisers	99	25	28	28.3
Other administrative policy and related officers	16	8	3	18.8
Other information technology personnel.	3	2	1	33.3
Other occupations	1	1	1	100
Quantity surveyors & rela prof not class elsewhere	3	0	0	0
Risk management and security services	1	0	0	0
Road workers	219	0	19	8.7
Secretaries & other keyboard operating clerks	8	1	0	0
Senior managers	14	2	3	21.4
Trade labourers	15	0	5	33.3
Trade quality controllers	1	0	0	0
TOTAL	581	62	78	13.4

TABLE 5.3 - Reasons why staff are leaving the department

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Death	14	17.9	2.5	78	565
Resignation	10	12.8	1.8	78	565
Expiry of contract	35	44.9	6.2	78	565
Discharged due to ill health	2	2.6	0.4	78	565
Dismissal-misconduct	1	1.3	0.2	78	565
Retirement	16	20.5	2.8	78	565
TOTAL	78	100	13.8	78	565





TABLE 5.4 - Promotions by Critical Occupation

Occupation	Employment at Beginning of Period (April 2009)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Administrative related	26	1	3.8	11	42.3
All artisans in the building metal machinery etc.	24	1	4.2	18	75
Artisan project and related superintendents	1	0	0	1	100
Civil engineering technicians	11	2	18.2	0	0
Cleaners in offices workshops hospitals etc.	10	0	0	10	100
Client inform clerks(switchb recept inform clerks)	1	0	0	1	100
Communication and information related	2		0	2	100
Engineering sciences related	3	1	33.3	0	0
Engineers and related professionals	12	2	16.7	2	16.7
Finance and economics related	5	0	0	3	60
Financial and related professionals	4	0	0	1	25
Financial clerks and credit controllers	9		0	5	55.6
Food services aids and waiters	2	0	0	1	50
General legal administration & rel. professionals	4	0	0	2	50
Human resources & organisat developm & relate prof	2		0	1	50
Human resources clerks	16	2	12.5	7	43.8
Inspectors of apprentices works and vehicles	23	1	4.3	11	47.8
Library mail and related clerks	9		0	7	77.8
Light vehicle drivers	2	0	0	0	0
Messengers porters and deliverers	1	0	0	1	100
Motor vehicle drivers	34		0	27	79.4
Other administrat & related clerks and organisers	99	11	11.1	63	63.6
Other administrative policy and related officers	16	3	18.8	9	56.3
Other information technology personnel.	3	0	0	3	100
Other occupations	1	0	0	0	0
Quantity surveyors & rela prof not class elsewhere	3		0	2	66.7
Risk management and security services	1		0	1	100
Road workers	219	0	0	184	84
Secretaries & other keyboard operating clerks	8	0	0	6	75
Senior managers	14	1	7.1	0	0
Trade labourers	15	0	0	15	100
Trade quality controllers	1	0	0	1	100
TOTAL	581	25	4.3	395	68



Salary Band	Employment at Beginning of Period (April 2009)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Lower skilled (Levels 1-2)	127	0	0	100	78.7
Skilled (Levels 3-5)	217	2	0.9	197	90.8
Highly skilled production (Levels 6-8)	129	13	10.1	71	55
Highly skilled supervision (Levels 9-12)	65	8	12.3	25	38.5
Senior management (Levels 13-16)	15	1	6.7	0	
Contract (Levels 1-2)	2	0	0	1	50
Contract (Levels 3-5)	20	1	5	0	I of
Contract (Levels 6-8)	4				The same of the sa
Contract (Levels 7-12	2	0	0	1	50
TOTAL	581	25	4.3	395	68





TABLE 6.1 - Total number of Employees (incl. Employees with disabilities) per Occupational Category (SASCO)

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, senior officials and managers	5	4	0	9	2	1	1		2	1	14
Professionals	18	8	0	26	1	7	3	1	11	4	42
Technicians and associate professionals	25	15	0	40	2	16	4		20	6	68
Clerks	36	7	1	44	5	48	27		75	9	133
Service and sales workers	1		0	1		0	0		0		1
Craft and related trades workers	33	13	0	46	4	1	0		1	1	52
Plant and machine operators and assemblers	27	0	0	27		0	0			1	28
Elementary occupations	131	81	0	212	1	13	1		14		227
TOTAL	276	128	1	405	15	86	36	1	123	22	565

