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## Economic Development & Tourism

Department:  
Economic Development & Tourism  
NORTHERN CAPE PROVINCE



# ANNUAL REPORT

for the year ended 31 March 2014





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MEC for Finance, Economic  
Development and Tourism



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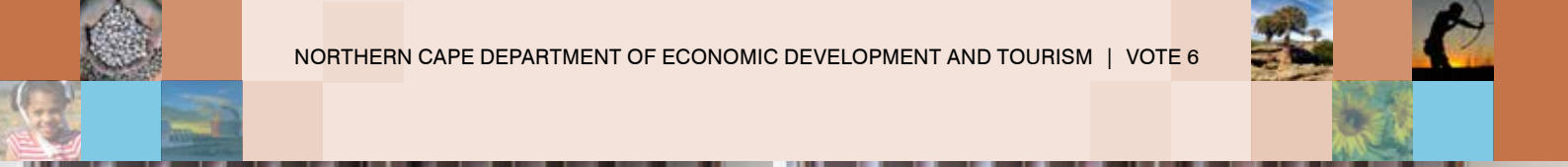
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*Felicitations to MEC John Block, HOD Patrick Seboko, the Management, Staff and stakeholders of the Department of Economic Development and Tourism for achieving an unqualified report with no findings for the 2013/2014 financial year.*



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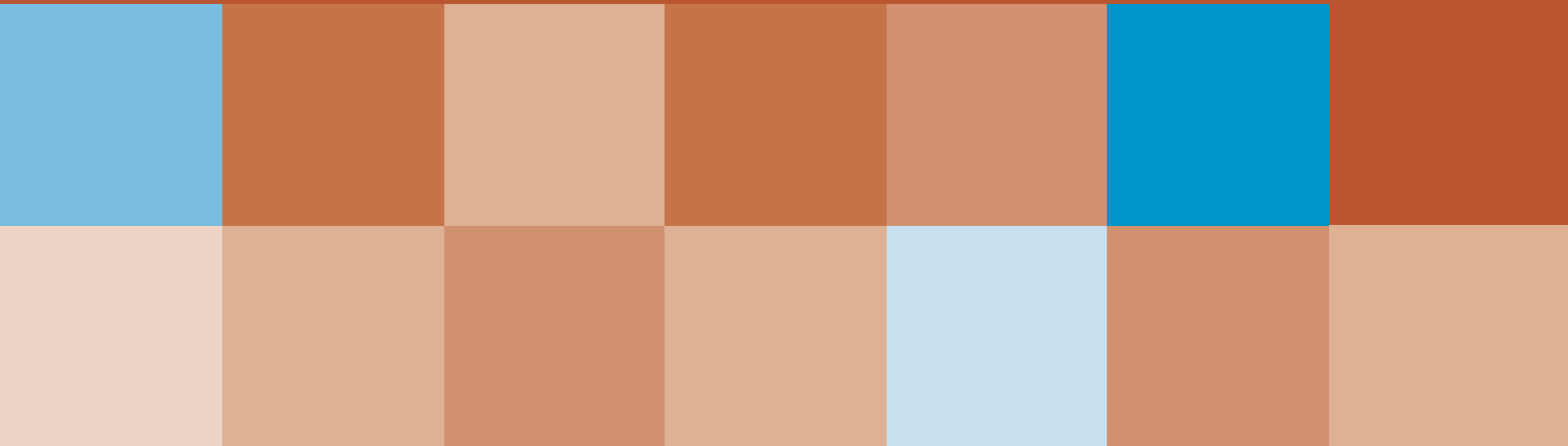
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# PART A: GENERAL INFORMATION



**GENERAL INFORMATION**  
For the year ended the 31 March 2014

# PART A: GENERAL INFORMATION

## 1.1 DEPARTMENT GENERAL INFORMATION

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## GENERAL INFORMATION

### For the year ended the 31 March 2014

## 1.2. LIST OF ABBREVIATIONS/ ACRONYMS

AGSA	Auditor-General of South Africa	KIDJA	Kimberley International Diamond and Jewellery Academy
AO	Accounting Officer	KM	Knowledge Management
BBBEE	Black Broad Based Economic Empowerment	KD&JC	Kimberley Diamond and Jewellery Centre
BRICS	Brazil, Russia, India and South Africa	LED	Local Economic Development
CAM	Computer Aided Manufacturing	MEC	Member of Executive Council
CAD	Computer Aided Design	MTEF	Medium Term Expenditure framework
CFO	Chief Financial Officer	MTSF	Medium Term Strategic Framework
COSATU	Congress of South African Trade Unions	MIS	Management Information System
CRT	Carats (diamond weight)	M&E	Monitoring and Evaluation
CSIR	Centre for Scientific and Industrial Research	MandE	Monitoring and Evaluation system tool
DEDaT	Department of Economic Development and Tourism	MQA	Mining Qualifications Authority
DGDS	District Growth and Development Strategy	NCEDA	Northern Cape Development, Trade & Investment Promotion Agency
DSDf	District Spatial Development Framework	NDP	National Development Plan
DOC	Department of Communications	NCPL	Northern Cape Provincial Legislature
DTI	Department of Trade and Industry	NEF	National Empowerment Fund
DTCSA	Diamond Trading Company of South Africa	PGDS	Provincial Growth and Development Strategy
DEEC	Diamond Export and Exchange Centre	PFMA	Public Finance Management Act
EIA	Enterprise Information Architecture	PAIA	Promotion of Access to Information Act
EU	European Union	PAJA	Promotion of Administrative Justice Act
EXCO	Executive Council	RaLED	Regional and Local Economic Development
EPWP	Expanded Public Works Programme	R&D	Research and Development
ESSA	Economic Society of South Africa	SADPMR	South African Diamond Precious Metals Regulator
ETAC	Economic Technical Advisory Committee	SCM	Supply Chain Management
EU	European Union	SDIP	Service Delivery Improvement Plan
FABCOS	Foundation for Business and Consumer Services	SDT	State Diamond Trader
FS	Fire Star Diamond (PTY)LTD	SITA	State Information Technology Agency
GDP-R	Gross Domestic Product per Region	SIP	Strategic Integrated Project
GWK	Griekwaland-wes Koporasie	SEDA	Small Enterprise Development Agency
HOD	Head of Department	SLA	Service Level Agreement
ICT	Information and Communication Technology	SMME	Small Medium and Micro Enterprises
IDC	Industrial Development Cooperation	SEZ	Special Economic Zones
IDP	Integrated Development Plan	TR	Treasury Regulations
IDT	Independent Development Trust	UNIDO	United Nations Industrial Development Organization
IEDS	Integrated Economic Development Services	VFR	Visiting Friends and Relatives
IYM	In-Year Monitoring	ZFM	ZF Mgcawu District Municipality
JTG	John Taolo Gaetsewe District Municipality		

## FOREWORD BY MEC

### For the year ended the 31 March 2014

### 1.3. FOREWORD BY THE MEC

This annual report marks the end of the period for this current administration and concludes five years of governance under this administration. While the reporting period is for a single financial year, its significance lies in the fact that it concludes tasks and programmes that were initiated five years ago. In this sense, one can track progress over the Medium Term Strategic Framework (MTSF) and evaluate, in this report, how successful such programmes had been concluded. This report, which represents the final year of the MTSF, seeks to reflect the achievements of the department for work which, for all intents and purposes, began five years ago.

The Kimberley Diamond Cup (KDC), for example, is the product of an initiative which started in 2010, known then as the Maloof Money Cup. In the period under review the KDC can only be described as one of the success stories of this department. Its impact can be felt, not only by locals as an annual mega event, but by audience world-wide. Thus work that started four years ago has culminated in our own local brand with mass foreign appeal which will benefit not only the capital city but our province as a whole for years to come. For young skateboarding enthusiasts, the building of community skate parks in four of our districts will also leave a legacy in these communities.



The department has now also been able to set up the Consumer Court for the people in the province. This is as a result of the new Northern Cape Consumer Protection Act, which provides for the establishment of a Provincial Consumer Protection Authority as well as the Provincial Consumer Court. The establishment of these agencies are the latest in a series of public entities that were created over the last five years aimed at improving the delivery of crucial services to the people in our province.

We have also previously set up the Gambling and Liquor Boards to regulate these contentious industries. With these entities we aim to leverage the economic advantages of these industries, while at the same time seeking to mitigate their negative socio-economic disadvantages through social responsibility campaigns.

A sound basis has been set to position the department in a positive trajectory going forward. This report gives a detailed breakdown as far as the progress status of major departmental projects is concerned. It provides a good foundation for any further work to be undertaken by a new administration. It is also encouraging to note that, for the period under review, the department obtained an unqualified audit report, which points to good stewardship of the public finances and administration of the department.

Thank you.

A handwritten signature in black ink, consisting of the letters 'J' and 'B' intertwined.

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**J F BLOCK**  
**MEC for Finance, Economic Development and Tourism**

**Date: 31 May 2014**



## REPORT OF THE ACCOUNTING OFFICER For the year ended the 31 March 2014

### 1.4. REPORT OF THE ACCOUNTING OFFICER



#### 1.4.1. Overview of the operations of the department

We have come to the end of 20 years of democracy and it affords me great pleasure to present my department's Annual Report for 2013/14 financial year. It provides a detailed account of our achievements to, the public and all our stakeholders. We are guided by our vision to promote Economic Growth and Development in the Northern Cape Province based on DE<sup>2</sup>BS i.e. Diversification, Empowerment, Employment, Business Creation and Sustainable Development.

In the last 5 years we have seen considerable developments in the economic and social development policy frameworks of our country. Government has adopted the most significant socio-economic development plan to be implemented over the next 20 years viz. the National Development Plan (NDP) which set out a new path for our country that will be able to eliminate poverty and reduce inequality by the year 2030. This will enable our people to grasp the economic opportunities that will change the lives of our people forever. In addition to the NDP, the other policy documents that chartered the planning processes of the Department included the New Growth Path (NGP), the Industrial Policy Action Plan and the National Infrastructure Plan which are short to medium term plans that are aimed at implementing the National Development Plan.

Thus in the financial year under review we moved to the implementation phase of the National Development Plan (NDP), incorporating the economic strategies, the New Growth Path, the Industrial Policy Action Plan and the Infrastructure Development Plan which now fall under the NDP umbrella.

Taking into consideration the NDP has set a target to increase employment by 11 million by 2030. In addition to the employment creation, the plan sets out mechanisms by which to improve the living conditions of citizens as measured by the 14 outcome areas. Thus the Department's contribution has been to the realisation of outcome 4, "Decent employment through inclusive economic growth"; which is aligned to chapter 3 of the NDP which focusses on the following amongst others:

- Creating an environment for sustainable employment and economic growth;
- Strengthening the capacity of government to implement its economic policies;
- Promoting employment in labour absorbing industries;
- Promoting exports and competitiveness;
- Diversifying the economy.

In ensuring alignment and implementation for the above mentioned long term national imperatives the department continued to implement the Provincial Growth and Development Strategy PGDS which is targeting to creating in access of 16 000 jobs per annum.

Furthermore, in a quest to create an enabling environment for economic growth and development we continued to implement amongst others, the White Paper on Tourism development and Promotion, the SMME strategy, a Manufacturing Strategy, a Provincial Renewable Energy Strategy, a Diamond Strategy and a Local Economic Development Strategy. The DEDaT 5 year Strategic Plan has been aligned to the NDP and all its programmes to Outcome 4 and its outputs.

The NGP provides bold and effective strategies to create the 5 million jobs South Africa needs through the five job drivers it identifies. The NGP puts special emphasis on new economies i.e. the Green and Knowledge economy. The Northern Cape has the potential of benefiting from these new economies as the province has been identified as the solar hub of the country and the SKA.

Thus far the province has secured about 21 projects from the three respective bid windows of the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP). The majority of projects are solar energy (PV and CSP) generation projects with a few wind and small hydro projects. These projects will bring substantive green fields investments into the province resulting in direct and indirect job creation and community upliftment.

As a department we have entered into a partnership with Meraka Institute of the CSIR in driving the implementation of the wireless mesh network project in promotion of the Knowledge economy in the Province. The project that is located in the rural district of John Taolo Gaetsewe has been completed.

**REPORT OF THE ACCOUNTING OFFICER  
For the year ended the 31 March 2014**

Aligned to the NDP and located in the NGP is the Industrial Policy Action plan (IPAP) aimed at growing the economy and creating jobs in order to reduce unemployment. This is to be achieved by preventing industrial decline and supporting the growth and diversification of the South African manufacturing sector.

The Northern Cape supports the implementation of IPAP through the Provincial Manufacturing Strategy and its implementation plan. The province is making considerable strides in respect of manufacturing. The reporting period has seen the establishment and implementation of a Manufacturing Advisory Committee as a consultative body that will assist the department in directing the development of Manufacturing in the Province.

The construction of the Malt Plant in Modderivier is on course and a recent visit to the Province by a French Malt Company which is a stakeholder that is keen to invest into this project has confirmed this.

Infrastructure is one of the key job drivers identified in the New Growth Path. The South African Government adopted a National Infrastructure Plan and the plan is intended to transform the economic landscape of South Africa and the Province; create a significant number of new jobs; strengthen the delivery of basic services to the people of South Africa and support the integration of African economies.

Eighteen Strategic Integrated Projects (SIPs) have been identified and approved to support economic development and address service delivery in the poorest provinces. These projects prioritised as SIP 3 (Manganese), SIP 5 (Sishen-Saldana Railway line), SIP8 (Renewable Energy), SIP 14 (New Sol Plaatje University) and SIP 16 (SKA) are of particular significance to the Northern Cape Province and the department is looking at taking full advantage of the implementation of these projects.

#### **1.4.2 Significant Events and Catalyst Projects**

The catalyst and significant events are strategically contributing towards achieving growth and job targets as per Job Drivers outlined in the NDP.

In collaboration with and through Nceda, we continue in the quest to attract domestic and foreign investment to the Province with an achievement of R60 million in domestic investments attracted in the reporting financial year and a few significant commitments already secured for the new financial year.

Key economic reports have been produced, one an Inter-industry Analysis with a specific purpose on exports in the Province. The report provides guidance on which industries the Province should focus on in order to expand its exports, while simultaneously expanding its domestic market and employment. The second report attempts to highlight linkages between mining and manufacturing and indicates those respective industries that have strong manufacturing linkages.

The Special Economic Zone (SEZ) is a strategic intervention expected to boost the manufacturing sector in the Province as it also includes an incubation programme as well as skills development concept expected to secure benefits on localization and procurement for local businesses. Feasibility in this regard is being established. The establishment of a SEZ Solar Hub in Upington has also assisted local industrial capacity.

One of the significant events of the reporting period relates to Preferential Mining Procurement Initiative, which saw the long outstanding agreements secured with mines. The Northern Cape Mining Charter was signed by the Premier of the Province and the Northern Cape Mine Managers Association representatives in January 2014.

The Department encourages the growth of more SMME's owned by previously disadvantaged in the job drivers of mining, agriculture, the green economy, Tourism, Manufacturing and Infrastructure Development. The amended BBBEE Act places more emphasis on developing small businesses as well as mute fronting activities while encouraging the emergence of black industrialist. With the amendment of the Act, the pillars have been reduced from seven to five with skills development, enterprise development and preferential procurement accounting for approximately 60% of the score card. By implication, all businesses besides EME's (Emerging Micro Enterprises) that have a threshold of Zero to R10 million will be targeting these three pillars in their pursuit of Level 1 BBBEE rating presenting tremendous opportunity for addressing skills shortages.

Through the Kimberley International Diamond and Jewellery Academy (KIDJA) as well as the Kimberley Jewellery Hub we continued in the reporting period to focus on promoting entrepreneurship and skills development in the diamond industry in the Province. The Exit Strategy which forms part of the Northern Cape Kimberley Diamond Strategy was implemented. This strategy serves to facilitate placement of KIDJA graduates into enterprises operating in the Kimberley Diamond and Jewellery Centre. The implementation of the Exit strategy has seen employment of three KIDJA graduates in a diamond cutting and polishing factory as diamond cutters and polishers.

## REPORT OF THE ACCOUNTING OFFICER

### For the year ended the 31 March 2014

During the past year the Northern Cape has continually promoted itself as a prime destination for extreme sport and adventure both nationally as well as internationally. Reference can be made to the support and hosting of following projects and initiatives in this respect; the Kimberley Diamond Cup (formerly known as Maloof Money Cup), the Big Hole Cultural Festival, Barney Barnato Golf Week, the Carnarvon Fly-In, Aspen Trans Karoo Mountain Bike Race, South African Off-Road Racing Championship, spinning and drifting motor sport events, Kalahari Speed week, Kalahari Desert Festival, Kalahari All-Tar Speed Week and the Bloodhound event.

We completed an integrated development strategy for the Bloodhound Event, highlighting the SMME opportunities and legacy projects for the Mier municipality hence promoting Rural Development.

The outbound missions are starting to bear fruit with three familiarisation tours from the Philippines occurring during the year under review. In addition, a group of 25 tourists from the Philippines graced our shores early this year. This attests to the increase of destination awareness of the Northern Cape Province in the Asian market.

Partnerships are essential to the achievement of growth and development in the Province and from this basis we continuously strive to build and maintain partnerships. A Business Day Breakfast in collaboration with the SABC was held in November 2013 to encourage public private partnerships to find joint solutions to job creation and economic transformation in the Province.

The Provincial High Impact Projects have been strategically entrenched into all the Department's planning forums and initiatives to ensure that the key performance outcomes in terms of the creation of decent employment and inclusive economic growth are achieved.

The Provincial Spatial Development Framework (PSDF) outlines the existing network of development/transport corridors and special resource areas.

Within the province there are four discernible development/transport corridors. Firstly, the corridor from Springbok through Upington to Kimberley (and the Free State and Gauteng) links the major economic centres in the province. Secondly, the corridor linking Namibia to Upington passes through De Aar to the Eastern Cape. Thirdly, the corridor linking Gauteng through the North West province runs to Kimberley and Cape Town. A fourth corridor links Cape Town through Springbok in Namaqualand to Namibia and potentially Angola. Not only are these corridors vital lifelines from a transport point of view but in each case there are areas of relatively high economic potential which if developed could benefit enormously from their proximity to established transport infrastructure.

Following the establishment of the Office of the Consumer Protector and the Consumer Court with crucial positions filled in the previous financial year (2012/2013), the Regulations were published late in the reporting period which enabled at least one Consumer court sitting to take place towards the end of the 2013/14.

As a department, we remain committed to asserting the economic growth pillars in South Africa, for contribution to the targets recognised in the National Development Plan (NDP) and the New Growth Path (NGP).

#### 1.4.3 Overview of the financial results of the department:

**Table 1.4.3.1: Departmental receipts**

Departmental receipts	2013/2014			2012/2013		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	24 369	21 203	3 166	18 883	20 026	( 1 143)
Casino taxes	18 933	16 158	2 775	17 163	15 303	1 860
Horse racing taxes	1 400	1 329	71	625	1 009	(384)
Liquor licences	4 036	3 716	320	1095	3 714	(2 619)
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	221	244	(23)	87	279	(192)
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	132	179	(47)	-	225	(225)
Interest, dividends and rent on land	89	65	24	87	16	71
Insurance Commission	-	-	-	-	33	(33)

**REPORT OF THE ACCOUNTING OFFICER**  
**For the year ended the 31 March 2014**

Departmental receipts	2013/2014			2012/2013		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Registration Fees	-	-		-	5	(5)
Sale of capital assets	-	-		-	-	-
Financial transactions in assets and liabilities	-	9	(9)	48	5	43
<b>Total</b>	<b>24 590</b>	<b>21 456</b>	<b>3 134</b>	<b>19 018</b>	<b>20 310</b>	<b>(1 292)</b>

The Department under collected on Casino Taxes due to the fact that the third casino license was only temporarily awarded in October 2012. This resulted in possible income being generated from the third casino licence. The temporary approval of the third casino license will increase the revenue collection of the Department in the 2014/15 financial year onwards.

In addition to the third casino license being temporarily awarded, the Gambling Board received R1 600 000 additional funds for the implementation of the Limited Pay-out Machines during the adjustment budget process in the 2013/14 financial year.

The Department under collected on horse racing taxes and liquor license fees. Horse racing taxes is very erratic and is difficult to forecast projected revenue accurately. With assistance of Provincial Treasury's revenue team the Department has attempted to forecast this revenue stream more accurately from 2014/15 onwards.

The Department under collected on Liquor License for the 2013/14 financial year. From 2013/14 onwards the prescribed tariffs of the Northern Cape Liquor Act of 2010 was used to forecast the revenue collection from this revenue stream more accurately.

The revenue collected from Interest, dividends, rent on land, fines, penalties and forfeits proves very difficult to forecast due to the uncertainty directly related to the substance of the revenue streams. Once again the revenue team of Provincial Treasury assisted the Department to more accurately forecast revenue to be generated from these streams from 2014/15 onwards.