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

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management	0	1	0	1	0	0		0	0	0	1
Senior Management	4	3	0	7	2	1	1		2	1	12
Professionally qualified and experienced specialists and mid- management	28	12	0	40	3	15	2	1	18	8	69
Skilled technical and academically qualified workers, junior management, supervisors, foremen	48	26	1	75	8	28	15	0	43	10	136
Semi-skilled and discretionary decision making	93	65	0	158	2	24	14	0	38	2	200
Unskilled and defined decision making	88	19	0	107	0	10	1	0	11	0	118
Contract (Senior Management)	1	0	0	1	0	0	0	0	0	0	1
Contract (Professionally qualified)	2	1		3		0	0	0	0	0	3
Contract (Skilled technical)	1		0	2		2	1	0	3	1	6
Contract (Semi-skilled)	6	0	0	6		5	2	0	7	0	13
Contract (Unskilled)	5	0	0	5	0	1		0	1	0	6
TOTAL	276	128	1	405	15	86	36	1	123	22	565

TABLE 6.3 - Recruitment

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management			0	1	0	0	0		0	0	1
Professionally qualified and experienced specialists and mid- management	1	2		3		2	0		2		5
Skilled technical and academically qualified workers, junior management, supervisors, foremen	6	8		14	0	2	1		3	0	17
Semi-skilled and discretionary decision making	2	0	0	2		2	1		3	0	5
Contract (Senior Management)	1	0			0	0	0		0	0	1
Contract (Professionally qualified)	1	1	0	2			0		0	0	2
Contract (Skilled technical)	1	1	0	2	0	2	1		3	1	6
Contract (Semi-skilled)	7	3		10		7	3		10	0	20
Contract (Unskilled)	5		0	5		0	0		0	0	5
TOTAL	24	16	0	40	0	15	6	0	21	1	62

TABLE 6.4 - Promotions

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management	0	1	0	1	0	0	0		0	0	1
Professionally qualified and experienced specialists and mid- management	15	6		21		5	1	1	7	5	33
Skilled technical and academically qualified workers, junior management, supervisors, foremen	25	16		42	7	18	8	0	26	9	84
Semi-skilled and discretionary decision making	108	51	0	159	2	20	14	0	34	4	199
Unskilled and defined decision making	72	17		89	0	10	1		11	0	100
Contract (Skilled technical)	1	0	0	1			0	0	0	0	1
Contract (Semi-skilled)	1	0		1	0	0	0	0	0	0	1
Contract (Unskilled)	0	0	0	0	0	0	1	0	1	0	1
TOTAL	222	91	1	314	9	53	25	1	79	18	420

TABLE 6.5 - Terminations

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management	2	0	0	2	0	0	0	0	0	0	2
Senior Management		0	0	0	1	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid- management	0	0		0	0				0	1	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen	2	5	0	7		1	0	0	1	2	10
Semi-skilled and discretionary decision making	12	8	0	20		1	1	0	2	0	22
Unskilled and defined decision making	6	1	0	7		2	0	0	2	0	9
Contract (Professionally qualified)	1	0	0	1	0	0	0	0	0	0	1
Contract (Skilled technical)	1	0	0	1		3	0	0	3	0	4
Contract (Semi-skilled)	11	6	0	17	0	6	4	0	10	0	27
Contract (Unskilled)	1	0	0		0	0	0	0	0	0	1
TOTAL	36	20	0	56	1	13	5	0	18	3	78



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Demographics	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
,	35	86	40.7	216	6 166
African, Male	88	276	31.9	622	7 074
Asian, Female	1	1	100	11	10 983
Asian, Male	1	1	100	15	14 738
Coloured, Female	22	36	61.1	212	9 616
Coloured, Male	69	128	53.9	497	7 201
Total Blacks, Female	58	123	47.2	438	7 558
Total Blacks, Male	158	405	39	1134	7 178
White, Female	11	22	50	156	14 191
White, Male	6	15	40	50	8 251
TOTAL	233	565	41.2	1778	7 631

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

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Lower skilled (Levels 1-2)	36	118	30.5	136	3 778
Skilled (Levels 3-5)	103	200	51.5	400	3 883
Highly skilled production (Levels 6-8)	61	136	44.9	567	9 295
Highly skilled supervision (Levels 9-12)	30	69	43.5	499	16 633
Senior management (Levels 13-16)	3	13	23.1	176	58667
Contract (Levels 1-2)	0	6	0	0	<u></u> 0-
Contract (Levels 3-5)	0	13	0	0	a di
Contract (Levels 6-8)	0	6	0	0	0
Contract (Levels 9-12)	0	3	0	0	3.3
Contract (Levels 13-16)	0		0	0	0
TOTAL	233	565	41.2	1 778	7 631

TABLE 7.3 - Performance Rewards by Critical Occupation

THE PERSON NAMED IN	Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
	Administrative related	11	27	40.7	149	13 545
	All artisans in the building metal machinery etc.	11	25	44	61	5 545
	Artisan project and related superintendents	1	1	100	7	7 000
	Civil engineering technicians	2	12	16.7	31	15 500
	Cleaners in offices workshops hospitals etc.	5	10	50	19	3 800
	Client inform clerks(switchb recept inform clerks)	0	1	D	0	0
	Communication and information related	0	3	0	0	0
	Engineering sciences related	1	4	25	19	19 000
	Engineers and related professionals	6	14	42.9	141	23 500
20	Finance and economics related	2	6	33.3	40	20 000
	Financial and related professionals	1	3	33.3	18	18 000
	Financial clerks and credit controllers	2	8	25	12	6 000
	Food services aids and waiters		2	50	2	2 000
(大)	General legal administration & rel. professionals		4	25	7	7 000
100	Human resources & organisat developm & relate prof		2	50	11	11 000
92	Human resources clerks	5	18	27.8	29	5 800
	Human resources related			100	18	18 000
BETHE	Inspectors of apprentices works and vehicles	13	25	52	158	12 154
	Library mail and related clerks	6	9	66.7	24	4 000
	Light vehicle drivers	0	1	0	0	0
0.1	Messengers porters and deliverers	1		100	9	9 000
off.	Motor vehicle drivers	4	29	13.8	21	5 250
	Other administrat & related clerks and organisers	43	96	44.8	247	5 744
255	Other administrative policy and related officers	8	21	38.1	88	11 000
4	Other information technology personnel.		4	25	15	15 000
ı	Other occupations	0	1	0	0	0
ī	Quantity surveyors & rela prof not class elsewhere	2	3	66.7	26	13 000
	Risk management and security services	1	1	100	17	17 000
	Road workers	86	200	43	315	3 663
	Secretaries & other keyboard operating clerks	6	9	66.7	82	13 667
-	Senior managers	3	13	23.1	176	58 667
4	Trade labourers	8	10	80	36	4 500
No.	Trade quality controllers	0	1		0	0
	TOTAL	233	565	41.2	1 778	7 631

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

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)		Average Cost per Beneficiary (R)	% of SMS Wage Bill	Personnel Cost SMS (R'000)
Band A	1	9	11.1		55	5 500	0.8	7 093
Band B	2	4	50		121	6 050	5.1	2 359
Band D	0	1	0		0	0	0	0
TOTAL	3	14	21.4		176	5 867	1.9	9 452

TABLE 8.1 - Foreign Workers by Salary Band

Salary Band	Employment at Beginning Period	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Total Employme nt at Beginning of Period	Total Employmen t at End of Period	Total Change in Employment
TOTAL	8	100	8	100	0	0	8	8	0

TABLE 8.2 - Foreign Workers by Major Occupation

Major Occupation	Employment at Beginning Period	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Total Employme nt at Beginning of Period	Total Employmen t at End of Period	Total Change in Employment
Engineers and related professionals	8	100	8	100	0		8	8	0
TOTAL	8	100	8	100	0	0	8	8	0

TABLE 9.1 - 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)	501	99	63	19	8	103	332	496
Skilled (Levels 3-5)	892	89.9	124	37.3	7	223	332	802
Highly skilled production (Levels 6-8)	677	85.2	91	27.4	7	333	332	577
Highly skilled supervision (Levels 9-12)	256	82	41	12.3	6	278	332	210
Senior management (Levels 13-16)	27	88.9	6	1.8	5	69	332	24
Contract (Levels 3-5)	22	86.4	5	1.5	4	5	332	19
Contract (Levels 6-8)	6	100	1	0.3	6	3	332	6
Contract (Levels 13-16)	1	0		0.3	1	2	332	0
TOTAL	2382	89.6	332	100	7	1016	332	2134