**Table 1.4.3.2: Programme Expenditure**

Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	44 598	44 958	106	37 676	35 554	2 132
Integrated Economic Development Services	66 932	66 857	75	56 093	56 078	15
Trade and Sector Development	29 963	29 786	157	28 542	22 699	5 843
Business Regulation and Governance	27 625	27 623	2	25 530	24 930	600
Economic Planning	15 075	14 665	410	17 648	15 030	2 618
Tourism	82 857	82 851	6	69 745	69 007	738
<b>Total</b>	<b>267 134</b>	<b>266 380</b>	<b>754</b>	<b>235 254</b>	<b>223 288</b>	<b>11 946</b>

The department expenditure for the year under review amounted to R 266 380 000 (R223 288 000 in 2012/13) which is 99, 72% (94.92% in 2012/13) of the allocated budget of R267 134 000 (R235 2354 000 in 2012/13). In the 2013/14 financial year the department realized savings to the value of R754 000 (R11 946 000 in 2012/13).

The financial year 2013/14 savings as per economic classification are:

- Compensation of employees was R408 000 (R1 650 000 in 2012/13), since the vetting process of qualification and criminal information of candidates extended the timing of the appointment process significantly;
- No savings were realized for Goods and Services for the 2013/14 financial year (R9 200 000 in 2012/13).

## REPORT OF THE ACCOUNTING OFFICER For the year ended the 31 March 2014

- Transfers and Subsidies was R76 000 (R11 000 in 2012/13), of which Transfers of funds to Municipality from Programme 2 has not been paid and a recovery of R22 000 for Leave Gratuity were made.
- Capital goods was R243 000 (R1 043 000 in 2012/13). A roll-over requested was registered for R241 000.

### 1.4.3.1. Virements

After the Adjusted Appropriation Act of the 2013/14 financial year, the following virement on savings, according to section 43 of the Public Finance Management Act, Act No.1 of 1999 (PFMA), has been applied by the department:

**Table 1.4.3.3: Per Programme**

From	To	Amount R'000
Administration	Tourism	806
Administration	Business Regulation and Governance	6
Integrated Economic Development Services	Administration	273
Integrated Economic Development Services	Tourism	246
Integrated Economic Development Services	Business Regulation and Governance	95
Integrated Economic Development Services	Trade and Industry Development	71
Trade and Industry Development	Administration	1 555
Trade and Industry Development	Tourism	203
Business Regulation and Governance	Administration	259
Business Regulation and Governance	Tourism	908
Administration	Economic Planning	18
Economic Planning	Tourism	1 176

**Table 1.4.3.4: Per economic classification**

From	To	Amount R'000
Compensation of employees	Goods and services	417
Machinery & equipment	Buildings & other fixed structures	187
Intangible assets	Buildings & other fixed structures	315
Compensation	Buildings	2

### 1.4.3.2. Roll-overs

The table below indicates the unspent funds and roll-overs

After completion of the 2013/14 financial year, the Department realized a saving on their expenses and requested a roll-over of funds; in terms of section 6.4 of the Treasury Regulations which has been submitted to the Provincial Treasury by 30 April 2014.

The submission for roll-over submitted to Provincial Treasury for the Department of Economic Development and Tourism was R241 000 and was made up as follows:

- R89 000 for Machinery and Equipment for the Financial Management
- R152 000 for Machinery and Equipment for Strategic Initiatives

**Table 1.4.3.5: Roll-overs**

Programme	Saving Funds R'000	Roll-over requested R'000	Funds not rolled-over R'000
Administration	104	89	15
Integrated Economic Development Services	75	0	75
Trade and Industry Development	157	152	5
Business Regulation and Governance	2	0	2
Economic Planning	410	0	410
Tourism	6	0	6
<b>Total</b>	<b>754</b>	<b>241</b>	<b>513</b>

No unauthorised, fruitless and wasteful expenditure was identified for the 2013/14 financial year.

**REPORT OF THE ACCOUNTING OFFICER  
For the year ended the 31 March 2014****1.4.4. Future plans of the department**

The Medium Term Strategic Framework (MTSF) sets out government priority focus areas for a period of five years. The Framework draws key priority areas from the NDP, NGP, IPAP and the National Infrastructure Plan. We are in the process of finalising the provincial MTSF with specific actions, indicators and targets that will direct the Province with regard to implementation of Outcome 4 in the next five years.

In partnership and joint ventures with SEDA branches within the districts and the Northern Cape SMME Trust, we will ensure capacity building and effective roll out of SMME development program focusing on incubation. Incubation will include entrepreneur registration and business assessments whilst performing internal controls and administrative functions relating to promotion, support and facilitation of integrated economic development.

We will furthermore put more momentum in assisting more cooperatives to access the Co-operative Incentive Scheme (CIS) grant in collaboration with the Department of Trade and Industry. Co-operatives with exportable products will be capacitated to ensure that they become export ready and they will further be exposed to markets.

In the new financial year the Department in conjunction with Nceda aims to attract R80million in foreign direct and domestic investment to the Province and our plans are to assist thirty companies with exports through exporter development training and assistance in retention and expansion of existing markets and aggressively looking at accessing new markets especially the BRIC (Brazil, Russia, India and China) countries. We will also be hosting the BRICS Expo in March 2015.

The Department will continue to facilitate training of forty five students in MQA accredited courses through the Kimberley International Diamond and Jewellery Academy (KIDJA). Bursaries have been put aside for this purpose.

Due to the demand, additional factory space and offices will be built to accommodate more diamond cutting & polishing and jewellery manufacturing factories as well as Industry related services in the Hub. Ten KIDJA graduates will be placed in the factories as diamond cutters and polishers. Phase 3 project of the infrastructure development of the Hub will commence in the new financial year.

Taking from the achievements of the reporting period in respect of manufacturing, we will in the new financial year focus on the implementation of the business plans of the manufacturing clusters. The 2014/15 financial year will see the establishment phase of the Clothing and Textile Cluster completed and furthermore, the manufacturing exporting Industries promoted.

The ten agreements secured with mines in Northern Cape Mining Procurement Charter, as aligned to the National Mining Charter, will be monitored to increase local mining procurement in capital goods, services and consumables. Expectations are that more local suppliers will secure contracts with mines, thus addressing the unemployment in the Province. Over and above that, ten local companies will be linked to procurement opportunities and these companies will be hand held and given the opportunities to present their product and services to the mines.

With specific focus on tourism enterprises, we aim to improve the impact of grants given to small tourism entrepreneurs; improve business and operational skills; and launch an intervention for improving the motivational levels of business owners.

Our plans, going forward, regarding destination development includes funding of four critical tourism infrastructure projects, of which most are in rural areas, in a drive to create more employment opportunities.

We plan to grow the funding of eight events which all have the potential to attract visitors in low seasons, stimulate interprovincial travel and attract more visitors from outside of the borders of the province while creating a significant number of employment opportunities.

**1.4.5. Public Private Partnerships**

The Department has requested the National Treasury to register a Public Private Partnership with respect to the e-Infrastructure project of the Northern Cape Information Society Programme. The project was registered by National Treasury as a potential PPP on the 13 February 2014. A reference number of P135 was allocated to this project and the PPP unit of National Treasury will publish the details of the project on the website: [www.treasury.gov.za](http://www.treasury.gov.za).

**REPORT OF THE ACCOUNTING OFFICER  
For the year ended the 31 March 2014**

**1.4.6. Discontinued activities / activities to be discontinued**

The department has not discontinued any activity in the financial year under review.

**1.4.7. New or proposed activities**

The department has not discontinued any activity in the financial year under review.

**1.4.8. Supply chain management**

There were no unsolicited bid proposals concluded for the year under review. Supply Chain Management Checklist for goods and services, Irregular Expenditure and Supply Chain Management policies were implemented and reviewed to ensure the prevention of irregular expenditure. The SCM unit had a human resource capacity challenge but it is currently in the process to fill two Assistant Managers' posts, these posts were advertised and recruitment process is still to be finalised.

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

During the year under review department did not receive any gifts or donations in kind from any person.

**1.4.10. Exemptions and deviations received from the National Treasury**

According to general practice note 5 of 2006/07 the Department of Economic Development and Tourism was granted approval for the irregular expenditure incurred as a result of the Department entering into finance lease transactions with various suppliers in terms of National Treasury's Transversal Contracts RT3 of 2000 and RT3 of 2003 for the supply,

**1.4.11 Events after the reporting date**

No events occurred after the reporting date and the date of approval of the Annual Financial Statements.

**1.4.12. Other**

The Statutory Appropriation was paid by Department of Finance. The Member of the Executive Committee (MEC) was appointed as a MEC for Department of Finance, Economic Development and Tourism.

**Acknowledgement/s or Appreciation**

The Department wishes to express sincere gratitude to:

- Kumba Iron Ore for partnering the Northern Cape Provincial Government in the successful hosting of the first Kimberley Diamond Cup World Skateboarding Championship held in September 2013. Your sponsorship of R 10 million contributed tremendously to the successful hosting of the International Skateboarding programme throughout the year in South Africa and the Northern Cape Province. Your continuous loyal support towards the international Skateboarding programme is sincerely appreciated
- European Union (EU) for funding the Kimberley International Diamond and Jewellery Academy (KIDJA) and the Kimberley Diamond and Jewellery HUB.
- De Beers (DBSSSA) for their assistance and support on the KIDJA project
- Bloodhound team for partnering the Northern Cape Provincial Government on the Bloodhound Project.



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**Mr P M Seboko**  
**Accounting Officer**  
Department of Economic Development and Tourism

Date: 31 May 2014

**REPORT OF THE ACCOUNTING OFFICER  
For the year ended the 31 March 2014****1.5 STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY  
FOR THE ANNUAL REPORT**

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

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

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

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

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

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

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

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

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

Yours faithfully



-----  
**Mr P M Seboko**  
**Accounting officer**  
Department of Economic Development and Tourism

Date: 31 May 2014



## GENERAL INFORMATION

### For the year ended the 31 March 2014

## 1.6. STRATEGIC OVERVIEW

### 1.6.1. Vision

Promotion of Economic Growth and Development in the Northern Cape Province based on DE<sup>2</sup>BS i.e. Diversification, Empowerment, Employment, Business Creation and Sustainable Development.

### 1.6.2. Mission Statement

The creation of an enabling environment for economic growth and economic development in the Northern Cape Province.

### 1.6.3. Values and Principles

In delivering a service to its diverse clients the Northern Cape Department of Economic Development and Tourism has laid a particular emphasis on the following values:

- Learning and Innovation
- Professionalism
- Teamwork
- Trustworthiness
- Integrity
- Honesty

Service delivery in the department is driven by the following principles:

- Batho Pele
- Accountability
- Representability
- 4Es (Effectiveness, Efficient, Economy and Excellence)

### 1.6.4. Strategic outcome orientated goals

#### Programme 1: Administration

<b>Strategic Outcome Oriented Goal 1</b>	Efficient leadership, strategic support and economic advice
<b>Goal statement</b>	To ensure an effective, compliant and competent department that will provide technical support and economic policy advice to the province.
<b>Justification</b>	The department has to work within a particular legislative framework and hence this goal is essential to ensure that the department is compliant and able to provide the necessary technical support and economic policy advice to the province.
<b>Links</b>	This goal will focus the resources and operations of the department on the achievement of the departmental vision and mission which include: <ol style="list-style-type: none"> <li>1. Obtain provincial economic growth of between 4 – 6%</li> <li>2. Halving unemployment by 50% by 2014.</li> </ol>

#### Programme 2: Integrated Economic Development Services

<b>Strategic Outcome Oriented Goal 2</b>	Accelerated growth and transformation of the economy to create decent work and sustainable livelihood.
<b>Goal statement</b>	To promote and support sustainable integrated economic development through the development of enterprises, local economies and the empowerment of historically disadvantaged individuals (HDI's)
<b>Justification</b>	This programme seeks to support and facilitate integrated economic development through the active promotion of the development of enterprises, local economies and economic empowerment of Historically Disadvantaged Individuals (HDI's) through the development of partnerships with key stakeholders in the province.
<b>Links</b>	Strategic Priority 1 (SP 01) in the Medium Term Strategic Framework Creates an enabling environment for economic growth and development in the Northern Cape. A reduction in the level of unemployment (aimed at empowering HDI's) to 50% by 2014. Sustained Small and Medium enterprise. To reduce the inequality gap between the rich and poor

## GENERAL INFORMATION

### For the year ended the 31 March 2014

#### Programme 3: Trade and Sector Development

<b>Strategic Outcome Oriented Goal 3</b>	The stimulation, facilitation and/or increase of economic growth through sector development and trade and investment promotion and the diversification of the energy sector.
<b>Goal statement</b>	To stimulate, facilitate and/or increase economic growth through sector development, trade and investment promotion and diversification of the energy sector.
<b>Justification</b>	This programme seeks to accelerate sustainable economic development by facilitating export from and investment into the province while simultaneously promoting economic diversification and industrial expansion. Strategically position key sectors for successful planning and the efficient allocation of resources.
<b>Links</b>	Establishment of the State Diamond Trader in Kimberley. Expand on the establishment of the Manufacturing centres, with emphasis on sector and diversifying the economy of the province and attracting long term investment. Export development and readiness which is part of the department's main priorities as stipulated in the PGDS. Sustained small scale mining through development of the mining industry and small scale mining sub sector. Benefits will include Solar Energy for rural communities, far from the national electricity grid, remote schools and clinics, energy for rural water supply, solar passive designed housing and solar water heating for households in urban and rural settings and commercial applications. Large-scale utilization of Solar Energy will also reduce the emissions of carbon dioxide, thus contributing to an improved environment both locally and worldwide.

#### Programme 4: Business Regulation and Governance

<b>Strategic Outcome Oriented Goal 4</b>	A fair regulated trade environment and good governance
<b>Goal statement</b>	To ensure an equitable, socially responsible business environment that allows for predictability.
<b>Justification</b>	It contributes to an environment conducive to economic growth and job creation.
<b>Links</b>	Poverty alleviation through social grants and other initiatives. Well informed consumers cognisant of their rights. Reduction in the level of alcohol abuse. Reduction in prevalence of irresponsible gambling.

#### Programme 5: Economic Planning

<b>Strategic Outcome Oriented Goal 5</b>	Sustainable economic development
<b>Goal statement</b>	To develop provincial economic policies and strategies to achieve and measure sustainable economic development.
<b>Justification</b>	This programme seeks to support and facilitate the transformation, diversification and growth of the provincial economy by developing economic policies and strategies informed by relevant economic research so that they are in alignment with the NSDP, NCPGDS and IDP's.
<b>Links</b>	Structured organisational policies aligned to all spheres of government. Research and analysis of departmental needs for informed decision making. Efficient ICT and expanded broadband capacity.

#### Programme 6: Tourism

<b>Strategic Outcome Oriented Goal 6</b>	To Improve the impact of tourism on the economy of the northern
<b>Goal statement</b>	To Manage the development and promotion of the Northern Cape as a competitive tourist destination.
<b>Justification</b>	This programme seeks to support and facilitate integrated economic development through the active promotion of the development of enterprises, local economies and economic empowerment of Historically Disadvantaged Individuals (HDI's) through the development of partnerships with key stakeholders in the province.
<b>Links</b>	Strategic Priority 1 (SP 01) in the Medium Term Strategic Framework Creates an enabling environment for economic growth and development in the Northern Cape. A reduction in the level of unemployment (aimed at empowering HDI's) to 50% by 2014. Sustained Small and Medium enterprise. To reduce the inequality gap between the rich and poor

## GENERAL INFORMATION

### For the year ended the 31 March 2014

## 1.7. LEGISLATIVE MANDATES

The mandate of the Department of Economic Development and Tourism is derived directly and indirectly from national and provincial legislation as well as national and provincial departmental policies, strategies, plans and delegations. The core mandate of the Department is drawn from the Constitution, which compels Government to “create an enabling environment for economic growth and development”. The Department takes the lead responsibility and custodianship over economic policy formulation provincially. The Northern Cape Growth and Development Strategy (NCPGDS) and its related sector strategies also are vehicles through which the Department realises its mandate.

The following directive commands the mandate of the department;

### 1.7.1. Direct Mandates

National legislation (bills, acts, regulations, charters), of which the following are the most important:

- Constitution of RSA, 1996 (Chapters 2, 3, 6, 7, 9, 10, 13, 14, Schedule 4-6);
- Entire PSA, PSR, as amended;
- Entire PFMA & TR, as amended;
- Division of Revenue Act;

Relevant line function legislation and regulations (National and Provincial, e.g. legislation pertaining to small businesses, companies, competition, gambling, liquor, consumer protection, local government, inter-governmental relations, development and planning, mining, minerals, manufacturing, empowerment, fishing, marine resources, environment, financing and development funding, health, environmental and other standards and procedures, statistics, information, security, human resource management and development, labour, etc., including court decisions).

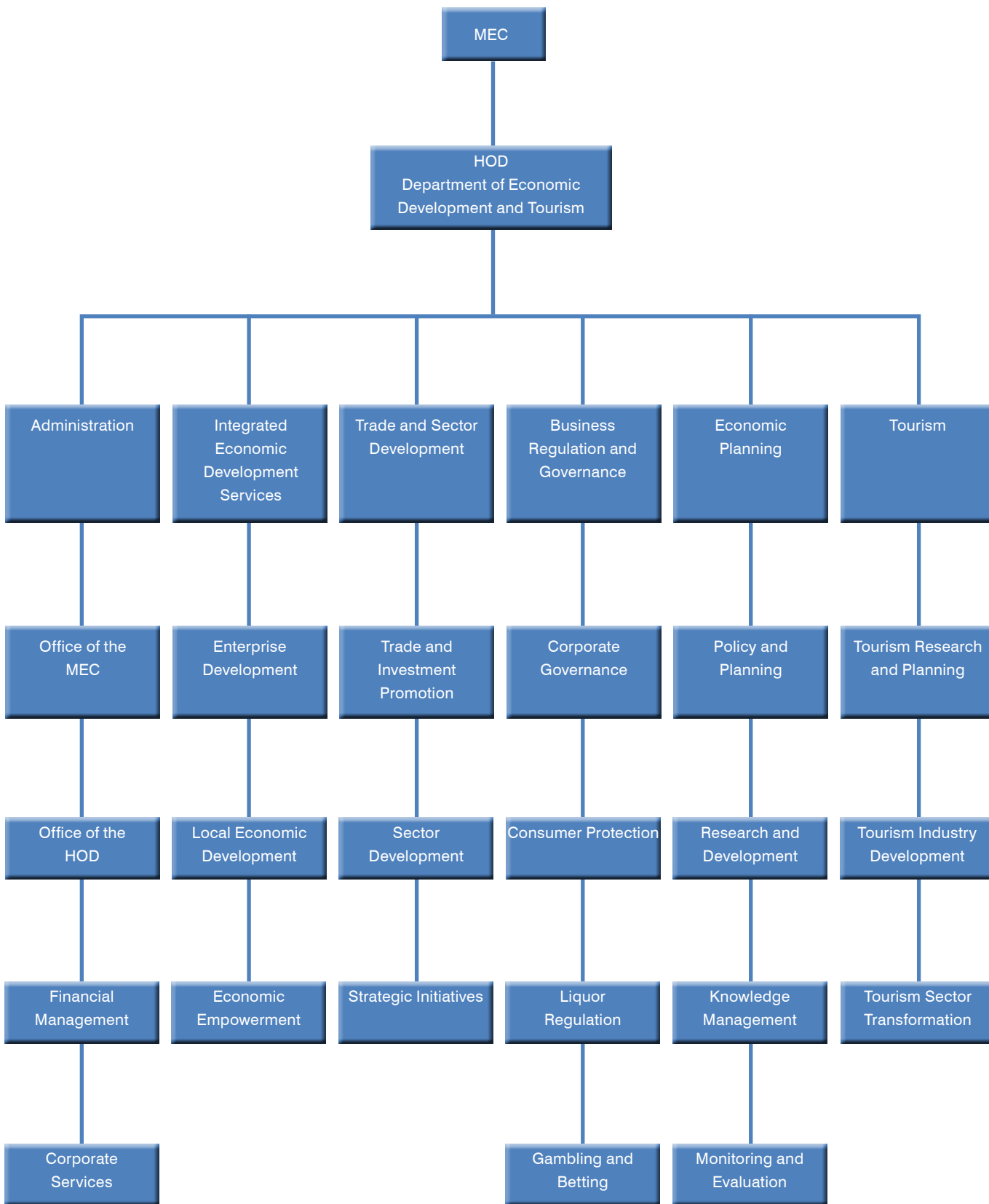
### 1.7.2. Indirect Mandates-National and Provincial Government policies

These include (White papers, Green papers, Frameworks, Guidelines, Manuals, etc.), Strategies and Plans, for example:

- National Government Programme of Action, People’s Contract, White Paper of Transformation in the Public Service, State of Nation Address by the President, State of the Province Address by the Premier, National and Provincial Budget speeches, Cabinet resolutions, management decisions endorsed by the Executing Authority, Northern Cape Innovation Fund policy, Departmental policies on security, information management, HIV and AIDS, etc.;
- International, National and local Multi-party Agreements and Memoranda of Understanding
  - South Africa – China trade agreements;
  - Africa – Brazil – India Free Trade Agreement;
  - Hunan-Northern Cape Provinces Friendship Agreement;
  - Sweden – South Africa city-to-city twinning agreement;
  - UNOPS - Department of Economic Affairs’ Memorandum of Understanding;
  - TISA – Department of Economic Affairs’ Memorandum of Understanding.
  - The articulation of the specific mandates derived from these frameworks is found in the strategic and business / performance plans of the different programmes and sub-programmes in the Department.

**GENERAL INFORMATION**  
**For the year ended the 31 March 2014**

**1.8. ORGANISATIONAL STRUCTURE**



## GENERAL INFORMATION

### For the year ended the 31 March 2014

## 1.9. ENTITIES REPORTING TO THE MEC

The following entities report to the department of Economic Development and Tourism

**Table 1.9.1: Public Entities reporting to the Department**

Name of entity	Legislative Mandate	Financial Relationship	Nature of Operations
NC Liquor Board	Northern Cape Liquor Act, 2008, Amendment of the Act 2010	R7 405 000	To regulate the liquor industry in the Province, promote responsible consumption of liquor and reduce the socio-economic problems emanating from the abuse of alcohol.
NC Gambling Board	Northern Cape Gambling Act, 2008	R9 180 000	To regulate the Gambling industry throughout the province and to protect the rights punters.
Nceda	Nceda Act, 2008	R9 000 000	To provide for the establishment of an economic development, for the Northern cape province. It is a response to the challenge of translating high-level investment and business opportunities in the area into actual business operations.
NCTA	NC Tourism Act, 2008	R17 127 000	To provide for the establishment of a tourism marketing and promotion

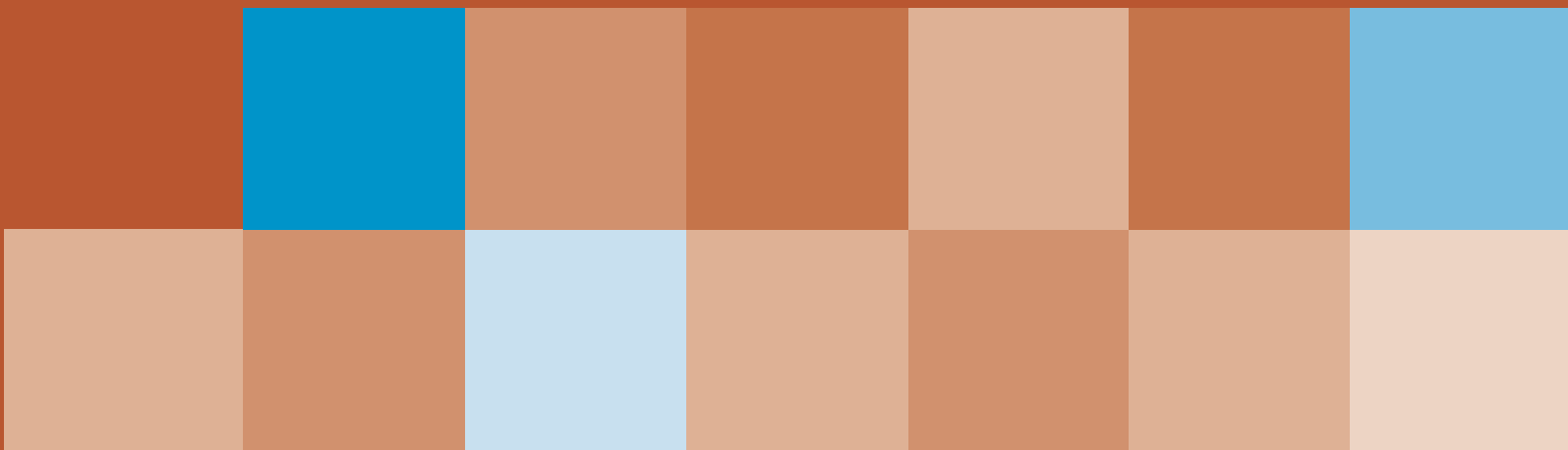
**The Northern Cape Gambling Board (NCGB)** is a statutory body established in terms of section 3 of the Northern Cape Gambling Act, 2008 (Act No 3 of 2008), as amended and classified as a Schedule 3C Public Entity in terms of the Public Finance Management Act to regulate the gambling industry in the Northern Cape Province.

**The Northern Cape Liquor Board (NCLB)** is a statutory body established in terms of the Northern Cape Liquor Act, 2008 (Act No 2 of 2008), and is primarily concerned to promote and maintain an effective and efficient regulatory system for the liquor industry.

**Nceda** is a statutory body established in terms of the Northern Cape Economic Development Trade and Investment Promotion Act, (Act no 4 of 2008), and is primarily concerned to promote Trade and Investment opportunities of the province.

**The Northern Cape Tourism Authority (NCTA)** is a statutory body established in terms of the Tourism Act, 2008 (Act No2 of 2008) responsible for the marketing and promotion of the Northern Cape as a Tourism destination of choice domestically and internationally.

# PART B: PERFORMANCE INFORMATION



# PART B: PERFORMANCE INFORMATION

## 2.1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 139 of the Report of the Auditor-General, published as Part E: Financial Information.

## 2.2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### 2.2.1. Service Delivery Environment

#### 2.2.1.1. Provincial Economic Overview

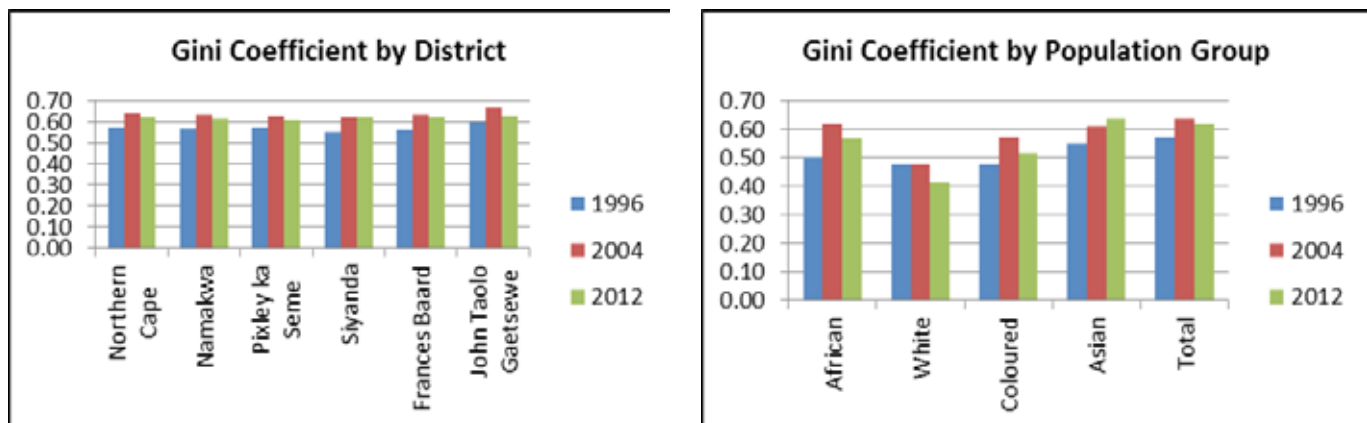
Mining and agriculture are two very important sectors for the Northern Cape Province and are critical to the economic wellbeing of the people of the province. The province is a major exporter of, amongst others, table grapes, fruit and meat and is also responsible for cattle, sheep and goat production. Mining activities include the mining of diamonds, iron ore, manganese, copper, lead, zinc and mineral sands.

Value added downstream economic activity and employment opportunities are expected to derive from these sectors as they are the mainstay of the provincial economy. Manufacturing expansion in the province will thrive when the latter two primary sectors experience accelerated economic growth. Therefore, infrastructure investment by the private and public sectors are critical for these and other sectors.

The strategic integrated projects (SIPs) targeted for the Northern Cape and straddling other provinces in terms of the National Infrastructure Plan (NIP) are thus critical to the future prosperity of the citizens of this province. It must include, but is not limited to SIPs 3, 5, 8, 14, 15 and 16 respectively.

Inequality is one of the structural constraints plaguing the growth of the Northern Cape and it is important that, in all our efforts, we try to unravel this scourge that is aggravated by unemployment and poverty. Inequality in the province, as measured by the Gini coefficient, averages 0.62 (refer to figure below). According to a recent report by StatsSA on poverty trends in the country poverty incidence has improved since 2006, measuring 36.5% of the provincial population in 2011 from 47.5% in 2006. These high relative levels of deprivation are putting great strain on people to make a living and the barriers to economic opportunity need to be eradicated.

**Figure 2.2.1.1: Gini Coefficient by District and Population Group**



Source: Global Insight

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

The figure provides a decomposition of inequality by region and by race respectively. It is important that the interventions of the department and the provincial government takes cognizance of this and not aggravate the already high prevalence of inequality.

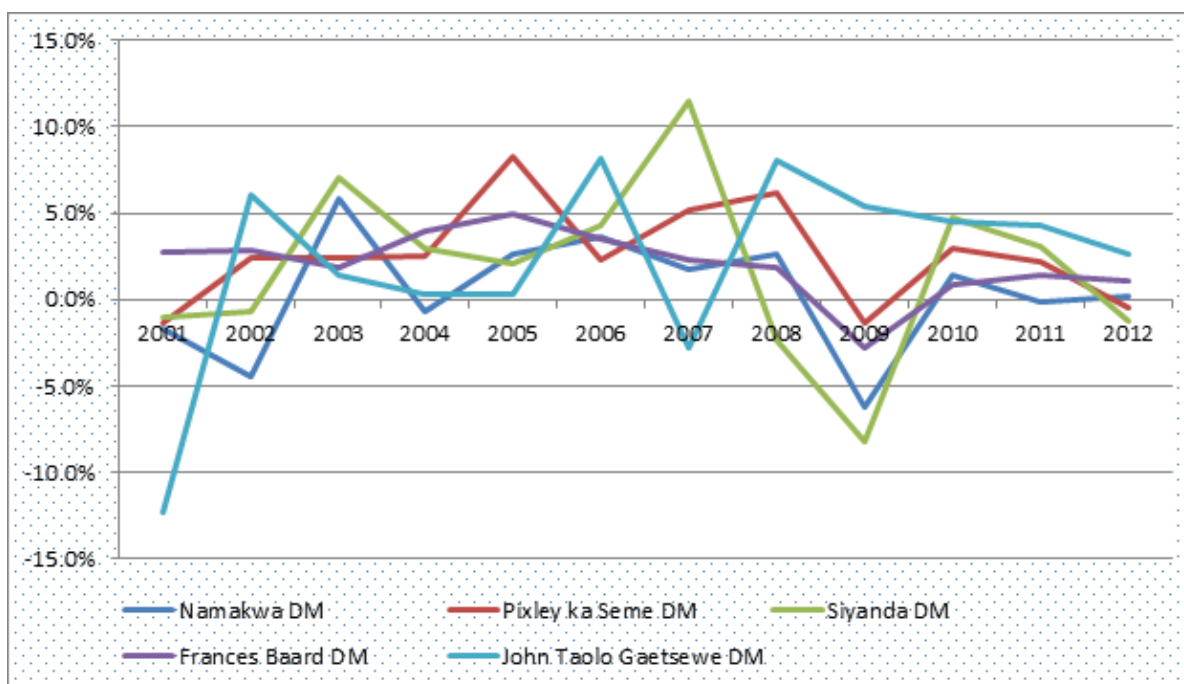
### Gross Domestic Product

GDP-R for the Northern Cape grew at 1% in 2012, lagging the national growth rate of 2.5%. Provincial GDP-R in 2012 was measured at R38,4 billion in constant 2005 prices, this was up from R38 billion in constant 2005 prices for 2011. The provincial share of national output stayed constant at 2.2% and has been largely unchanged at 2.3% for the past five years. For the period 2001-2012, average real annual economic growth was 2.4%, lower than the national average of 4%.

It must be noted however that the sluggish growth of the economy has still been faster than the growth rate of the population. The latter averaged 1.4% for the 2001-2011 period, as a result, the provincial average household income has doubled from 2001 at about R40,000 to R86,150 in 2011. This is a commendable increase in welfare, however, the relative prevalence of poverty and inequality is also still high.

The figure below provides a breakdown of historical growth rates in the five districts of the Northern Cape since 2001.

**Figure 2.2.1.2: Economic Growth Rates of the District Municipalities**



*Source: StatsSA, Global Insight*

It is apparent, from the figure that John Taolo Gaetsewe District has not been as severely affected as other districts by the impact of the global economic crisis and its subsequent downturn in 2011/12 has also not been as severe. Pixley ka Seme and ZF Mgcau (formerly known as Siyanda) have experienced negative growth rates in 2012, probably as a result of the recent floods that plagued these areas.

This may have had a negative impact on the agricultural and agro-processing sectors in these districts. Growth in Namakwa District Municipality has also slowed and any fiscal spending by the administration should try to alleviate the hardships experienced in these areas.

### Unemployment

Unemployment has declined quarter-on-quarter as is apparent in the table below. Unemployment declined to under 25% in Q4 of 2013 from 28% in Q3 and approximately 30% in the preceding quarters.



**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

**Table 2.2.1.1: Provincial Unemployment (2013)**

Northern Cape	Jan-Mar 2013	Apr-Jun 2013	Jul-Sep 2013	Oct-Dec 2013
Working age population (15-64 yrs.)	744 000	746 000	749 000	751 000
Labour force:				
Employed	417 000	427 000	439 000	438 000
Unemployed	295 000	301 000	316 000	329 000
Not Economically Active	122 000	126 000	123 000	109 000
Discouraged work seeker	327 000	319 000	310 000	313 000
Other	23 000	24 000	31 000	44 000
	304 000	296 000	279 000	268 000
Rates (%)				
Unemployment rate	29.3%	29.5%	27.9%	24.9%
Employed/ population ratio (absorption)	39.6%	40.3%	42.3%	43.8%
Labour force participation rate	56.0%	57.2%	58.6%	58.3%

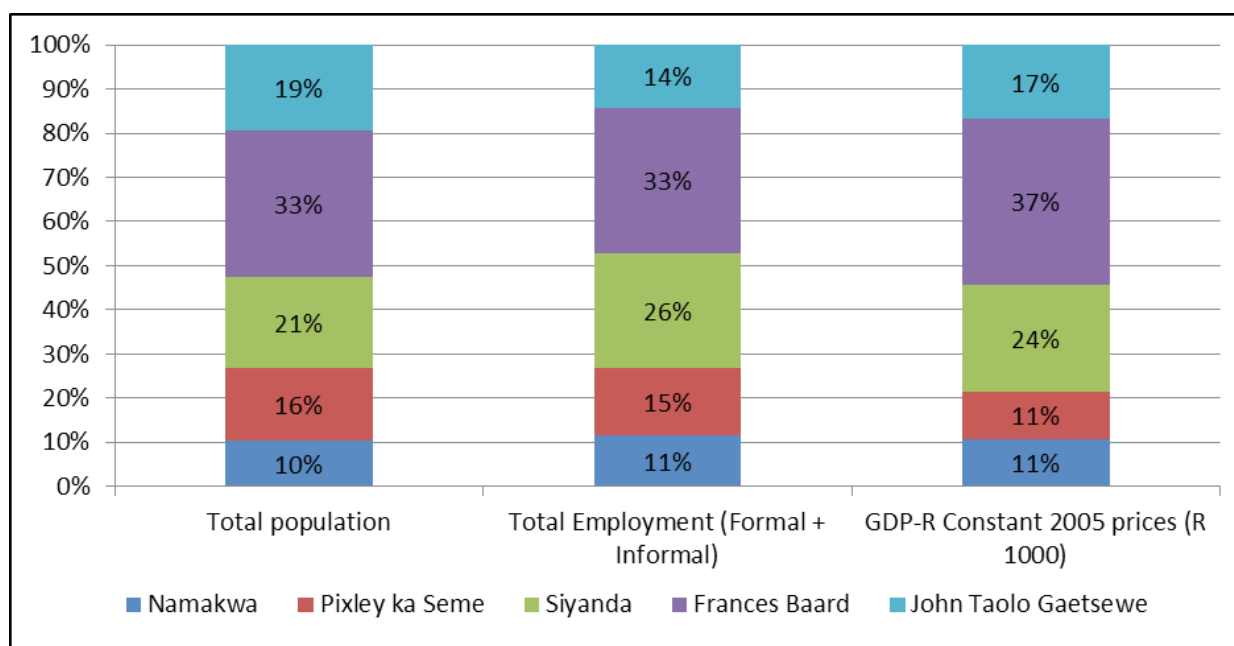
Source: StatsSA, Quarterly Labour Force Survey

It should be noted that year-on-year, the unemployment rate has declined. Total unemployment has declined to 109,000 in Q4 2013 from a high of 119,000 in Q4 2012. Total employment in the province year-on-year increased by 28,000 jobs in 2013.

There is a relative symmetrical share between the districts in terms of population, GDP-R and employment shares respectively. The greatest share of output, population and employment is in the industrial and manufacturing centre of Frances Baard District with its proximity to Bloemfontein and Johannesburg.

The former accounts for 37% of GDP-R and 33% of provincial population and employment respectively, it is followed by ZF Mgcawu and the smallest shares are attributable to Namakwa District (see figure below).

**Figure 2.2.1.3: Economic Growth Rates of the District Municipalities by percentages (2012)**



Source: Global Insight

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

It is critical that unemployment be addressed as it is linked to the level and incidence of poverty in the country and in the Northern Cape in particular. The so-called triple scourge of poverty, unemployment and inequality are deeply entrenched as the measures indicate. It is important that the interventions we formulate and implement e.g. EPWP, CWP, school feeding schemes, enterprise development, cooperatives support programmes, tourism development initiatives and trade and investment development and promotion ultimately address these challenges that the population faces.

It is apparent that the sluggish growth rates achieved have resulted in some level of job creation, both formally and informally. However, growth needs to be faster in order to increase the scale of economic activity and thus employment creation. There has been a steady increase in the employed provincially from 301,000 to 329,000 year-on-year from 2012 to 2013, also resulting in the total unemployed declining from 119,000 to under 110,000.

This is steady progress and should be lauded, included in this is the rise in average household incomes and declines in the incidence of poverty. Real economic growth has averaged 2.4% for the past twelve years outpacing the growth in the population. However, poverty, at 36.5% is still relatively high and inequality as measured by the Gini coefficient is also high. As government, our economic and social development initiatives must seek to increase opportunities to broaden growth and make it more sustainable.

#### 2.2.1.2. Integrated Economic Development Services

The programme has exceeded targets set for the financial year with regard to SMME development and support. Despite this achievement the reach of the programme across the Province is one that needs to be improved. In response to this, the Department will collaborate with SEDA regarding a Cadet programme to place human resources in each municipality to improve the provision of services to SMMEs across the Province.

This programme rendered external services to municipalities, other provincial and national departments, walk-in clients, EXCO Outreach Programmes and project through the LED, EPWP, Enterprise Development and Economic Empowerment mandate.

For RaLED, this included access to meetings, coordinating and hosting meetings and work sessions ranging from business plans, investments to business proposal development and planning in terms of municipal, regional provincial based planning.

The LED Forum and LED Newsletter on a quarterly basis has been a key enabler for service delivery and support. In this instance SIP 3, 5, 8 and 16 processes were crucial, combined with proposals for the Pniel - Wildeklaar river valley catalytic project and the Kathu Industrial Supplier park amongst others.

With regard to economic empowerment function of the programme, the service delivery environment consists mainly of women and youth who were previously disadvantaged. The target group comes from a wide background, some have skills others not. The challenge is that there is a wide variety of products to be marketed from beads, to paint work, to home-made garments. The Strategy developed was to deal directly with organizations that support target groups instead of individuals.

#### 2.2.1.3. Trade and Sector Development

Through Nceda, the Province proactively attracts, facilitates, retains foreign investment and promote exports and market access through the application of best practice methodology and focused targeting. In the financial year 2013/2014 the Department attracted R60 million in domestic investments to the Province.

The Department in conjunction with Nceda assisted 21 companies with exports through exporter development training and assistance in retention and expansion of existing markets and aggressively looking at accessing new markets especially the BRIC (Brazil, Russia, India and China) countries.

The Department in collaboration with UNIDO and the Department of Science and Technology implemented a National programme called Technology Localisation. This programme targets manufacturing companies in order to conduct research on their operations and capabilities to determine the gaps and challenges that prohibit these companies to optimize their operations and capability.

The ultimate aim is to benchmark the selected companies with similar companies nationally and globally so that their companies can be able to compete at a global level. Six companies namely, AMBIENT Control, Future Creations, Johan Schultz CC, Kimhydraulics, Rail 2 Rail and Zycko Engineering in the Provinces have been bench-marked and interventions recommended improving their operations.

The feasibility report for the SEZ in the Province is currently being conducted. This is another strategic intervention that will boost the Manufacturing sector in the Province. The concept also entails incubation programme and skills development component that will ensure local companies benefit and localization of procurement is ensured.

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

The construction of the Malt Plant in Modderivier is still on course. This has been confirmed by the recent visit to the Country and Province by key stakeholders of the project in the name of Heineken (Amsterdam) and Soufflet which is a French Malt Company that is keen to invest into this project.

The Department through the Diamond Strategy continues to support industry development with the infrastructure projects at the KD&JC. The infrastructure projects aims to transform the KD&JC into a Diamond and Jewellery Hub that will accommodate both minor and major diamond cutting and polishing factories which will create decent employment and reduce youth unemployment. The MQA accredited training offered at the KIDJA will equip the students with the scarce skill of diamond cutting and polishing, which will be required by the factories that will be operational in the Hub. For the current financial year seventy two students have been trained at KIDJA.