TABLE 9.2 - 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)	9	100	2	16.7	5	2	9	12
Skilled (Levels 3-5)	836	100	10	83.3	84	212	836	12
TOTAL	845	100	12	100	70	214	845	24



TABLE 9.3 - Annual Leave for Jan 2009 to Dec 2009

	Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
L	ower skilled (Levels 1-2)	2,954	22	135
S	killed (Levels 3-5)	4,601	22	213
1	lighly skilled production (Levels 6-8)	3,034	22	139
H	lighly skilled supervision (Levels 9-12)	1514	23	67
S	enior management (Levels 13-16)	296	20	15
C	lantract (Levels 1-2)	18	9	2
. 0	ontract (Levels 3-5)	174	13	13
C	Contract (Levels 6-8)	65	11	6
C	ontract (Levels 9-12)	21	7	3
C	ontract (Levels 13-16)	10	10	1
T	OTAL	12688	21	594

TABLE 9.4 - Capped Leave for Jan 2009 to Dec 2009

	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2009	Number of Employees who took Capped leave	Total number of capped leave available at 31 December 2009	Number of Employees as at 31 December 2009
Lower skilled (Levels 1-2)	77	7	46	11	5354	116
Skilled (Levels 3-5)	49	4	88	13	13708	155
Highly skilled production (Levels 6-8)	91	5	55	17	3683	67
Highly skilled supervision (Levels 9-12)	21	4	54	5	1629	30
Senior management (Levels 13-16)	3	3	55	1	547	10
TOTAL	241	5	66	47	24921	378

TABLE 9.5 - Leave Payouts

Reason	al Amount (R'000)	Number of Employees	Average Pay Employe	
Leave payout for 2009/10 due to non-utilisation of leave for the previous cycle	91	2		45500
Capped leave payouts on termination of service for 2009/10	138	13		10615
Current leave payout on termination of service for 2009/10	12	5		2400
TOTAL	241	20	1	12050

TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes

Question	Yes	No	Details, if yes
			Hadi
(Headle december of the SMS to Such as the			
. 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		Mr. Bosch
regulations, 2001: If So, provide Her/ his hance and position.	169		MI. DUSCII

2. Does the department have a dedicated unit or have you designated			
specific staff members to promote health and well being of your			The department has an employee health and
emplayees? If so, indicate the number of emplayees who are involved in			wellness unit with only one staff member co-
this task and the annual budget that is available for this purpose.	Yes		ordinating the program.
			and the property of the proper
			The programme deals with solving personal
			problems impacting negatively on the
3. Has the department introduced an Employee Assistance or Health			officials working performance
Promotion Programme for your employee <mark>s? If so, i</mark> ndicate the key			- Deals with referrals
elements/services of the programme.	Yes		- Promotion of healthy lifestyle
	600		
	11/		and the state of t
4. Has the department established (a) committee(s) as contemplated in			or not the
Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so,		100	The department is currently reviewing the
please provide the names of the members of the committee and the			committee, its terms as it should be in line
stakeholder(s) that they represent.	Yes		with the PSR, 2001
			The department is making use of the
5. Has the department reviewed the employment policies and practices			existing policies and legislation e.g The
of your department to ensure that these do not unfairly discriminate			Labour Relations Act, Basic Conditions of
against employees on the basis of their HIV status? If so, list the	V		Service, Public Service Regulations and
employment policies/practices so reviewed.	Yes		Employment Equity Act
			The department has developed its own
			workplace HIV/AIDS policy and the existing
6. Has the department introduced measures to protect HIV-positive			legislation governing the Public Service
employees or those perceived to be HIV-positive from discrimination? If	1		protects all employees irrespective of their
a, list the key elements of these measures.	Yes		HIV status.
		7	DIT: 1
7.0			Officials are encouraged to undergo VCT
7. Does the department encourage its employees to undergo Voluntary	Vez		through information sessions and awareness
Counselling and Testing? If so, list the results that you have achieved.	Yes		campaigns.
3. Has the department developed measures/indicators to monitor &			
evaluate the impact of your health promotion programme? If so, list			
these measures/indicators.		No	