The diamond cutting and polishing and Jewellery manufacturing SMME's are expected to create jobs for some of the KIDJA graduates by giving them on the job training. These SMME's are assisted to get their factories safe, secured and ready for operation.

The department is continuously monitoring the implementation of the MOUs signed with the diamond cutting and polishing and Jewellery manufacturing SMME's. The foreign diamond cutting and polishing company is expected to employ twenty KIDJA graduates once they start operating at the Kimberley Diamond and Jewellery Centre. The foreign company create jobs and transfer skills and technology to KIDJA graduates, as part of the exit strategy which forms part of the Northern Cape Diamond Strategy, focusing on diamond cutting and polishing.

#### 2.2.1.4. Business Regulations and Governance

This programme is responsible for regulating the operations of entities which are responsible for regulation the liquor and gambling industry and dealing with consumer issues namely; the Liquor and Gambling Boards and Consumer Protection Authority. Regulation of operators is done through regular inspection to ensure adherence to the Northern Cape Liquor Act, 2008 (Act No 2 of 2008) and the Northern Cape Gambling Act, 2008 (Act No 3 of 2008) respectively.

#### 2.2.1.5. Economic Planning

In terms of economic policy advisory services the Economic Planning Programme made inputs on the municipality integrated development plans (IDPs) for all the five districts. This was done in conjunction with the Regional and Local Economic Development (RaLED) unit. The inputs were made to ensure alignment to the Provincial Growth and Development Strategy (PGDS) and also the National Development Plan (NDP). The Research & Development (R&D) unit conducted a study on the impact of water cuts on businesses in the Sol Plaatje Municipality for the Economic Development Portfolio Committee in the Northern Cape Provincial Legislature (NCPL).

The Knowledge Management (KM) Unit availed all departmental information relating to services, projects, stakeholder engagements and other relevant information for members of the public on the departmental website. This information dissemination was done timeously. Furthermore, the departmental budget vote speech was also put on the departmental website as this contained information on all services rendered to the public over the course of the financial year. It also outlines departmental plans for services relating to SMME and cooperatives development support, exporter development programmes, regulatory services and consumer advice. Tourism development and support services in terms of tourism guide training etc. are all information contained in the budget statement.

The Knowledge Management unit also organized training for members of SMMEs and cooperatives in the ICT field. Training and skills development workshops range from basic training in Microsoft Office and how to utilize computers to improve enterprise efficiency to training in advanced open source software and such.

The Monitoring & Evaluation (M&E) unit undertook site visits to numerous projects that are receiving support from the department and the provincial government respectively. The aim was to monitor and evaluate progress and also obtain firsthand information from project members and beneficiaries on the challenges experienced by them. The unit collaborated with the Enterprise Development unit to monitor and do follow-up visits during the SMME Pilgrimage. The visit was conducted in all the five regions on the province and the M&E Unit arranged follow-up visits with identified SMMEs.

The information obtained from such interactions with beneficiaries is shared in the form of reports with the Enterprise Development Unit in order to make sure that challenges experienced by beneficiaries are addressed. This will hopefully improve the survival rate and sustainability of enterprises and business ventured supported by the department.

#### 2.2.1.6. Tourism

The National Development Plan (NDP) recognises tourism as one of the main drivers of the country's economy and employment. The plan envisages the promotion of South Africa as a major tourist destination, with unique features, in order to boost tourist numbers and enable tourism to contribute to sustainable economic growth and poverty reduction. As a province we support these objectives and facilitate key strategies and interventions to grow the Tourism sector.

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

The Department has firmly established the Northern Cape as South Africa's and international extreme sport and adventure destination, thus shifting the perceptions of the province as a tourist destination in a most positive direction. The Northern Cape stand to become one of the well-known extreme adventure and nature destinations in the world and provides an excellent platform for our partners to maintain the highest level of market awareness in a competitive corporate environment. In this instance we can refer to the Big Hole Cultural festival, Aspen Trans Karoo mountain bike race, Barney Barnato Golf Week, SA Off Road Championships, Motor Sports event, Kalahari Speed week, Kalahari Desert Festival, Kalahari All-Tar Speed Week xc, Kimberley Diamond Cup and the Bloodhound event.

The department continued its efforts to strengthen the Tourism Sector through route development and support and develop Small Tourism Enterprises. Small Tourism Enterprises are evaluated for implementing either the Marketing or product development grants awarded to them by the Department. Ownership of small tourism enterprises is largely white-owned and the product and market access grants therefore make an impact to transform the industry where it relates to ownership, as well as to enterprise growth and competition - more competitive and attractive black-owned small tourism enterprises will improve their share in the provincial tourism economy and create a class of tourism entrepreneur much more respected in the industry and with the tourism trade.

Interventions of the Department towards tourism development require strong engagement with the Industry and the provincial and local government structures. The guiding principle is to ensure integration and coordination of the tourism industry which was seriously challenged during the facilitation of the review of the Tourism Master Plan. The lack of participation and apathy during the consultative process contributed to the delay of the Master Plan which will be continued during the 2014/15 Financial Year.

The year under review has also seen the reprioritisation of activities due to the implementation of National funded Mandates such as the Lilizela Awards and the Journey to Service Excellence Campaign.

#### 2.2.2. Service Delivery Improvement Plan

The department has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

##### Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Enterprise Development and Economic Empowerment: Provide development and support services to SMME's	SMMEs	SMMEs	SMME support services are available to SMME's Mondays to Fridays during office hours from Departmental offices at the Khaya La Bantu Building. Information on services provided to SMMEs via information sessions, office visits, SMME pilgrimage which takes place on a daily to annual basis	Achieved
Preferential Mining Procurement (PMPi) and Procurement Initiative (PPI): Provide Tender training and information to PDI's	SMMEs	SMMEs	PMPi information accessible on the PMPi website portal to all SMMEs	Achieved
Regional and Local Economic Development: Support to local and district Municipalities and communities to improve their economies	Local & District Municipalities	Local & District Municipalities	Support Services to municipalities are available Monday to Fridays during office hours from the RaLED offices at the Khaya La Bantu building in Kimberley or from LED Co-ordinators in the Districts	Achieved
Office of the Consumer Protector: Providing Consumer Education and awareness	Consumers in the Province	Consumers in the Province	Office of the Consumer Protector services are available to consumers Mondays to Fridays during office hours at the Department's Khaya La Bantu building Services will at all times be offered in a very professional manner	Achieved

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### **Consultation arrangements with customers**

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
Walk-in-clients/phone-in-clients on a daily basis.	SMMEs	SMMEs	Achieved
Exhibitions, once a quarter	SMMEs	SMMEs	Achieved
Annual Pilgrimages	SMMEs	SMMEs	Achieved
Dissemination of information through brochures, newspaper & radio adverts once a quarter	SMMEs	SMMEs	Achieved
Local & district Forums established in all municipalities, meet on a quarterly basis.	Local & District Municipalities	-	Achieved
Workshops & imbizo's on a quarterly basis for consumers	Consumers in the Province	-	Achieved

#### **Service delivery access strategy**

Access Strategy	Actual achievements
SMME support services are available to SMME's Mondays to Fridays during office hours from Departmental offices at the Khaya La Bantu Building	Achieved
Support Services to municipalities are available Monday to Fridays during office hours from the RaLED offices at the Khaya La Bantu building in Kimberley or from LED Co-ordinators in the Districts.	Achieved
Telephones, talk shows and seminars Office of the Consumer Protector services are available to consumers Mondays to Fridays during office hours at the Department's Khaya La Bantu building	Achieved

#### **Service information tool**

Types of information tool	Actual achievements
Information on services provided to SMME's via information sessions, office visits, SMME pilgrimage which takes place on a daily to annual basis.	Achieved
Information is disseminated via: LED Newsletter, Email, and Website being considered at Provincial LED Forum. It is circulated as a minimum every quarter.	Achieved
Consumer rights & awareness through Radio, adverts, imbizo's Information on services provided to Consumers via information sessions, office visits, World Consumer Rights day Celebrations, etc.	Achieved

#### **Complaints mechanism**

Complaints Mechanism	Actual achievements
Handling of complaints for all customer services:	Achieved
Suggestion boxes available at all times during office hours	Achieved
Acknowledgement of complaints within 48 hrs.	Achieved
Complaints investigated within 5 working days of receipt thereof.	Achieved
Feedback to complainant within 7 working days of receipt thereof.	Achieved
Continuous feedback to clients on the status and outcome of the processes	Achieved

### **2.2.3. Organisational environment**

#### **2.2.3.1. Administration**

The organisational environment has generally been stable and the department has not experienced any resignation of key personnel during the period under review. Given the 3 year wage agreement in the public service, we have not seen a strike by a significant portion of personnel employed by the department. The Department was involved in a minor organisational review, which saw re-assignment of key personnel to new areas of responsibility, i.e. a transfer of Executive Manager to perform the functions of the Economic Cluster Secretariat, and the disbandment of the Diamond Team and re-assignment of affected staff to their original or new responsibilities.

During the prior period, the department obtained an unqualified audit opinion, reversing the previous year's qualified opinion. This is indicative of the fact that organisation is run properly and within relevant prescripts. The MPAT scores were still not at the desired level, although there has been much improvement in this regard.

The department acknowledges the challenge regarding office space experienced at Khayalabantu building which is largely open space structured. The Management of the Department is in the process of addressing this situation and hope to resolve it soon.

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### For the year ended the 31 March 2014

A management decision was taken at a departmental Strategic Session to establish a dedicated secretariat sub-programme to support the Economic Cluster of the Northern Cape Province by the Department of Economic Development and Tourism. Subsequently the Economic Technical Committee Secretariat (ETCS) was established.

The purpose of the ETCS is mainly to provide administrative support to the Economic Sector, Employment and Infrastructure Committee. The sub-programme is also mandated to coordinate the Economic Technical Advisory Committee (ETAC), the establishment of an Economic Intelligence Resource Centre (War Room), compiling quarterly economic infrastructure research reports, and analyzing High Impact Projects within the Province.

An ETAC was formed to conduct integrated research for planning and decision-making purposes. The ETAC is comprised of members within the Department of Economic Development and Tourism which have certain fields of expertise. The sub-programme has compiled a Terms of Reference which was subsequently accepted by the members of ETAC. The Economic Intelligence Resource Center (War Room) will serve as a repository for the research documents produced by the ETAC.

The establishment of an Economic Intelligence Resource Center (War Room) is aimed at amongst others, creating a repository for databases of planning data; for monitoring and evaluation purposes; establishing a central point for access to reliable, verified information; reduce reporting requirements and reporting fatigue; shared resources and integrated data. A War Room Committee was established consisting of members from Knowledge Management, the Chief Economist's Office and other members from the ETAC.

The committee will also assign officials from DEDaT to the War Room, on ad hoc bases, as required. The War Room Committee has compiled a Terms of Reference for the Economic Intelligence Resource Centre. The committee conducted working sessions with the Knowledge Management and Monitoring and Evaluation units whereby the committee members received training on the MandE software system. Statistics South Africa introduced their 2011 Census software tools to the group and skilled members in using the software. The members also received training in Global Insight Software. Responsibilities have also been allocated to members regarding the regular populating of the dashboards.

Key Strategic Integrated Projects (SIPs) have been identified by the national government to improve economic infrastructure in the country. Five of these projects, i.e. SIP3, SIP5, SIP8, SIP14 and SIP16 have specific relevance for the Province. In order to ensure that the province benefits from these SIPs an in-depth analysis should be conducted regarding the economic infrastructure in the Province. The first component of this analysis is to conduct a baseline study in this regard. The ETCS sub-programme compiled an annual report on the status of Economic Infrastructure in the Northern Cape.

#### 2.2.3.2. Integrated Economic Development Services

The service delivery internally is through consultations with walk-in-clients and referrals to the department. RaLED is responsible to both the IEDS programme and the broader department when dealing with issues that is the municipal space and EPWP.

In terms of LED this ranged from, municipal IDP related support and information, LED forum and projects based support, enterprise development, trade and investment, transport and infrastructure to manufacturing planning, information and execution.

With regard to EPWP the issues includes, register all departmental projects that can qualify for EPWP, capture and report project data to MIS where it is EPWP relevant, and approach departmental projects in partnership where EPWP principles can be applied.

The organisational review effort in the Department has left the Economic Empowerment unit without resources and this had an impact on the unit. During 2013/2014 the unit operated with only three personnel.

RaLED was consistently operating with 64% of its total funded and approved staff complement. This was brought about by resignations and delayed appointments. This placed substantial pressure on the sub-programme.

#### 2.2.3.3. Trade and Sector Development

The Trade and Sector Development Programme managed to make appointments in the Trade and Investment Promotion and Sector Development sub-programmes. An Assistant Manager: Trade and Investment Promotion was appointed through a lateral transfer process, in the third quarter of the financial year in order to ensure that the work of the sub-programme is managed. The Senior Manager, Trade and Investment Promotion has not been filled as the functions have predominantly been carried out by Nceda which have made various appointments. One Assistant –manager Trade & investment promotion has also been seconded to Nceda to implement exporter development function within the Agency.

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

In Strategic Initiatives sub-programme within the Diamond Strategy unit, the signed off structure has four positions; One (1) Senior Manager, two Assistant Managers and one Project Administrator. Currently the Diamond Strategy only has One (1) Senior Manager who must carry out all the functions. All the other three (3) positions are vacant. Two of the positions will be filled in the 2014/15 financial year.

#### 2.2.3.4. Business Regulations and Governance

During the year the sub-unit underwent a process of re-organisation, which combined the Legal Services functions in Programme 1 with the Corporate Governance functions in Programme 4. All the core functions such as Gambling, Liquor Regulation and Consumer Protection were transferred to the established public entities. All staff that could not be transferred with the functions were absorbed within the department to perform the reviewed Corporate Governance and Oversight function, which entails monitoring and evaluation of the public entities that report to the department.

#### 2.2.3.5. Economic Planning

The Economic Planning Programme was relatively well staffed at the beginning of the financial year. The appointment of senior managers in the Policy & Planning and Research & Development (R&D) units respectively ensured stability in the programme and the necessary direction. This ensured that priority could be given to implementation of the APP and for targets to be aggressively pursued. This bore some fruit as the Planning Forum and Outcome 4 Implementation Forums became operational and contributed significantly to planning and prioritizing in the department.

The planning aspect improved in terms of setting realistic targets as workshops were convened with the different programmes. Furthermore, reporting against indicators and objectives was also improved particularly in terms the budget speech, SOPA and Outcome 4 respectively. The Monitoring & Evaluation Unit, through operationalizing the MandE tool also improved reporting against departmental projects and interventions. The lack of information sharing by programmes hampered through the effectiveness of MandE. However, the information that was availed allowed for management of projects and thereby improved resource management in the department. Gradual progress was also visible in the R&D Unit with research projects having been identified and workplans being developed to implement such.

M&E worked tirelessly on the Management Performance Assessment Tool (MPAT) for the department over the financial year. They collaborated with all stakeholders to ensure timeous submission of required information and as a result the department score across key results areas (KRAs) improved. The unit also ensured compliance with regards to reporting on Outcome 4 to the Office of the Premier.

The implementation of a reorganization decision resulted in the loss of over 70 percent on staff in the R&D unit and some from the Policy & Planning unit as well. One resignation from M&E over the course of the financial year also occurred. These developments greatly affected performance in the R&D Unit and placed undue pressure on the P&P unit. As a result, outputs had to be curtailed in R&D that was functioning with a single assistance manager and a secretary. Focus was placed exclusively on the development of economic intelligence reports. This also resulted in under spending on the budget in this unit. These developments slowed down implementation and this affected the R&D unit to the greatest extent.

#### 2.2.3.6. Tourism

The recruitment for the appropriate placement of two vacant Senior Manager positions in the Tourism Programme is currently in process to be finalised within the first quarter of 2014/15 financial year. A total review of the organizational structure for the Tourism Programme is now due to ensure the alignment of Programme to the National Tourism Sector Growth Strategy as well as other key policies.

### 2.2.4. Key policy developments and legislative changes

#### 2.2.4.1. Administration

Department has developed and approved the following key policies during the period under review:

- HR policies
- Risk Management policies
- Supply Chain Management policies
- Assets Management policies

During period under review there were no major legislative changes that affected our operations of the sub-programme.

#### 2.2.4.2. Integrated Enterprise Development Services

In terms of the Integrated Provincial SMME Strategy; the department, in collaboration with the Frances Baard SMME Trust, commissioned the review of the SMME Strategy and the process is to be concluded in due course.

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### For the year ended the 31 March 2014

With regards to the Provincial Incubation Strategy; the department, in collaboration with the Frances Baard SMME Trust, commissioned the development of the Provincial Incubation Strategy and the process is underway.

The draft LED Framework was completed and this then guided the new LED Strategy that will be implemented in 2014/15. Phase II of the EPWP was completed and this prepared for Phase III that officials started 1 April 2014.

The BBBEE Act was amended during 2013/2014 and the dti team visited the province to explain the changes and respond to questions from communities. The Integrated Broad Based Black Economic Empowerment Strategy for the NC was drafted by a consultant during 2013/14. The revised BBBEE Act promulgated in October 2013.

#### 2.2.4.3. Trade and Sector Development

There have not been any policy or legislation changes that were introduced that affected the programme.

#### 2.2.4.4. Business Regulations and Governance

During the year under review the Consumer Protection Regulations were promulgated to give effect to the functioning of the Consumer Protection Authority and the Consumer Court.

#### 2.2.4.5. Economic Planning

The changes made to the Outcomes-Based Approach of the M&E Framework by the Department of Performance Monitoring and Evaluation (DPME) with the increase from 12 to 14 outcomes is going to affect the department and the provincial government. This also involved the changes from outputs to sub-outcomes, which resulted in seven outputs becoming eight sub-outcomes for Outcome 4. In coordinating the implementation and reporting of Outcome 4 and contributing to 13 other outcomes, the department needs to take all these developments into cognizance.

In terms of legislation the draft Infrastructure Development Bill was taken for approval to parliament and passed on 25 February 2014. This legislation is critical as it seeks to provide for facilitation and coordination of infrastructure development. The latter act was exhaustively consulted upon with provinces by the Economic Development Department. This legislation is important to the Northern Cape as it will assist with a number of strategic integrated projects (SIPs) that are located in the province.

The Employment Tax Incentive Bill was passed in parliament and is set for implementation by all relevant stakeholders. It is important, in order to tackle the challenge of unemployment, that we encourage uptake of this important incentive to accelerate job creation by the private sector. The department and other government departments and municipalities, must bring this to the attention of the private sector and assist them actively to access the subsidy.

## 2.3. STRATEGIC OUTCOME ORIENTED GOALS

### 2.3.1. Efficient leadership, strategic support and economic advice

Over the past year, research was conducted for eight research papers. The Committee convened on a monthly basis and assigned members of sub-committees to assist with research on agreed topics. The seven completed position papers focused on the following themes:

- State Owned Enterprises
- The Sol Plaatje University
- Turning social grants into economic opportunities (Part 1)
- Turning social grants into economic opportunities (Part 2)
- An analysis of the low-uptake of the dti incentives in the Province (Part 1)
- An analysis of the low-uptake of the dti incentives in the Province (Part 2)
- State of the Province Supplement was compiled.

The Economic Technical Committee Secretariat was requested by the Office of the Premier to compile Economic Cluster reports which were presented to EXCO Lekgotla in September 2013 and March 2014. This report comprised of the following: A comprehensive narrative and PowerPoint presentations on the following:

- The status of the implementation of SOPA commitment over the past five years;
- Status on the implementation of resolutions taken by EXCO during the past five years;
- Implementation status of High Impact Project of Economic Cluster Departments;
- The latest developments in the World Economic Crises, particular emphasis on prospects for job creation in South Africa.

The March 2014 report comprised a progress report, regarding the implementation of Government Priorities for the Medium Term Strategic Framework (MTSF) from 2009-2014 in the Northern Cape, was compiled.



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Continuous support has been provided to all programmes within the department with regard to planning and reporting. During October 2013 the Strategic Management Unit facilitated and guided the development of Annual Performance Plans of individual programmes. On a quarterly basis this unit prepares quarterly performance reports for submission to provincial treasury. Management reports are also prepared with regard to progress in terms of predetermined objectives for presentation to the Accounting Officer in the Senior Management Advisory Council.

#### **2.3.2. Accelerated growth and transformation of the economy to create decent work and sustainable livelihood.**

Ninety nine SMMEs were developed and supported through business plans appraisals; facilitating access to finance through institutions such as SEFA, ABSA, Anglo American Zimele Hub and the NEF. Training was also conducted in collaboration with ABSA and Central Business Academy in Financial Management. A total of eighteen SMME's benefited from this accredited training. One workshop was facilitated in the Mier Municipality during the year under review. Furthermore; a total of sixty new SMMEs were assisted with business registrations and development of business plans.

Cooperatives development resulted in the unit supporting thirty four existing Cooperatives and twenty six new Cooperatives through registrations and Cooperatives Incentives Scheme (CIS) applications. The Programme also supported four exhibitions namely Khara Hais Municipality; Richtersveld Municipality; Sol Plaatje Small Business Week and Macufe Exhibitions. Regrettably, the poor impact on the revenue generated by the supported exhibitors led to a management decision to discontinue support, through exhibitions, to the Gariep Fees.