TABLE 11.2 - Misconduct and Discipline Hearings Finalised

Outcomes of disciplinary hearings	Number	Percentage of Total	Total
TOTAL	2	100	2

TABLE 11.3 - Types of Misconduct Addressed and Disciplinary Hearings

TABLE III.D Typos of Missoulianst Audi Socia and Sissipilitary	mour mgo		
Type of misconduct	Number	Percentage of Total	Total
Social Grant Fraud	2	100	2
TOTAL	2	100	2



TABLE 12.1 - Training Needs identified

Occupational Categories	Gender	Employmen t	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	3	0	2	0	2
	Male	11	0	0	U	7
Professionals Professionals	Female	15	0	1	0	es.pa
***************************************	Male	27		4		4
Technicians and associate professionals	Female	26		0	0	0
	Male	42	0	13	0	13
Clerks	Female	84	0	9	8	8
	Male	49	0	7	15	7
Service and sales workers	Female		0	7	0	2
	Male	1	0	2	2	1
Craft and related trades workers	Female	2	0	5	0	5
	Male	50	0	40	0	40
Plant and machine operators and assemblers	Female	1	0	0	0	0
	Male	27	0	0	0	0
Elementary occupations	Female	14	0	0	0	0
	Male	213	0	0		
Gender sub totals	Female	145	0	24	8	18
	Male	420	0	66	17	67
Total	-	565	0	90	25	88

TABLE 12.2 - Training Provided

	4500	10				
Occupational Categories	Gender	Employmen t	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female Male	3	0	4 17	0	4 17
Professionals	Female Male	15 27	0	1 4	0	1
Technicians and associate professionals	Female Male	26 42	0	0	0	0
Clerks	Female Male	84 49	0	13 16	7 5	7 5
Service and sales workers	Female Male	0	0	1 2	1	1
Craft and related trades workers	Female Male	2 50	0	8 2	0	30 2
Plant and machine operators and assemblers	Female Male	1 27		0	0	0
Elementary occupations	Female Male	14 213	0	1 36	0	36
Gender sub totals	Female Male	145 420	0	28 77	8	44 67
Total	Maic	565	0	105	16	111

TABLE 10.1 - Report on consultant appointments using appropriated funds

	Project Title	Total number of consultants who worked on the project	Duration: Work days	Expenditure April 2009 to end of March 2010
1	Barkley Wst-Hartsriver	1	Consultants appointed	R 653 236.62
2	Churchill To Bendel	1	on time cost and % fee. The fees mentioned in	R 424 200.59
3	Grootmier - Rietfontein	1	this report include all	R 289 139.73
4	M System Accident	2	disbursements, sub-	R 1 124 817.52
5	M System Bridge	1	consultants, surveys, material surveys, EIA	R 474 001.04
_ 6	M System Cost	1	and SAFETY consultants	R 27 531.00
7	M System Gravel Road	1	as well as supervision	R 1 320 351.14
8	M System Pavement	1	during construction stage.	R 1 332 500.70
9	M System Proman	1	atage.	R 611 783.98
10	M System Road Network	1		R 1 220 441.82
11	M System Traffic	3		R 4 326 860.85
12	Nababeep - O'kiep	1		R 923 218.28
13	Ntsweng To Tsineng	THE STREET		R 3 136 742.31
14	Procedure Manual	F/100		R 525 172.60
15	Rd Network Invest	San I		R 1 431 353.23
16	Ska	100 N		R 1 281 563.85
17	Su: Bulletrap			R 3 479 869.18
18	Su: Garies Circle	1		R 638 523.83
19	Su: Jooste Eiland	1		R 967 177.02
20	Su: Karakoel Rd			R 999 107.22
21	Su: Mothibistad			R I 338 903.31
22	Su: Noupoort			R 20 391.88
23	Su: Uap Road (2)	1		R 1161 887.94
24	Su: Uap Road (1)	1		R 34 830.27
25	Su:N7-Garies Hosp			R 223 834.33
26	Transfrontier Park Phase 2	1		R 637 267.61
27	Verlatenkloof Pass	1		R 857 803.86
28	Vosburg - Britstown	1		R 60 401.56
29	Vosburg - Carnarvon	1		R 432 555.66
2				
888	Total number of projects	Total individual consultants	1	Total contract value in Rand
	29	32		R 29 955 468.93
1750	District Co.			