A total of thirty SMMEs were assisted to access public procurement opportunities. It is the vision of the department to intensify access to both public and private procurement opportunities through establishment of partnerships with State Owned Enterprises. A mentor was provided for one business.

The mandate of RaLED entails hands-on support as per KPA 3 of the Local Government LED Framework. This necessitates the Department to render socio-economic development planning leadership, strategic support in terms of Municipal and District LED Strategies, IDPs and projects. All of this is based on sound economic advice.

Through LED intelligence, information and opportunities, projects are identified which are passed onto Empowerment, Cooperatives and Enterprise Development units to respond to. The RaLED sub-programme also enables this goal through EPWP projects and Exit strategies that specifically focuses on empowering rural communities, woman and youth.

LED continuously identifies opportunities and enablers required. This is then communicated and assigned to the relevant internal and external stakeholders. A key component of LED is planning, stakeholder coordination and commitment and project implementation, this is captured as key indicators for the sub-programme and even extends to be translated to the Municipal IDPs.

#### **2.3.3. Stimulated economic growth through industry development and trade investment promotion.**

Trade and Investment Promotion unit, Nceda and SEDA facilitated the Export Orientation course where eleven SMME's were trained for export readiness and twenty one companies have been put through export readiness assessments.

Continuous assistance is provided to Nceda in the implementation of their mandate and the Department plays a monitoring and evaluation as well as a strategy formulation function with regard to Trade & Investment Promotion. Through Nceda, the Province proactively attracts, facilitates and retain foreign investment and promote exports and market access through the application of best practice methodology and focused targeting.

Investment worth R60 million were attracted through Transport Logistics investment between Kloofzicht Logistics and Phakamole Logistics. Financial assistance was facilitated through the dti for two SMME's that participated in the Trade and Investment Outbound Mission to India under the leadership of the Deputy Minister of Trade and Industry namely. The Department participated in the East Mediterranean Trade and Tourism Exhibition in Istanbul, Turkey as well as facilitated and organised Trade and Investment Outbound Mission to China.

The Department has continued to put concerted effort to enhance the performance of the Manufacturing sector. In the previous financial years, a lot of effort was put to establish a foundation for introduction of certain interventions within this sector, such as the finalization of the manufacturing strategy. As a result of the strategy, the Department has managed to conclude feasibility and business plans of three manufacturing clusters viz: Agro-processing Manufacturing Cluster, Mineral Beneficiation Cluster and Clothing and Textile Manufacturing Cluster. In addition to this, a concise database on NC manufacturing companies was developed as well as fifteen business cases for several projects that have been highlighted in the Manufacturing Strategy.

Every sector is driven by key stakeholders that are participating within various industries. A Manufacturing Advisory Committee was established and operationalized within this financial year. The work of this committee as a consultative

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body has assisted in enhancing the direction the Department must take in the development of Manufacturing in the Province.

Key economic reports have been produced by the Sub-Programme, one an Inter industry Analysis with a specific purpose on exports in the Province. The report provides guidance on which industries the Province should focus on in order to expand its exports, while simultaneously expanding its domestic market and employment. The second report attempts to highlight linkages between mining and manufacturing and indicates those respective industries that have strong manufacturing linkages.

While it is acknowledged that flows of material exist between mining and manufacturing little effort has been made to empirically determine the size and extent of such flows between manufacturing and mining in the Northern Cape economy. This economic analysis report serves to fill this lacuna by attempting to quantify the linkages between mining and manufacturing using input outdata for the Northern Cape. The linkage analysis between mining and manufacturing is more relevant in the current development policy debate that seeks to explore mineral beneficiation as an instrument to advance the developmental agenda of government.

As part of skills development, the Sub-programme embarked on a Capacity Building Programme with the Department of Trade and Industry to empower manufacturing companies on how to access dti incentives. This Program was conducted in Hartswater, Kimberley, Modderivier and Upington.

The malting plant project to be constructed in Modderivier continues to make progress. Rezoning application has now been approved by the Sol Plaatje Municipality. As a result of this, a submission has now been made to access the Infrastructure Incentive Programme from the dti. Funding from the dti Manufacturing Infrastructure Programme has been secured on condition that a 3rd party debt funding is secured. In this instance IDC is a shareholder to the project.

Funding secured from Frances Baard for the profiling of farmers for incubation purposes of which 40 companies out of 60 have been profiled. The intention is to ensure off-take agreement with these farmers as they graduate from the incubation programme to supply barley to the Malt Plant. A fund has been established between Fabcos, GWK and co-funded by SEFA to provide input material that could go into farming for the incubates. The incubation programme will be taking place at Droogfontein farm where 5000 hectares of land has been secured. The funding application to access the Incubator Support Programme has also been approved by dti.

The commencement date for construction will only be determined once the revision of off-take agreement with Heineken has been concluded. The revision was necessary due to fluctuations and vitality of Rand. However, the strengthening of the Rand has ensured that the process moves forward.

During 2013/14 financial year seventy two students received training in MQA accredited courses at KIDJA. The graduation ceremony was held on the 10<sup>th</sup> December 2013 at the Tabernacle church hall, where students were issued with MQA certificates. Three of the KIDJA graduates are employed by a diamond cutting and polishing company as diamond cutters and polishers. The department is currently in the process of operationalization of the incubation centre that will accommodate KIDJA students who want to become entrepreneurs.

The construction of the canteen, ablution facilities in the yellow block and the incubation centre will only be completed in the second quarter of the new financial year. A quantity Surveyor was appointed for the Canteen and the ablution facilities. The specification documents for the projects were completed.

The contractor for the construction of the canteen and the ablution facilities will be appointed soon. To speed up the process of the construction of the incubation, the Department of Roads and Public Works has assisted with the specification document for the construction.

In the quest to create a HUB that has world class facility and security in order to lure investors to the Kimberley Diamond and Jewellery Centre the following additional infrastructural changes and security upgrades were done:

- Upgrade to the electric fence
- Installation of Heavy duty doors on factory doors
- Installation of Devils fork and Razor wire on top of the perimeter wall,
- the paving next to the fence and the
- construction of additional carports

The allocated factory of the foreign company at the KD&JC has been renovated for phase 1, and is ready for occupation.

#### **2.3.4. A fair regulated trade environment and good governance**

The Programme oversees the Corporate Governance of public entities that report to the department. On quarterly basis the quarterly reports of public entities were analyzed and reported on any deviation on the performance plans of the entities for corrective action. Through this function, the programme recommends the release of allocated budgets, which is also monitored on a quarterly basis.

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Systems descriptions for entity reporting were developed in line with section 53 of the PFMA. As part of the oversight function the department held a workshop with the entities to discuss governance and compliance matters.

The Consumer Protection Regulations were promulgated and enabled the proper functioning of the Consumer Protection Authority and the Consumer Court. Seventy four Consumer Education Awareness Campaigns were conducted, nine hundred and twenty six consumer complaints were received and investigated, Four hundred and seventy complaints were resolved and one court hearing was held.

The Liquor Board issued four hundred and eighty nine liquor operating licenses and reached eight hundred and twenty community members during the education awareness campaigns. One thousand nine hundred and two inspections were conducted at licensed outlets.

The Gambling Board issued one hundred and fourteen gaming and eighty eight key employee licenses. Two Casino licenses (Flamingo and Desert Palace Casino), 3 Totalisator (Phumelela Gaming and Leisure), one Horse Racing and one Bookmaker licenses were renewed.

#### 2.3.5. Sustainable economic development

GDP-R for the Northern Cape grew by 1% in 2012, lagging the national growth rate of 2.5%. Provincial GDP-R in 2012 was measured at R38, 4 billion in constant 2005 prices; this was up from R38 billion in constant 2005 prices for 2011. It must be noted that the sluggish growth of the economy has still been faster than the growth rate of the population. The latter averaged 1.4% for the 2001-2011 period, as a result, the provincial average household income has doubled from 2001 at about R40, 000 to R86, 150 in 2011. This is a commendable increase in welfare, however, the relative prevalence of poverty and inequality is also still high.

This is steady progress and should be lauded. However, poverty, at 36.5% of the provincial population is still relatively high and inequality as measured by the Gini coefficient is also high. As government, our economic and social development initiatives must seek to increase opportunities to broaden growth and make it more sustainable.

Unemployment at the end of the first quarter 2014 stood at 29.0% which is slightly better than 29.3% a year before. It is however worse than the preceding quarter's unemployment rate of 24.9% in 2013.

The unemployment rate is fluctuating around a range of 25-30% which is relatively high. If one assumes a correlation between unemployment, poverty and inequality then the inference is that the triple challenges are not improving fast and we need to improve our interventions in this regard. The total unemployed have increased to 126,000 in Q1 of 2014 from 122,000 in Q1 of 2013 year-on-year although the total number of employed persons have increased by 13,000.

It is apparent that the sluggish growth rates achieved have resulted in some level of job creation, both formally and informally. However, growth needs to be faster in order to increase the scale of economic activity and thus employment creation.

During 2013/14 financial year the Policy and Planning sub-programme managed to achieve most of its targets as planned. Six planning forums were convened of which two were special planning forums; the first one focused on the review of the 2013/14 APP and the second one on finalizing the 2014/15 APP. Four Economic Sector Implementation forums for Outcome 4 were convened and the forums focused on the development of Outcome 4 Programme of action for 2014-2019.

The Provincial Renewable Energy Strategy has been developed and consultations were held at district level. The strategy will in due course be tabled at the Economic Cluster Technical and Political meetings, HOD Forum before it is presented to EXCO for final adoption.

The sub-programme participated in the IDP review process. The main purpose was to provide guidance on alignment of IDPs to economic policies and national imperatives. The IDPs for 5 district municipalities were analysed. The framework for the review of the Provincial Growth and Development Strategy was developed and baseline research was conducted to determine gaps and areas for review. The sub-programme coordinated and convened a NDP provincial stakeholder consultation workshop. This was a joint initiative between DEDaT, Office of the Premier and COSATU. The National Planning Commission and the National Economic

Development Department also participated in the workshop. The main purpose of the workshop was to look at collaborative ways of implementing the NDP in the province and act as a platform to gather inputs towards the review of the PGDS.

The sub-programme also compiled other reports i.e. the department's input to the Northern Cape 20 Year Review, base document for the New Age media breakfast show, on the planning side, focus was on the development of the draft MTSF 2014-19 Outcome 4 chapter and the alignment of the departmental plans to Government Policies and strategies.

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The sub-programme experienced serious constraints with limited staff members and as a result had to suspend a number of indicators. The focus in the latter two quarters was on developing Economic Intelligence Reports. The Unit was staffed with an Assistant Manager: Research and a secretary for the better part of the financial year following staff transfers. The decision to focus exclusively on developing Economic Intelligence Reports was informed by these challenges.

The process for recruiting a Senior Manager is underway and two junior researchers have joined the unit since. Preparatory work has already commenced in terms of the new financial year. We have also advertised for the position of Manager in the unit and the recruitment process is targeted to be finalized by the end of the first quarter of the new financial year. It is hoped the Unit should be able to implement its APP in the 2014/15 financial year as research is a human capital-intensive activity.

The only indicators that were successfully completed are two Economic Intelligence Reports:

- Analysis of Unemployment in the Northern Cape: the Role of Rural -urban Migration and Related Social Factors
- Analysis of the Gap Between Labour Market Needs and the Competencies of Job Seekers Using the ESSA Database of the Department of Labour

The reports were completed with limited resources with the Executive Manager having to guide the assistant manager and research intern in these endeavours. Some work has been achieved in the first and second quarters respectively. This includes amongst others rendering research assistance to the Provincial Skills Development Forum on hosting the Provincial Skills Development Consultative Workshop by the Office of the Premier. Revitalisation of the Provincial Research Forum in collaboration with Office of the Premier is amongst the achievements the Unit counts as a successful Research Colloquium was held in the province.

Challenges experienced include the failure to drive the Clay Brick Manufacturing Feasibility Study for a disadvantaged community in Petrusville. Work on the review of the Provincial Social Accounting Matrix could also not be executed for the year under review due to the serious human resource challenges.

### **2.3.6. Sustainable impact of tourism on the economy of the Northern Cape**

#### **International Tourism**

The total foreign arrivals for the Northern Cape during 2012 were 125 456 with 22 738 more tourists which represented a 0.2% increase from the previous year which is below the national growth rate which is at 10.2%.

Total foreign spend was 5.4 billion rand, which was lesser than the previous year by 37 million rand, this was mainly due to a decrease in the amount spent by foreign tourists per trip in the province, which is R8 300.00 compared to the previous year figure of R8 900.00.

The length of stay for foreign tourists is 4 days which represents a decrease of 1.5 days compared to the previous year's figure of 5.5 days.

The province serves mainly as a holiday destination for foreign tourists visiting the province with Visiting Friends and Family (VFR) being the second most reason why foreign tourists visit the province. Upington and Springbok remain the most visited cities by foreign tourists in the province.

#### **Domestic Tourism**

The Northern Cape saw 368 306 domestic tourists visiting the province in 2012, which represented 1.4% of total domestic travel in the country. The number of domestic tourists visiting the province remained constant compared to the previous year.

Domestic tourists spent 298 million rand in the province which represented a decrease of 9.4 million rand compared to the 393 million rand spent in the previous year. The length of stay of domestic tourists is 5 days in the province which is a decrease of one day compared to the 6 days spent during the previous year.

VFR trips still account for the largest share of trips taken to the province followed by holiday and religious purposes. The average spent per trip increased from R780 in 2011 to R830 in 2012. Average spent per day increased from R170 to R193 over the same period. The share of VFR spend remains the greatest followed by holiday and religion.

Economic constraints remain the biggest barrier to domestic travel with 35% mentioning that they cannot afford to travel.



# PROGRAMME 1: ADMINISTRATION

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## 2.4. PERFORMANCE INFORMATION BY PROGRAMME

### 2.4.1. Programme 1: Administration

**Purpose of programme:** to ensure an effective, compliant and competent department that will provide technical support and economic policy advice to the province.

#### 2.4.1.1. Office of the HOD

<b>Government Outcome</b>	<b>Decent Employment through inclusive economic growth</b>
<b>Government Output</b>	<ol style="list-style-type: none"> <li>1. Faster and sustainable growth</li> <li>2. More labour absorbing growth</li> <li>3. Multi-pronged strategy to reduce youth unemployment</li> <li>4. Increase competitiveness to raise net exports , grow trade as a share of world trade and improve its composition</li> <li>5. Appropriate cost structure in the economy</li> <li>6. Improved support SMME and Cooperatives</li> <li>7. Expansion of the EPWP</li> </ol>
<b>Strategic Objective</b>	Management and steering of the departmental transversal administrative programmes and provision of economic intelligence and leadership.
<b>Objective statement</b>	To provide strategic direction and leadership in order to facilitate the sustained growth, transformation and diversification of the provincial economy.
<b>Baseline</b>	An economic growth rate of 3.3% in 2007.
<b>Justification</b>	Continuous planning and review of the Department's operations is executed from this sub-programme to impact across the activities of the organisation. These include implementing mechanisms to monitor the department's strategies, driving the economic development strategies within provincial government and providing effective administrative support. The aim is to reach 4-6% growth by 2014 and to halve unemployment by 2014
<b>Links</b>	The department is expected to lead the process of transformation and diversification of the economy of the Northern Cape Province through the facilitation and coordination of the transformation and diversification processes and initiatives in partnership with municipalities, national government, development and funding agencies, other provincial departments, the institutional framework of the NCPGDS, as well as the private sector, labour and civil society.

Sub-programme: Office of the HOD					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012 / 2013 to 2013 / 2014
Number of economic overview reports compiled	-	Six(6) economic overview reports compiled	9 economic overview reports compiled	The unit received more requests for the economic overview than anticipated	N/A
Number of economic profiles compiled	-	Four (4) municipal economic profiles compiled	3 municipal economic profiles were compiled	A municipal profile was not compiled in the 4 <sup>th</sup> quarter due resignation of the only employee in the office of the chief economist lack of personnel	N/A

#### Strategy to overcome areas of under performance

Appointment of personnel within the Chief Economist unit will take place in 2014/15

#### Changes to planned targets

N/A

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the HOD	6 535	6 534	2	7 482	7 482	0
<b>Total</b>	<b>6 535</b>	<b>6 534</b>	<b>2</b>	<b>7 482</b>	<b>7 482</b>	<b>0</b>

#### 2.4.1.2. Economic Technical Cluster Secretariat

<b>Government Outcome</b>	<b>Decent Employment through inclusive economic growth</b>
<b>Government Output</b>	<ol style="list-style-type: none"> <li>1. Faster and sustainable growth</li> <li>2. More labour absorbing growth</li> <li>3. Multi-pronged strategy to reduce youth unemployment</li> <li>4. Increase competitiveness to raise net exports , grow trade as a share of world trade and improve its composition</li> <li>5. Appropriate cost structure in the economy</li> <li>6. Improved support SMME and Cooperatives</li> <li>7. Expansion of the EPWP</li> </ol>
<b>Strategic Objective</b>	Management of the cluster secretariat for the purposes of the Economic Cluster and the coordination of High Impact Projects.
<b>Objective statement</b>	To provide strategic direction and leadership in order to facilitate the sustained growth, transformation and diversification of the provincial economy.
<b>Baseline</b>	An economic growth rate of 3.3% in 2007.
<b>Justification</b>	Continuous planning and review of the Department's operations is executed from this sub-programme to impact across the activities of the organisation. These include implementing mechanisms to monitor the department's strategies, driving the economic development strategies within provincial government and providing effective administrative support. The aim is to reach 4-6% growth by 2014 and to halve unemployment by 2014
<b>Links</b>	The department is expected to lead the process of transformation and diversification of the economy of the Northern Cape Province through the facilitation and coordination of the transformation and diversification processes and initiatives in partnership with municipalities, national government, development and funding agencies, other provincial departments, the institutional framework of the NCPGDS, as well as the private sector, labour and civil society.

#### Sub-programme: Economic Technical Cluster Secretariat

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of position papers researched and reported	-	Four (4) position papers completed and tabled with recommendations	7 Position papers were compiled: <ul style="list-style-type: none"> <li>- The Sol Plaatje University</li> <li>- The State Owned Enterprises</li> <li>- Turning social grants into economic opportunities (PART 1)</li> <li>- Turning social grants into economic opportunities (PART 2)</li> <li>- The low-uptake of DTI incentives in the Province (PART 1)</li> <li>- The low-uptake of DTI incentives in the Province (PART 2)</li> <li>- State of the Province Supplement</li> </ul>	The target was exceeded by four due to additional requests.	N/A

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Economic Technical Cluster Secretariat					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Facilitate the establishment of an efficient and effective war room (economic intelligence resource centre) for all Department programmes and projects	-	One war room (economic intelligence resource centre) established and implemented.	One war room proposal completed. Phase one of the implementation completed. Portals designed, training of staff completed and dashboards allocated to responsibility managers to populate.	None	N/A
Number of Economic Infrastructure Projects implementation facilitated	-	Facilitate the implementation of four (4) Strategic Integrated Projects in the Province	An annual Economic Infrastructure Report was compiled on the four (4) Strategic Integrated Projects.	None	N/A
Number of economic cluster reports compiled	-	Two (2) economic cluster reports produced	Two (2) economic cluster reports were produced.	None	N/A
Number of proceedings of Technical Cluster Meetings Produced	-	Six (6) records of the proceedings of the technical cluster meetings	Six (6) records of the proceedings of the technical cluster meetings were produced. A Cluster Handover Report was compiled.	An additional Handover Report was compiled due to a request was received from the Economic Cluster.	N/A
Number of progress reports on departmental high impact projects	-	Two (2) progress reports on departmental high impact projects	Two (2) progress reports were compiled on departmental high impact projects	None	N/A

#### Strategy to overcome areas of underperformance and Changes to planned targets

N/A

#### 2.4.1.3. Financial Management

##### **Strategic Objective**

<b>Government Outcome</b>	An efficient, effective and development-orientated public service and an empowered and inclusive citizenship
<b>Government Output</b>	Business process, systems, decision rights and accountability management
<b>Strategic Objective</b>	The Provision of Financial Management Support Services to the department.
<b>Objective statement</b>	To provide an efficient and economical Financial Management support service to the department.
<b>Baseline</b>	An unqualified audit report without matter of emphasis
<b>Justification</b>	The department is expected to operate within the statutory functions within the limits of the funds authorised for Vote 6. This sub programme seeks to ensure that the department complies with these statutory requirements.
<b>Links</b>	Financial Management provides both a planning and supervisory function to ensure that departmental spending is authorised and is in harmony with the strategic intent of the department to ensure that working capital is utilised efficiently and economically.



## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Financial Management					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Departmental plans submitted to Provincial Treasury and tabled as per legislation	-	Submit final APP and SP 14/15 7 days before the MEC's budget speech.	The Annual Performance Plan 2014/15 was submitted on 17 March 2013	The Strategic Plan was not submitted due to correspondence from the Presidency(DPME) dated 5/2/14 which revised the tabling date of the strategic plan 2015-2020 to August 2014 and indicated that the 2014/15 APP should still be based on the SP 2012-2015	N/A
Departmental non-financial performance quarterly and annual reports submitted within specified timeframes.	-	Annual Non-Financial Report 2012/13 submitted by 31 May 2013 to Auditor General and tabled by 30 September 2013 to legislature	The Annual Report 2012/2013 was submitted to AG on 31 May 2013 and tabled to legislature on 30 September 2013	None	N/A
		Four (4) quarterly performance reports completed by (15 of April, July, October 2013 and January 2014)	Four quarterly reports were submitted respectively in April, July, October 2013 and January 2014 on the dates regulated by Provincial Treasury	None	N/A
Departmental MTEF Budget statement #2 submitted within set time frames	-	Departmental Budget Statement #2 submitted by January 2014	Departmental budget Statement #2 submitted within the prescribed timeframes.	None	N/A
Annual Expenditure is within Budgets to avoid unauthorised expenditure	-	No unauthorised expenditure at 31 March 2014	Annual expenditure is within budget resulting in no unauthorised expenditure.	None	N/A
Adjustments estimates and roll-overs submitted to HOD timeously	-	Adjustment estimates submitted to Treasury within specified timeframes and aligned to plans of the department	Adjustment estimates submitted to Treasury within specified timeframes and aligned to plans of the department.	None	N/A
An effective Asset Management system to comply with legislative framework	-	Review Asset Management Manual and develop an implementation plan with respect to policies, internal controls, systems descriptions and strategic plans for acquisition and effective utilization of assets	Asset management strategy, asset management policy and disposal of movable assets policy has been reviewed.	None	N/A

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Financial Management					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
A financial accounting system that will provide a decrease in the matter of emphasis with respect to the Auditor General report	-	Review Financial Accounting manual with respect to policies, internal controls and systems descriptions timeously	Financial Accounting manuals were reviewed and changes with respect to policies, system descriptions and internal controls were implemented	None	N/A
	-	Submit Interim Financial Statements according to Treasury Guideline and the PFMA.	Signed Interim Financial Statements were submitted according to the Treasury Guidelines and the PFMA	None	N/A
	-	Submission of Annual Financial Statements by 31 May 2014 and tabled in Legislature by 30 September 2013	Annual Financial Statements were submitted to Treasury and the Auditor General on 31 May 2013 and tabled to Legislature on 30 September 2013	None	N/A
An effective Supply Chain Management system to comply with legislative framework	-	Review Supply Chain Management Manual with respect to policies, internal controls and systems descriptions to comply with SCM legislation by 31 March 2014	<p>Developed</p> <ul style="list-style-type: none"> <li>- the Procurement Plan,</li> <li>- Terms of Reference</li> <li>- Contracts and Tender System Description.</li> </ul> <p>Reviewed;</p> <ul style="list-style-type: none"> <li>- Transport &amp; Subsidised Motor Vehicle Policy,</li> <li>- Supply Chain Management Policy and</li> <li>- Fruitless and Wasteful Expenditure Policy,</li> <li>- The Cell phone and Telephone line policy</li> </ul> <p>was reviewed</p>	The Inventory Policy was not reviewed due to National Treasury Guide requiring that Inventory be changed to Consumable Goods. User Manual to be developed in the new financial year	N/A
Alignment of Risk Management Plans and Strategic Plan in accordance with legislative requirements	-	Review Fraud Prevention Plan and Risk Management Policy by 31 March 2014	The Fraud Prevention Plan and Risk Management Policy were reviewed during the financial year under review.	None	N/A
	-	Strategic and Operational risks for 2013/14 identified, assessed and aligned to the Strategic Plan and Annual Plan by March 2014	Strategic and operational risks were identified, assessed and monitored. Mitigating action plans have been developed for identified risks.	None	N/A

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Financial Management					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
	-	Internal and external audit process managed efficiently by adhering to all audit requests and standards	The audit processes of both internal and external auditors have been effectively managed. Requested information was submitted within the agreed timeframes.	None	N/A
	-	Develop an action plan to implement SCOPA and Audit exceptions by October 2013	An audit action plan was developed and findings were monitored on a regular basis. Presentations on audit action plan were made to SCOPA and the Audit Committee.	None	N/A

#### Strategy to overcome areas of under performance

Underperformance with regard to strategic plan was due to a National directive, as a result does not warrant remedy.

#### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Financial Management	20 814	20 712	102	70 742	18 937	1 805
<b>Total</b>	<b>20 814</b>	<b>20 712</b>	<b>102</b>	<b>70 742</b>	<b>18 937</b>	<b>1 805</b>

#### 2.4.1.4. Corporate Services

<b>Government Outcome</b>	An efficient, effective and development-orientated public service and an empowered and inclusive citizenship
<b>Government Output</b>	Human resources management and development
<b>Strategic Objective</b>	The provision of sound corporate management
<b>Objective statement</b>	To provide support services within the Department with regard to human resource management and legal related matters.
<b>Baseline</b>	The maximum use of resources to meet performance demands
<b>Justification</b>	This sub programme is responsible for the provision of services to other programmes regarding human resources management and development.
<b>Links</b>	Effective and efficient administration will enable the department to operate independently to ensure proper planning to achieve departmental goals.

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

Sub-programme: Corporate Services					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of SMS financial disclosures submitted	-	Nineteen (19) SMS financial disclosures submitted	19 SMS financial disclosure submitted	None	N/A
Number of performance agreements completed	-	One hundred and Sixty (160) performance agreements completed	100 performance agreements completed	60 performance agreements were not completed due to Non-compliance of officials	N/A
Number of HR-related plans drafted and submitted	-	Four (4) plans HR-related plans drafted and submitted	HR related plans; The HR Plan, EE Plan, HRD Implementation Plan and WSP have been approved and submitted	None	N/A
Number of compliance reports submitted	-	Three (3) compliance reports submitted	- The HR Plan Implementation Report, - EE report, - Annual Training and HRD Implementation Reports were submitted	None	N/A
Number of vacant funded posts filled	-	Twenty (20) vacant funded posts filled	17 post were filled	The fillings of 3 Senior Manager posts were delayed as a result of competency assessments. This has now been finalized and the posts will be filled in the 1 <sup>st</sup> quarter 2014/15.	N/A
Number of special programmes/ campaign held	-	Eight (8) special programmes/ campaigns held	7 special campaigns were held	The "Women in Management Week" was deferred due to clashing of programs.	N/A
Number of employee health and wellness programmes/ campaigns held	-	Four (4) employee health and wellness programmes/ campaigns held	4 employees health and wellness programmes were held	None	N/A
Number of HR and Labour Relations –information sessions held	-	Four (4) Labour Relations – information sessions held	4 labour relations information sessions held	None	N/A
	-	Four (4) HR information sessions held	4 HR information sessions were held	None	N/A
Number of communication activities/ promotions performed	-	Eight (8) communication activities/promotions performed	8 communication activities performed	None	N/A

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

Sub-programme: Corporate Services					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of legal awareness sessions conducted	-	Five (5) legal awareness sessions conducted -PAJA -PAIA -PRECCAA - PDA	1 legal awareness session was conducted	Four awareness campaigns were not conducted due to Capacity constraints	N/A
Number of case law reviews	-	Two(2)case law reviews	2 case laws were reviewed	None	N/A
IT policies, plans and standards developed, reviewed.	-	Review 5 ICT Strategy and Network (LAN and WAN) related policies and standards.	5 IT policies, plans and standards developed reviewed	None	N/A
Continuous IT support rendered to the DEDT.	-	- 98% Local Area Network (LAN) uptime maintained. - 95% Wide Area Network (WAN) uptime provided. - Phase 4 of the Video Conferencing implemented	98% LAN uptime within the Department achieved.  95% WAN uptime within the Department achieved.	None	N/A
Implementation and monitoring of Open Source Software solutions (OSS).	-	- One (1) e-mail solution implemented. - One (1) Back-up solution implemented. - One (1) Directory service implemented.	SMTP gateway required - email software solution tested. Owncloud OSS back-up solution fully operational and tested - Roll out in progress. Open Source Directory Services cancelled	Research and testing of various products and solutions proved OSS solution not feasible for the department	N/A

**Strategy to overcome areas of under performance**

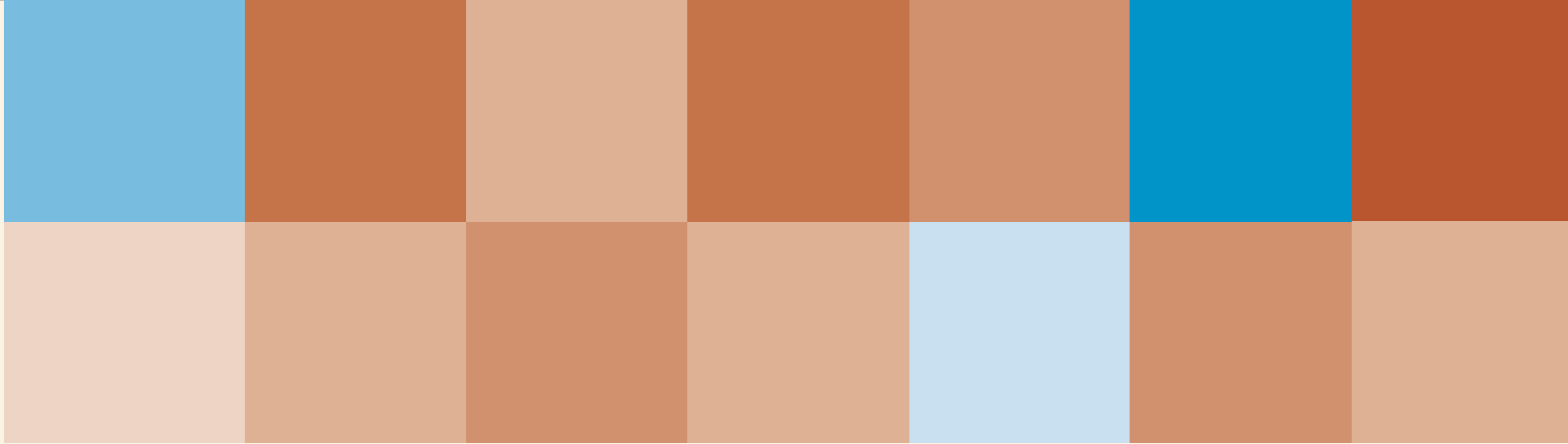
None

**Changes to planned targets**

N/A

**Sub-programme expenditure**

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Corporate Services	15 772	15 772	0	7 852	7 538	314
<b>Total</b>	<b>15 772</b>	<b>15 772</b>	<b>0</b>	<b>7 852</b>	<b>7 538</b>	<b>314</b>



**PROGRAMME 2:  
INTEGRATED ECONOMIC  
DEVELOPMENT SERVICES**

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### 2.4.2. Programme 2: Integrated Economic Development Services

**Purpose of programme:** promotes, supports and facilitates integrated economic development through shared partnerships in the province

##### 2.4.2.1. Enterprise Development

#### **Strategic Objectives, Performance indicators and targets**

<b>Government Outcome</b>	Decent Employment through inclusive economic growth
<b>Government Output</b>	1.Improved support SMME and Cooperatives 2.More labour absorbing growth
<b>Strategic Objective</b>	The development and support to business enterprises
<b>Objective statement</b>	To support and develop business enterprises through financial and non- financial assistance both directly and indirectly
<b>Baseline</b>	Number of business developed and supported. (100)
<b>Justification</b>	One of the department's main goals is to achieve economic growth of 4-6% by 2014. The function of such a sub programme will enable the department to create and monitor economic growth.
<b>Links</b>	The department will enable individuals by supporting business ventures and providing them with the necessary tools and skills in order to obtain provincial economic growth of between 4 – 6% and halving unemployment by 50% by 2014.

#### Sub-programme: Enterprise Development

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of existing SMME's supported	A total of forty five (45) existing SMMEs were supported	Forty (40) existing SMME's supported Through; - business plans appraisals and - facilitate access to finance with agencies such as KHULA, De Beers, ABSA, Standard Bank, NEF, IDC, Dti, etc. - Training in business financial management skills, technical skills, basic computer literacy & mentorship	99 SMME's were supported through:- - business plans appraisals and - facilitate access to finance with agencies such as SEFA, De Beers, ABSA, Standard Bank, NEF, IDC, Dti, etc. - Training in business financial management skills, technical skills, basic computer literacy & mentorship	There has been a steady incline of clients and due to the EXCO Outreach the number of clients has increased	54 More SMMEs were support during the 2013/14 financial year compared to prior year

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Enterprise Development					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of new SMME's developed.	A total of forty six (46) new SMMEs were developed	Forty (40) new SMME's developed and supported through; <ul style="list-style-type: none"> <li>- Assistance with new business registrations and</li> <li>- Business plans development through linkages with agencies such as CIPC, Frances Baard SMME Trust and SEDA.</li> <li>- SARS business tax compliance issues</li> <li>- Linkages with CIDB for contractor business development training</li> <li>- Marketing and branding</li> </ul>	60 new SMME's were developed and supported.	The EXCO Outreach Programme has increased the unit's reach on a district level.	An increase of 14 more SMMEs development as opposed to the 2012/13 financial year
Number of existing Cooperatives supported	Total of Ten (10) Co-operatives supported	Ten(10) existing cooperatives supported Through; <ul style="list-style-type: none"> <li>- grants funding application to the Dti Cooperatives Incentives Scheme (CIS)</li> <li>- facilitation of participation at the exhibitions and trade fairs</li> </ul>	34 existing co-operatives were supported.	Due to collaborations with stakeholders and an increase in staff compliment, the unit was able to exceed its target.	As compared to prior year, 24 more existing cooperatives were supported in the current year under review and the target was exceeded with the same figure
Number of new cooperatives developed	Total of Ten (10) Co-operatives were developed.	Five(5) new cooperatives developed through; <ul style="list-style-type: none"> <li>- grants funding application to the Dti Cooperatives Incentives Scheme (CIS)</li> <li>- facilitation of participation at the exhibitions and trade fairs</li> </ul>	26 new co-operatives were supported.	Due to collaborations with stakeholders and an increase in staff compliment, the unit was able to exceed its target.	The current year target was reduced with a total number of 5 new cooperatives and 16 more new cooperatives were developed compared to 2012/13 financial period
Number of Strategic partnership established	Six (6) strategic partnership established	Five (5) partnerships established in: <ul style="list-style-type: none"> <li>- Incubation</li> <li>- Mentorship programmes</li> <li>- Contractor development training</li> </ul>	Partnerships with ABSA, SEDA, Northern Cape SMME Trust and LDSW (LEF Fund) maintained.	None	One more partnership was established and maintained during 2012/13



**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

Sub-programme: Enterprise Development					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
local market access and linkages for SMME`s with regard to exhibitions and workshops Supported	Three (3) exhibitions supported; Gariep Fees MACUFE exhibitions and International Year of Cooperatives exhibitions supported AND One (1) workshop on the review of the SMME strategy supported	Four (4) exhibitions and workshops supported: <ul style="list-style-type: none"> <li>- Khara Hais Municipality show</li> <li>- Macufe Exhibitions</li> <li>- Sol Plaatjie Small Business Week</li> <li>- Northern Cape BRICS Expo</li> </ul>	4 exhibitions and workshops supported:- <ul style="list-style-type: none"> <li>- Khara Hais Municipality Richtersveldt Municipality Sol Plaatjie Small Business Week</li> <li>- Macufe Exhibitions</li> </ul>	Due to low impact on the revenue of our exhibitors, the support to the Gariep fees has been discontinued. Alternatively the unit has opted to support the exhibitions as listed under actual performance as they have a bigger revenue output for local SMMEs. BRICS EXPO postponed until October 2014	The prior year target was underperformed by one exhibition compared to current year achieving its target
Maintain Sector based SMME database	Eighty eight (88) SMMEs recorded on the database	Eighty (80) SMME`s recorded on the database	43 SMME's were recorded on the database.	The newly designed electronic database was only fully functional towards the end of quarter three thus a shortfall of thirty seven SMMEs not recorded.	Compared to prior year, there has been a decline of about 67% in SMMEs recorded on the database
Preferential Procurement Policy implemented (PPI)	Twenty eight (28) SMMEs accessed public procurement opportunities	Thirty (30) SMME's to access public procurement opportunities	30 SMME's accessed public procurement opportunities	None	Current financial year target was increased by 5 and fully achieved. Prior year target was set at 25 and performance was exceeded by 3.
Cooperative strategy implemented	2 Cooperatives presented for export readiness preparation. Mentorship programme not done. Baseline study not initiated. Hosted the International Co-operative Day Celebration	Present 2 Co-operatives' products for exports through Dti export support programmes, <ul style="list-style-type: none"> <li>- Facilitate the development of a mentoring programme with NIHE,</li> <li>- Gather baseline data on Co-ops revenue growth</li> </ul>	Cooperatives products were not presented for export. Baseline data was gathered on 30 co-ops	2 cooperatives were identified for export, however they were not export ready. Collaboration with NIHE deferred until Sol Plaatje University is completed as NIHE might be collapsed into the new institution. Co-ops referred to Nceda for export training	None

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Enterprise Development					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Participation of other provincial departments & organisations in cooperatives development coordinated	Hosted 4 coop forum meetings.	Four(4) cooperatives Forum meetings coordinated	4 Co-ops Forum hosted through participation in the LED Forums.	Due to low turnout of stakeholders at the Forum the contingency was to utilise the LED Forum as a platform to address co-operative matters.	None
Cooperative Awareness Campaigns held	Total of 11 Campaigns were held	Eight(8) Awareness campaigns held	11 awareness campaigns held	Due to collaborations with stakeholders and an increase in staff compliment, the unit was able to exceed its target.	No difference to both financial year's performance however, both the planned targets were exceeded by 1 and 3 awareness campaigns, respectively
Number of identified businesses assisted with products development		Six (6) business products (specific sector) identified and assisted with ingredient testing by CSIR to enhance quality and competitiveness as well as product shelves life span	4 companies were identified for product testing by SABS	The turnaround time for SABS is not specified. The Department is still following up with SABS and it is a continuous process.	N/A

#### Strategy to overcome areas of under performance

The Enterprise Development unit aims to address areas of underperformance through intensified consultations with targeted SMMEs for the year. Specific focus will be on the identified potential SMMEs as the catalysts of change and job creators. This will assist to keep track of the interventions by the department towards targeted SMMEs. It is critically important to establish and maintain a forum with all the relevant funding agencies such as SEFA, IDC, Anglo American Zimele Hub: Community Fund, etc. where all the funding referrals are being discussed and status reports are presented. An electronic database has been designed and implemented to address underperformance in relation to SMME database.

#### Changes to planned targets

The only change effected on the planned target was the number of SMMEs recorded on the database, as this function was performed on a daily basis through consultations with walk-in clients. The decision was taken to remove the target from the APP as it is regarded as an auxiliary function performed on a daily basis. Each walk-in client will now be recorded on the register and be registered on the newly designed electronic SMME Management Information System (MIS). The poor impact on the revenue generated by our exhibitors led to a decision to discontinue support, through exhibitions, to the Gariep Fees. Due to low turnout of stakeholders at the Provincial Cooperatives Forum the contingency was to utilise the LED Forum as a platform to address co-operative matters.

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

**Sub-programme expenditure**

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Enterprise Development	19 044	18 970	74	4 957	4 957	-
<b>Total</b>	<b>19 044</b>	<b>18 970</b>	<b>74</b>	<b>4 957</b>	<b>4 957</b>	<b>-</b>

## 2.4.2.2. Regional and Local Economic Development Unit and EPWP

**Strategic Objectives, Performance indicators and targets**

<b>Government Outcome</b>	Decent Employment through inclusive economic growth
<b>Government Output</b>	1. More labour absorbing growth 2. Expansion of the EPWP
<b>Strategic Objective</b>	The provision of strategic economic development support to municipalities.
<b>Objective statement</b>	To provide strategic economic development support to 32 municipalities in terms of planning, alignment and implementation in partnership with key stakeholders.
<b>Baseline</b>	Number of aligned developmental projects within the municipalities (5) to Provincial LED Strategy
<b>Justification</b>	Capacitated local municipalities enabled to implement LED effectively in order to achieve economic growth as per KPA 3
<b>Links</b>	If municipalities are properly capacitated then economic development can take place at a local level to ensure growth and diversification of the economy.

**Sub-programme: Regional and Local Economic Development**

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of economic development projects supported at local and regional levels	Supported 6 projects: - Pniel/Wildklawer River Valley Project - Joe Morolong Incubator - Frances Baard Technical Incubator - Hanover Goat Milk Cheese - Gamagara Mining Corridor - SKA - Hondeklipbay and Port Nolloth harbour upgraded	Four (4) economic development projects supported at municipal level with regard to; concept development, pre-feasibility and Stakeholder coordination.	8 Projects were supported: Wildecklauer final proposal completed - Joe Morolong Roads Proposal - Kathu Industrial Supplier Park Structure proposal submitted. - Gamagara Mining Corridor Study completed - Investment proposal for Hanover Goat Cheese factory completed - Investment proposal for Joe Morolong completed - Sol Plaatje Technical Incubator investment proposal completed. - Namakwa Oil and Gas TOR completed	Exceeded target with 4, this was due to stakeholder demand and completing some proposals in-house instead of outsourcing and obtaining funding from external stakeholders i.e. Gamagara Mining Corridor Study via SIOC CDT	Current year target was reduced by one compared to prior year and four more projects from the planned target were supported

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Regional and Local Economic Development					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of capacity building interventions in Municipalities	5 Capacity building sessions and a graduation session was held. 38 of 40 students qualified.	Four (4) Capacity building sessions for district and local municipalities	4 Capacity building sessions were held: LED/IDP Alignment: - Offered in all 5 Districts - UFS Small Development Training - SPLUMA and IPP Community Structures training provided. - STATSA Training provided in JTG, ZFM, Pixley, Frances Baard and Namakwa in partnership with STATS SA	None	Both financial period's targets were the same but 2012/13 was exceeded by one capacity building session
Number of LED strategies aligned to the PGDS and other spatial development plans	<p>Frances Baard: - Dikgatlong - Magareng</p> <p>Pixley Ka Seme: - Kareeberg - Emthanjeni</p> <p>Namakwa: - Khai Ma - Kamiesberg</p> <p>Siyanda: - Siyanda - Kgatelopele</p> <p>JTG: - Gamagara - Ga-Segonyana</p>	Ten (10) LED strategies aligned to the PGDS and other spatial development plans as identified for support as part of Section 47 annual IDP review for 32 municipalities.	<p>All municipalities were reviewed into the new LED/IDP Alignment framework and analysis.</p> <p><b>Frances Baard:</b> - Sol Plaatje - Dikgatlong - Magareng - Phokwane - Phokwane SDF inputs prepared</p> <p><b>JTG:</b> - JTG District - Gamagara - Ga-Segonyana - Joe Morolong</p> <p><b>ZFM:</b> - Tshansabane - Mier - !Kheis - //Khara Hais - Kgatelopele - Kai! Gariiep - ZFM District</p> <p><b>Namakwa:</b> - Khai Ma - Hantam - Kamiesberg - Karoo Hoogland - Richtersveld - Nama Khoi DSDF inputs developed</p> <p><b>Pixley Ka Seme:</b> - DGDS Statistics updated - DSDF inputs prepared - Emthanjeni - Ubuntu - Thembelihle - Siyancuma - Renosterberg</p>	Exceeded target due to stakeholder demand	19 more local municipality LED Strategies were aligned to the PGDS compared to 2012/13 financial year

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Regional and Local Economic Development					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of Provincial and District LED Forum activities to support Provincial LED Institutional Platform	All provincial and District Forums was held	Have Provincial LED Forum and render district and local municipal LED forum support.	4 Provincial LED Forums were held: - 12 June 2013 - 11 September 2013 - 30 October 2013 - 12 February 2014 Support was rendered to Districts and local municipalities to host LED Forums	None	None
Reporting to Provincial and National Sector Committees on EPWP activities	-	Four (4) Quarterly activity reports captured and prepared by March 2014.	4 Quarterly EPWP activity reports submitted to Provincial and National Sector Committees.	None	N/A
Number of EPWP exit ventures supported	The 4 proposal completed were as follows: - Firewood - Musija Compost - Prieska Woodcraft - Dikgatlong Pebbles Monitoring and evaluation reports of existing projects completed	Four (4) business proposals consisting of: - concept - feasibility - business plan	The proposals consisting of concept, feasibility and business plan were as follow: - Greefspan Solar park cleaning project - Herbert solar park tree planting proposal - Mier Fencing Proposal - Ritchie Fencing and Infrastructure proposal	None	None
	-	Four (4) monitoring and evaluation reports on existing project	4 monitoring and evaluation reports were developed	None	N/A

### Strategy to overcome areas of under performance

NA

### Changes to planned targets

The targets and indicators that were changed were during the midterm review. The existing targets for RaLED were merely adapted, one was removed and they are as follow:

- LED Capacity building sessions: The target initially read: LED training sessions, but in line with the LED Framework and Guideline it was changed to capacity building. LED training per definition will entail accredited training which is not always possible due to budgetary and time constraints on provincial and local municipal level
- IDP Rep Forums: This was removed seen as the IDP/LED alignment support already covers LED Rep Forums.
- LED Forums: It was adapted to conducting the Provincial LED Forum and render support to district and local LED Forums.

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

**Sub-programme expenditure**

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Local Economic Development	6 204	6 203	1	5 702	5 702	-
<b>Total</b>	<b>6 204</b>	<b>6 203</b>	<b>1</b>	<b>5 702</b>	<b>5 702</b>	<b>-</b>

## 2.4.2.3. Economic Empowerment

**Strategic Objectives, Performance indicators and targets**

<b>Government Outcome</b>	Decent Employment through inclusive economic growth
<b>Government Output</b>	Multi-pronged strategy to reduce youth unemployment
<b>Strategic Objective</b>	Provision of support to HDI's to participate in the mainstream of the economy.
<b>Objective statement</b>	To promote and support the participation of HDI's in the mainstream of the economy through business intelligence, skills development and enterprise development
<b>Baseline</b>	Number of Workshops conducted quarterly (2)
<b>Justification</b>	Society needs to feel empowered due to lack of knowledge and skills on potential opportunities that might be the root cause of poverty.
<b>Links</b>	The Department then creates awareness as well as an enabling environment for these individuals to offset their business initiatives.

Sub-programme: Economic Empowerment					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of target groups specific opportunities identified.	Four (4) opportunities identified: - DTI National Conference (TWIB) - SAWEN network sessions - Dia-plus a financial institution. - DTI incentive schemes	Four(4) target groups specific Opportunities identified across the Province relating to; - Skills Development, - Job Creation, - TWB Technology Competition and - Networking for Women	4 target group specific Opportunities identified across the Province relating to: - Skills Development and Job creation support to WILaT (Women in Logistics and Transport) leadership - TWIB (Technology for women in business) opportunity was shared with women and they were invited to participate in the competition - Two opportunities identified for SAWEN (SA Women Entrepreneurs Network)	None	None

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Economic Empowerment					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of target groups specific interventions	6 Sessions conducted benefitting 127 women, youth and people with disabilities.	Six (6) interventions for Women, youth and People Living with Disabilities across the Province relating to; <ul style="list-style-type: none"> <li>- Incentive schemes</li> <li>- Technology Competition</li> <li>- two intervention targeted for</li> <li>- Youth Development (NYDA)</li> <li>- Exhibitions,</li> <li>- Seminars and</li> <li>- Provincial Parliament participation (target groups)</li> </ul>	Participated in 6 interventions aimed at the target group; <ul style="list-style-type: none"> <li>- Techno Girls Business Plan writing training and competition for representatives of ten NC high schools</li> <li>- Youth dialog sessions with NYDA (National Youth Development Agency) FET College and six Dinaledi schools.</li> <li>- Two seminars and an exhibition were held with WEMI (Women Empowerment Movement International, Mme reka Thusa empowerment and women representatives from the regions on economic participation.</li> <li>- A Provincial dialog on economic participation by women, with representatives from all five regions of NC</li> </ul>	Clients did not complete and post the forms handed out to them at conferences and seminars.	None
Number of township revitalization projects implemented, monitored and evaluated	Implemented two township revitalisation projects. Monitored two township revitalisation projects.	Two(2) township revitalization projects implemented, monitored and evaluated	1 project implemented, monitored and evaluated Chikaina Pig Project.	One project not realized due to shortage of resources in the sub-programme. The outstanding project will be pursued in 2014/15	Only one township revitalisation project was implemented in the current year compared to 2012/13
Number of HDI entrepreneurs assisted to benefit from the Kimberley Diamond Cup	Assisted 18 HDI's to benefit from the MMC 2012	Twenty (20) HDI entrepreneurs assisted to benefit from the Kimberley Diamond Cup	20 SMMEs were placed to benefit from opportunities relating to the KDC 2013	None	Target has been increased by 5 compared to prior year.

#### Strategy to overcome area of under performance

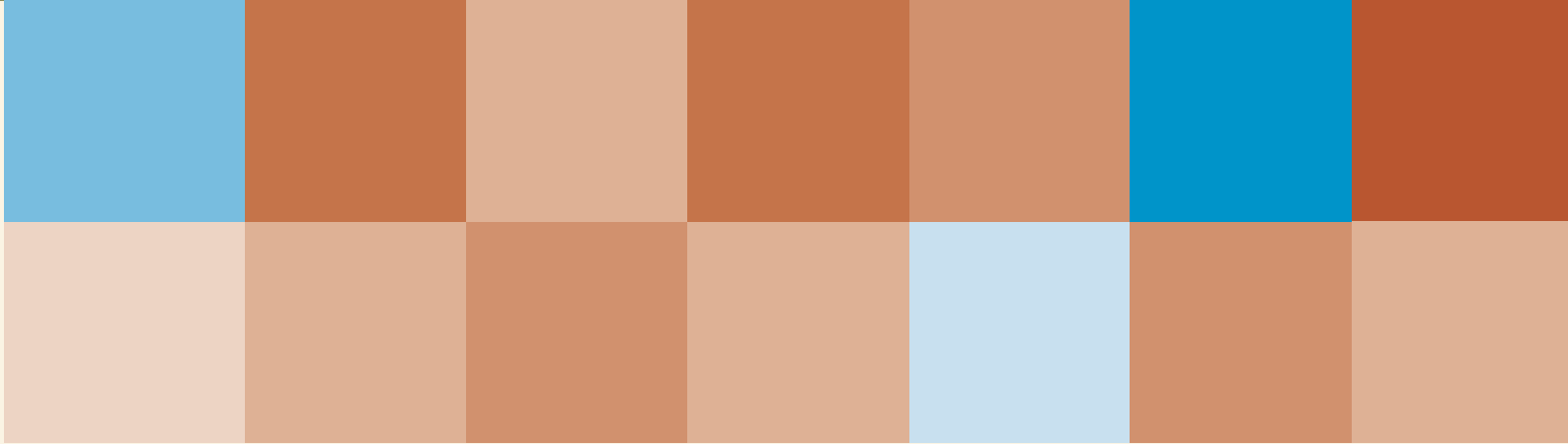
Unit will continue to focus and target organizations that support HDI women and youth.

#### Changes to planned targets

There were no changes to planned targets during 2013/2014 as there was no adjustment to the budget

#### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Economic Empowerment	2 309	2 309	-	3 496	3 493	3
<b>Total</b>	<b>2 309</b>	<b>2 309</b>	<b>-</b>	<b>3 496</b>	<b>3 493</b>	<b>3</b>



**PROGRAMME 3:  
TRADE AND SECTOR  
DEVELOPMENT**



## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### 2.4.3. Programme 3: Trade and Sector Development

**Purpose of programme:** to accelerate economic development by facilitating export from and investment into the province while simultaneously promoting economic diversification and industrial expansion

##### 2.4.3.1. Trade & Investment Promotion

#### Strategic Objectives, Performance indicators and targets

<b>Government Outcome</b>	Decent Employment through inclusive economic growth
<b>Government Output</b>	Increase competitiveness to raise net exports , grow trade as a share of world trade and improve its composition
<b>Strategic Objective</b>	Facilitation of trade, export promotion and investment attraction
<b>Objective statement</b>	To facilitate economic growth through worth of trade and investment and the creation of jobs.
<b>Baseline</b>	Value of investments into the province (R2 000 000)
<b>Justification</b>	Create a conducive environment through a legislative framework.
<b>Links</b>	To increase economic development. Attracting investments into the country will result in economic growth, job opportunities, skills and knowledge that shall strengthen the economy of the Northern Cape.

#### Sub-programme: Trade and Investment Promotion

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of investment projects realised	Four investment projects realized: the sub-acute hospital project Malt plant Northern Cape Pipes and Roofs The solar project Organised and Facilitated a Trade and Investment Outbound Mission to Argentina – Buenos-Aires with the following outcomes on possible investments: <ul style="list-style-type: none"> <li>• Argentine Chamber of Mining Entrepreneurs</li> <li>• Argentine Ministry of Science and Technology regarding Solar Park and SKA</li> <li>• EXPOAGRO – Agricultural technology in terms of sowing, harvesting, spraying, packing etc.</li> <li>• Client Group (BPO) company</li> <li>• Land Capital Consulting Group that offers JV Partnership and best practices with foreign companies in terms of trade and investment</li> </ul>	Four (4) investment projects realised	5 investment projects realised: <ul style="list-style-type: none"> <li>- Kloofzicht Logistics</li> <li>- Diamond Coast Abalone Ranching</li> <li>- LED Light Factory</li> <li>- Port Nolloth Aquaculture Project</li> <li>- Namakwa Oil refinery project: Vuthuza Investments</li> </ul> <p>Further investment facilitated and under discussions is Bonatla Investments: Kimberley Diamond Hub</p>	Target exceeded with one due to working in conjunction with NCEDA on some of the projects.	N/A

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

Sub-programme: Trade and Investment Promotion					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of businesses assisted with export	<p>31 Companies assisted with exports. Export readiness assessments completed on 12 companies. These are</p> <ul style="list-style-type: none"> <li>- Nieuoudsville Rooibos Tea</li> <li>- Namaqua Pride</li> <li>- PIB Industry</li> <li>- Rekgarathhile Honey Bee Project</li> <li>- Skeyfontein Food Garden</li> <li>- Tsansibane Craft</li> <li>- Black Bear Taxidermers</li> <li>- Kgatopele Trading</li> <li>- Bloemdal Voedsel Verspreiders</li> <li>- Kxoxo leather designs</li> <li>- Qalakusha clothing coop manufacturing</li> <li>- Asleso Construction</li> </ul> <p>Facilitated the last session of the Export Orientation Accredited Course for 15 SMME's in conjunction with SEDA. The duration of the course was for 6 months and ended in March 2013.</p> <p>Assisted two companies with information on potential export markets and assisted them with funding applications to SEDA and the Department namely:</p> <ul style="list-style-type: none"> <li>- Konomaka Chemicals Pty</li> <li>- Nam Petroleums</li> </ul> <p>Facilitate and organise the northern cape participation at the BRICS Exhibition in Durban</p> <p>Expose two export ready businesses at the BRICS Exhibition namely Kalahari Kid and Bezalel Wines Upington</p>	Twenty (20) businesses assisted with export	<p>Export Readiness Assessment completed on 21 companies namely:</p> <ul style="list-style-type: none"> <li>- Qalakusha</li> <li>- Project</li> <li>- Otxipangi</li> <li>- Tradings</li> <li>- Afrogames</li> <li>- Roots Arts</li> <li>- Gallery</li> <li>- New Born</li> <li>- Ostrich</li> <li>- Products</li> <li>- Karoo Clothing</li> <li>- Yonder</li> <li>- Black Sunshine</li> <li>- Diamond Bed</li> <li>- Factory</li> <li>- Black Bear</li> <li>- Taxidermy</li> <li>- Richmond Info</li> <li>- Centre</li> <li>- CORA</li> <li>- Namaqua Pride</li> <li>- Regina's Manufacturing</li> <li>- Flock of the Karoo</li> <li>- Fruit Du Suid</li> <li>- Maverick Safety Wear</li> <li>- IJ Fruit Juice</li> <li>- African Farm Products</li> <li>- Paulsen creations</li> </ul> <p>Facilitate workshop on the implementation on the National Export Development programme with Northern Cape Stakeholder in conjunction with the dti</p>	<p>Target exceeded by one due to working in collaboration with NCEDA and SEDA.</p>	None
Development of the Trade and investment Strategy	The Trade and Investment strategy was not developed	Develop Trade and Investment strategy	Trade and Investment Strategy not developed	The Strategy was not developed due to budget constraints.	None

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

Sub-programme: Trade and Investment Promotion					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Value of Investments attracted	Total of 859 Million attracted, 850 Mil for malt plant and 9 million for the sub-acute hospital	R60 million (FDI and domestic investment)	Facilitated R60 Million transport Logistics investment between Kloofzicht Logistics and Phakamole Logistics	Further investment was facilitated and committed: - Oil refinery project to the value of R80 million by Vuthuza investment - Port Nolloth Aquaculture Farm to the tune of R80 million - Diamond Coast Abalone Ranching in access R39 million - LED Light Factory to the value R30 million - Bonatla Investments: Kimberley Diamond Hub still under discussion R2 billion	None
Promote the NC as an ideal trading and investment location	Advertise NC trade and investment opportunities in four leading trade and investment publications namely SA at a Glance, the Commonwealth Minister's report, South African report and TradeInvestSA  Developed /printing of marketing material/booklet highlighting trade and investment opportunities of the province.	Participate on local and international trade Exhibitions	Participation in the targeted local and international trade exhibition was not achieved	Targeted exhibitions not achieved due to exporters/businesses not meeting criteria to qualify for DTI National Pavillions. A decision was made not participate in some of the National Pavillions in order to use the resources for the hosting of the BRICS Expo that was postponed to October 2014.	N/A

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

Sub-programme: Trade and Investment Promotion					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
				<p>The Department facilitated financial assistance through the dti for two SMME's to participate in the Trade and Investment Outbound Mission to India under the leadership of the Deputy Minister of Trade and Industry namely:</p> <ul style="list-style-type: none"> <li>- Newborn Ostrich Project and</li> <li>- Agisinang Software Engineering</li> </ul> <p>Participated in the East Mediterranean Trade and Tourism Exhibition in Istanbul, Turkey</p> <p>Facilitated and organised Trade and Investment Outbound Mission to China</p>	
Evaluation Report on NCEDA Performance	2 Evaluation reports completed.	Two(2) Evaluation Reports with recommendations on NCEDA Performance	2 Evaluation Reports on NCEDA's performance received and scrutinised	None	None

### Strategy to overcome areas of under performance

Due to budgetary constraints the Trade & Investment Strategy could not be developed. This has been addressed and the Strategy will be developed by end June 2014.

The programme will in conjunction with dti implement the National Exporter Development Programme to ensure that exporters/businesses meet the criteria necessary to participate in the DTI National Pavillions.

### Changes to planned targets

N/A

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

**Sub-programme expenditure**

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Trade and Investment Promotion	14 770	14 769	1	9 883	9 398	485
<b>Total</b>	<b>14 770</b>	<b>14 769</b>	<b>1</b>	<b>9 883</b>	<b>9 398</b>	<b>485</b>

**2.4.3.2. Sector Development****Strategic Objectives, Performance indicators and targets**

<b>Government Outcome</b>	Decent Employment through inclusive economic growth
<b>Government Output</b>	More labour absorbing growth
<b>Strategic Objective</b>	Strategic positioning of prioritised sectors as key contributors to economic growth and development
<b>Objective statement</b>	To strategically place and develop sectors to enable the attraction of investment and contribute to the diversification and transformation of the economy.
<b>Baseline</b>	% of growth in sectors that have been strategically placed.
<b>Justification</b>	If key sectors are strategically placed, then planning and resources can be easier identified
<b>Links</b>	Mining and mineral forms part of this sub programme as well as the NCPGDS Strategy and Implementation plan

**Sub-programme: Sector Development**

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of people trained.	Twelve (12) people were trained - 6 on CAD and - 6 on Bench-Marking	Twelve (12) people trained on; - Computer Aided Design (CAD) & Computer Aided Manufacturing (CAM) by end of March 2014	Training in CAD and CAM did not take place	Due to the MOU between the Department and the FET College in Upington not signed by the College training in CAD and CAM was not conducted.  Training took place through a Capacity Building Programme on Manufacturing Incentives for local manufacturers throughout the Province. in collaboration with Dti	Training took place in 2013/14 however not on CAD and CAM as was the case in 2012/13
Number of business assisted with proactive interventions	Four (4) businesses were assisted with proactive interventions	Four (4) businesses assisted with proactive interventions; - Cape Malting House – facilitate the establishment of a Malt Production Plant	4 businesses were assisted with proactive intervention;  An Incubation Programme for emerging farmers has been identified for Barley Farming in Droogfontein. The Barley will be used as input for Malt production in the Malt Plant. Arranged for and hosted a delegation from Amsterdam and France for investment into the Malt Plant	None	N/A

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Sector Development					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
		Organimark / Kumba Resources - facilitate the establishment of a Meat Processing Plant in JTG District	A feasibility Report has been completed.		
		Ambient Control – DST Technology Localization Plan Implemented	A Benchmarking Report has been completed and proactive interventions have been identified.		
		Future Creations – DST Technology Localization Plan Implemented	A Benchmarking Report has been completed and proactive interventions have been identified.		
Number of Key sectors supported	Three sectors have been supported Manufacturing Mining Energy	Three (3) priority sectors supported (Manufacturing, Mining, Energy)  - Four(4) Economic Analysis Reports on employment creation and growth potential of industries developed by end of March 2014	3 priority sectors; Manufacturing, Mining and Energy sectors were supported  Economic Analysis report on the Solar Corridor  Issues in strategy for Export Promotion An estimate impact of constructing the Malt Plant  - Mining Linkages between Mining and Manufacturing	None	N/A
	Manufacturing strategy implementation plan is finalised	Manufacturing strategy implemented by end March 2014	Local Accord Implementation Plan developed  A Steering Committee established that comprises of DEDaT, Provincial Treasury, Nafcoc, Nocci, Fabcos and Organised Labour  A provincial Database has been completed.  A Manufacturing Advisory Committee has been established.	None	N/A

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

**Sub-programme: Sector Development**

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
	CAD & CAM Programmes implemented; Skills analysis report completed; Manufacturing skills committee established;	Manufacturing Skills Development interventions developed and implemented by end of March 2014	The interventions have been developed in a form of a report, however ,the implementation could not occur.	The implementation could not occur due to the failure of the Upington FET College to sign the MOU.	
	Special Economic Zones were designated for the Province	Planning report on Special Economic Zone completed by end March 2014	A planning report was completed on Special Economic Zone	None	N/A
	Feasibility and business plans on Manufacturing Clusters were not developed	Business Plans for Manufacturing Clusters implemented by March 2014	Implementation Report developed.	None	Business Plans on Manufacturing Clusters were not developed in the prior financial year
	The Agreements has been tentatively agreed upon but waiting for DMR endorsement and then be signed by all the mines	Agreements secured with (10) mines on Preferential Mining Procurement Initiative (PMPI) by end of March 2014	The agreement has been secured; The Premier and the Northern Cape Mine Managers Association representative from Afrisam Mine signed the agreement on the 23rd January 2014.  The Northern Cape Mine Managers Association mines are:- Petra Diamond Mine( Kimberley), Afrisam, PPC Mine, Kolomela Mine, Kumba Iron Ore, Beeshoek Mine, Kumani Mine, Black Rock mine, BHP Billiton, Petra Diamond (Finch Min)	None	By the end of the 2012/13 financial year, the agreement were not signed and finalised by all the mines
		Ten(10) Companies linked to mining procurement opportunities by March 2014	Only three (3) companies were linked Thusano Contractors R 1 626 620.31 Pule Pule General Trading Pty Ltd - R 936 064.78 Rema Tip Top SA Pty Ltd - R 728 436.73	Seven companies could not be linked to mining procurement due to issues relating to internal adjudication of the mines.	N/A

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

Sub-programme: Sector Development					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
	Mining Desk was established and implementation of first phase is executed.	Phase 2 of Mining Desk implemented by end of March 2014	Phase 2 of the Mining Desk was not implemented	The process of locating the Mining Desk within NCEDA was initiated and Nceda agreed in principle for the process to unfold however the implementation did not take place due to lack of capacity within NCEDA to carry the functions of the Mining Desk.	Phase 1 of the mining desk was executed and Phase 2 is not yet finalised
	The Business case for a Bio-mass initiative in Siyanda District was developed	Bio-mass feasibility and implementation plan developed by 2014	Bio-mass feasibility and implementation plan was developed	None	N/A

### Strategy to overcome areas of under performance

In 2014/15 sub-programme will acquire additional personnel to overcome the challenge of capacity that affected the performance of the sub – programme.

### Changes to planned targets

The original targets of the APP were reviewed and assessed against the capacity of the sub-programme. As a result the target on “One Manufacturing project supported” was removed from the APP.

### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Sector Development	4 936	4 934	2	5 883	4 658	1 225
<b>Total</b>	<b>4 936</b>	<b>4 934</b>	<b>2</b>	<b>5 883</b>	<b>4 658</b>	<b>1 225</b>

### 2.4.3.3. Strategic Initiatives

#### Strategic Objectives, Performance indicators and targets

Government Outcome	Decent Employment through inclusive economic growth
Government Output	More labour absorbing growth
Strategic Objective	Strategic positioning of industries in support of economic growth and development
Objective statement	To facilitate the implementation of strategic programmes to create sustainable jobs, increase businesses established and expand and facilitate economic infrastructure.
Strategic Objective	Facilitation of access to Funding for Businesses
Objective statement	To facilitate and coordinate access to internal and external funding for Businesses in the Northern Cape Province
Baseline	Number of industries that enhance competitiveness within the province Number of solar energy projects initiated and coordinated
Justification	Diamonds form a large part of exports as well as the rich cultural heritage of our province. Diamonds have long been a sustainable income for our province. Solar energy will be very beneficial to the rural communities and will improve the state of our environment
Links	Export opportunities, job opportunities, mining, jewellery manufacturing (Skills) are all the benefits that will surface once strategic initiatives deliver on its targets.



## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### Solar Energy

<b>Sub-programme Strategic Objective</b>	To promote integrated, sustainable economic planning and development to diversify the renewable energy sector
<b>Objective statement</b>	Facilitate strategic, sustainable economic development through the co-ordination of Solar Energy projects.
<b>Baseline</b>	Number of Solar Energy projects initiated and co-ordinated.
<b>Justification</b>	Solar energy is the cleanest, most abundant, renewable energy source available and some of the richest solar resources are shining across our province. Capturing this power will not only give access to affordable, clean energy but also create employment opportunities.
<b>Links</b>	Some of the main benefits will be Solar Energy for rural communities, far from the national electricity grid, remote schools and clinics, energy for rural water supply, solar passive designed housing and solar water heating for households in urban and rural settings and commercial applications. Large-scale utilization of Solar Energy will also reduce the emissions of carbon dioxide, thus contributing to an improved environment both locally and worldwide.

#### Sub-programme: Strategic Initiatives

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of people trained	72 learners have been trained in MQA accredited courses  KIDJA hosted its first graduation ceremony on the 30th November 2012 where 96 MQA accredited certificates was awarded to the learners that completed their training successfully	Facilitate training of Forty five (45) people in MQA accredited courses at KIDJA by 30 November 2013	72 learners have been trained in MQA (Mining Qualifications Authority) accredited courses	27 more learners were trained  A graduation ceremony to issue the certificates was held on the 10 <sup>th</sup> December 2013.	N/A
Number of infrastructure projects supported.	-  Construction of the ablution blocks in the green flank factories has been completed  Construction of incubation centre is not completed. 4.2 Million was sourced from SEDA for the incubation Centre	Three (3) infrastructure projects managed and supported by 31 March 2014  - Construction of a Canteen  - Construction of additional ablution facilities in yellow block  - Construction of Incubation centre	3 infrastructure projects were managed and supported as follows; The Quantity Surveyor was appointed.  The specification documents were completed. The construction work was put out on tender	Due to the delays in the appointment of a contractor the construction will be completed in the second quarter of the new financial year	The target of 2012/13 was the construction of the ablution blocks in the green flank and target was achieved. The target for the financial year 2013/14 was to construct ablution facilities in the yellow block and the construction of the canteen which have not been achieved.

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

Sub-programme: Strategic Initiatives					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of strategies implemented and managed	-	Two strategies implemented and managed by 31 March 2014:  - Exit strategy for ex-KIDJA students implemented by end of 31 March 2014.	Three KIDJA graduates are employed in a diamond cutting and polishing factory as diamond cutters and polishers	None	N/A
		- Diamond strategy fund managed by 31 March 2014	The Diamond Strategy funding has been managed and Quarterly reports to this effect were submitted to the dti, reporting on the utilisation of funding for the HUB project and the KIDJA project	None	None
Number of diamond cutting and polishing and Jewellery Manufacturing factories operationalized in the HUB	-	Facilitate the operationalization of two(2) diamond cutting and polishing and Jewellery manufacturing facilities by 31 March 2014  One (1) diamond cutting and polishing and Jewellery Manufacturing incubation centre 31 March 2014	No facilitation was done on the diamond cutting, polishing and jewellery facilities	The incubation can only be operational once the construction of the incubation is completed  Target will be achieved in Q2 of 2014/2015 financial year	N/A

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

Sub-programme: Strategic Initiatives					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
		One (1) diamond cutting and polishing foreign company by 31 March 2014	Diamond cutting and polishing foreign company was not operationalized	<p>Target was not achieved due to the fact that the securing of additional consistent supplies of rough diamonds is a major barrier hampering the operationalization of the foreign company</p> <p>Electrical connections/access control system and building alteration work completed for phase 1 to the allocated factory of FS Diamonds at the Kimberley Diamond and Jewellery centre.</p> <p>FS Diamonds received their first allocation of rough diamond supplies from the State Diamond Trader</p>	N/A
Number of agreements implemented	-	<p>Two agreements implemented by 31 March 2014</p> <p>- Manage and implement the co-operative agreement signed with one foreign company by 31 March 2014</p>	No agreements were implemented	The foreign company first needs to be operational before this process can unfold	N/A
	-	Oversight and monitor the MOU's signed with Diamond cutting and polishing and jewellery manufacturing SMME's by 31 March 2014	The MOUs signed with the SMMEs has been monitored and the SMMEs were advised on the status of their MOUs and what is expected from them.	None	N/A

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

Sub-programme: Strategic Initiatives					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of regional funding forums meetings conducted	-	Twenty(20) Regional Funding Forum meetings	No Funding Forum meetings were held	Due to human resource constraints the funding forum meetings were incorporated with the LED Forum  4 LED Forum meetings were utilised for this purpose	N/A
Number of contact meetings with funding Institutions	4 Meetings were conducted with funding institutions	Eight (8) meetings conducted with Funding institutions	No meetings were conducted with Funding institutions	Due to human resource constraints Funding Institutions were rather engaged at the 3 Provincial Projects steering Committee (PPSC) meetings.	All the meetings scheduled during the 2012/13 financial year, were conducted. There was an additional 4 meetings during the year under review and none were conducted
Number of Businesses and/ or applications linked with National Funding institutions	5 SMME's/ applications were linked with national funding institutions.	Ten(10) Businesses / applications linked with National Funding institutions by 31 March 2014	Ten business applications were linked with National Funding Institutions	None	During the current year, all targeted business were linked to the National funding Institution and Only 5 SMMEs were able to be linked during the 2012/13 financial period
%increase in the take up rate of National funding by businesses in the Northern Cape province	-	Increase the rate of National funding to the Northern Cape Province by 3%	National funding rate could not be increased	Target not achieved due to human resource constraints	N/A
Implementation of the Renewable Energy Strategy	-	Implement the Renewable Energy Strategy	The Renewable Energy Strategy implemented;  Discussions held at the Skills Development Forum regarding Incubation Centre, Upington Solar Plant, IPP's and DOE plans for off-grid RE.	None	N/A

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

Sub-programme: Strategic Initiatives					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
			<p>The Report submitted to OTP for the Training held in Germany</p> <p>Value chain opportunities researched, a flow diagram drafted</p> <p>Proposal and SMME's skills audit completed in relation to employment opportunities in Renewable Energy Sector</p>		

#### Strategy to overcome areas of under performance

To form strong relations with the private sector (Diamond cutting and polishing companies) to create jobs for the KIDJA graduates, in order to implement the exit strategy.

Link the foreign company to suppliers of rough diamonds. This will enable the foreign company to purchase additional (cut table goods) directly from these prospective suppliers, which will provide the foreign company with slightly cheaper priced (cut table) supplies of rough diamonds in order to sustain the foreign company operation at the KD&JC. Once the additional (cut table) supplies of rough diamonds are secured for the foreign company will the remaining aspects of the project unfold.

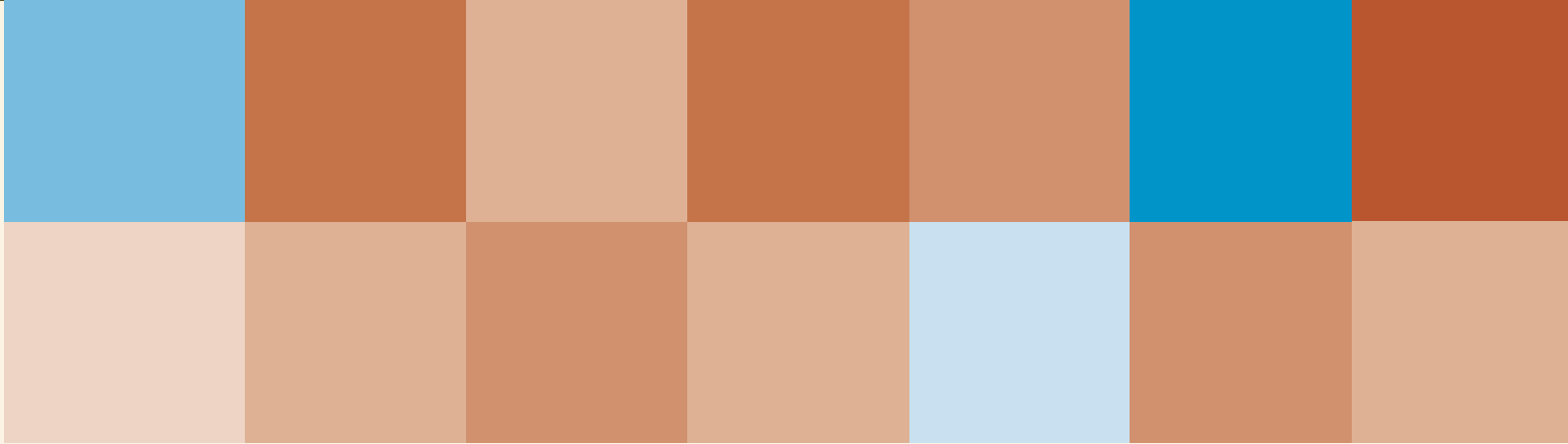
In addition, the funding unit under the sub-programme Strategic Initiatives was consistently operating with only 25% of its total funded and approved staff compliment. This was brought about by delayed appointments. This placed substantial pressure on the sub-programme.

#### Changes to planned targets

N/A.

#### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Strategic Initiatives	7 936	7 782	154	10 229	6 523	3 706
<b>Total</b>	<b>7 936</b>	<b>7 782</b>	<b>154</b>	<b>10 229</b>	<b>6 523</b>	<b>3 706</b>



**PROGRAMME 4:  
BUSINESS REGULATION  
AND GOVERNANCE**

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### 2.4.4. Programme 4: Business Regulation and Governance

**Purpose of programme:** to regulate business practices and ensure compliance with relevant legislation whilst optimizing revenue collection and monitoring departmental agencies.

##### 2.4.4.1. Governance

##### Strategic Objectives, Performance indicators and targets

<b>Government Outcome</b>	An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship
<b>Government Output</b>	Business processes, systems, decision rights and accountability management
<b>Strategic Objective</b>	Provision of support and promotion of good governance to public entities and the department
<b>Objective statement</b>	To promote good governance of Public entities and agencies and remove barriers in the broader business environment which inhibit business development
<b>Baseline</b>	Nature of reports received in respect of public entities and agencies.
<b>Justification</b>	It contributes to good governance and the attainment of economic goals.
<b>Links</b>	Contribution to the PGDS

Sub-programme: Governance					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviations	Variance from 2012/2013 to 2013/2014
Number agency performance reports received and analysed	Sixteen(16) agency performance reports received and analysed - Four (4 ) reports on the Liquor Board - Four (4) reports on the Gambling Board - Four (4) reports on NCEDA - Four (4) reports on NCTA	Sixteen(16) agency performance reports received and analysed; - Four (4) reports on the Liquor Board - Four (4) reports on the Gambling Board - Four (4) reports on Consumer Authority - Four (4) reports on Consumer Court	16 agency performance reports were received and analysed per quarter; - Liquor Board - Gambling Board - Consumer Authority - Consumer Court	None	N/A
Reporting on Entity compliance	One hundred percent (100%) compliance to policies, legislation and regulations.	Four (4) entity compliance reports submitted.	4 entity compliance reports were submitted.	None	N/A
	-	Conduct 1 compliance workshop for entities.	Conducted 1 compliance workshop for all the entities.	None	N/A
Development and Implementation of the system description for the Entities in line with the PFMA	-	Develop System description for entities	A System description was developed for entities	None	N/A
	-	Conduct 4 workshops on system description for Entities	1 workshop was held on system description for all four (4) Public Entities.	one workshop for all four entities was conducted instead of four individual workshops	N/A

#### Strategy to overcome areas of under performance

N/A

#### Changes to planned targets

None

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

**Sub-programme expenditure**

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Corporate Governance	1 472	1 472	-	2 189	2 189	-
<b>Total</b>	<b>1 472</b>	<b>1 472</b>	<b>-</b>	<b>2 189</b>	<b>2 189</b>	<b>-</b>

**2.4.4.2 Regulations Services****Strategic Objectives, Performance indicators and targets**

<b>Government Outcome</b>	An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship
<b>Government Output</b>	Business processes, systems, decision rights and accountability management
<b>Strategic Objective</b>	Identification of and addressing barriers in the broader business environment.
<b>Objective statement</b>	To identify and address barriers in the broader business environment which inhibit business development.
<b>Baseline</b>	Number of barriers identified and addressed in the previous year.
<b>Justification</b>	It contributes to an environment conducive to economic growth and job creation.
<b>Links</b>	Contributes to a fair, regulated trade environment and good governance.

Sub-programme: Regulation Services					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of barriers identified	Three (3) barriers identified: - Issuing compliance notices. - Limitation that Chairpersons of Boards should reside in the Northern Cape Province - Challenges identified regarding the implementation of the N C Gambling Act.	Four (4) barriers identified	1 barrier identified which is the non-existence of the Consumer Regulations.	Three barriers were not identified because the unit is not 100% operational. The BR&G Programme is in the process of establishing a fully operational unit.	Only 1 barrier was identified in the current year under review as opposed to 3 barriers identified in 2012/13
Number of barriers addressed	Two (2) barriers addressed: - Proposed amendment to the Gambling Act completed - will follow legislative process during 12/13 - Amendment regarding place of residence of Chairpersons of the Boards	Four (4) barriers addressed.	1 barrier addressed. Consumer Regulations have been drafted in English and Afrikaans which will assist the Consumer Protection Authority and Consumer Court to function optimally. The regulations have been signed off by the MEC for publication.	Three barriers were not identified because the unit is not 100% operational. The B&G Programme is in the process of establishing a fully operational unit.	Only 1 barrier was addressed in the current year under review as opposed to 2 barriers addressed in 2012/13



## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### Strategy to overcome areas of under performance

The department is in the process of establishing a fully operational Regulation services unit

#### Changes to planned targets

None

#### 2.4.4.3. Consumer Protection

##### Strategic Objectives, Performance indicators and targets

<b>Government Outcome</b>	An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship
<b>Government Output</b>	Service delivery quality and access Business Processes, systems, decision rights and accountability Management
<b>Strategic Objective</b>	Promotion and protection of consumer rights.
<b>Objective statement</b>	To Inform, educates and protect the rights and interests of all consumers in the province.
<b>Baseline</b>	Number of complaints resolved
<b>Justification</b>	Fair regulated trade environment
<b>Links</b>	Well informed consumers, knowledge of their rights

#### Sub-programme: Consumer Protection

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of consumer education and awareness programmes conducted.	Nineteen (19) consumer education programmes conducted.  - Pixley ka Seme - 7 - Frances Baard - 2 - Siyanda - 4 - Namaqua - 6 - JTG - 0	Sixty (60) education and awareness programmes conducted in the Province. (3 per district per quarter)	74 education and awareness programmes conducted  - Frances Baard: 14 - ZFM: 11 - Namakwa: 10 - Pixley ka Seme: 24 - JTG: 15	Exceeded target by fourteen Utilisation of available resources available to perform functions efficiently and effective	Compared to prior year, the target increased by 40 and there was an overachievement to the set targets for the year under review
Number of complaints received and investigated	234 complaints received  Referred – 3 (Free State Consumer Protection)	Six Hundred (600) complaints received and investigated	926 complaints received and investigate	Exceeded target by three hundred and twenty six (326) Utilisation of available resources available to perform functions efficiently and effective	There was an 84% underachievement during 2012/13 that led to the current targets being reduced from 1500 to 600. Target were however overachieved compared to prior year
Number of complaints resolved	121 complaints resolved	Four Hundred (400) resolved complaints	470 complaints resolved	Exceed target by seventy Utilisation of available resources available to perform functions efficiently and effective	Due to prior year target of 1500 not being met, the current year target was reduced to 400 and overachieved

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Consumer Protection					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of Court hearings (Adjudication over unresolved matters referred to the Consumer Court)	Court sittings did not take place	Twelve (15) court hearings	1 court hearing conducted  Frances Beard: 1	Eleven Regulations were published late in the financial year 2013/14.	Consumer court sitting only took effect towards the end of the 2013/14 financial year as opposed to no sittings in 2012/13
Number of Inspections conducted	-	One hundred and twenty (120) inspections conducted in the Province.	127 inspections conducted	Exceeded target by seven Utilisation of available resources available to perform functions efficiently and effective	N/A

#### Strategy to overcome areas of under performance

The Consumer Court is now operational. Court sittings did not take place because the Consumer Court's regulations were promulgated towards the end of the financial year.

#### Changes to planned targets

With regards to Number of complaints received and investigated, there was an 84% underachievement during 2012/13 that led to the current targets being reduced from 1500 to 600. Target was however overachieved compared to prior year.

Due to prior year target of 1500 not being met of number of complaints resolved, the current year target was reduced to 400 and overachieved.

#### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Consumer Protection	8 420	8 419	1	5 541	4 928	613
<b>Total</b>	<b>8 420</b>	<b>8 419</b>	<b>1</b>	<b>5 541</b>	<b>4 928</b>	<b>613</b>

#### 2.4.4.4. Liquor Regulation

#### Strategic Objectives, Performance indicators and targets

<b>Government Outcome</b>	An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship
<b>Government Output</b>	Business processes, systems, decision rights and accountability management
<b>Strategic Objective</b>	Regulation of the liquor industry
<b>Objective statement</b>	To promote and maintain an effective and efficient regulatory system for the liquor industry
<b>Baseline</b>	Number of liquor licence applications processed.
<b>Justification</b>	Prevention of illegal practices within the liquor industry
<b>Links</b>	A well regulated liquor industry with minimum illegal outlets in the province.

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

Sub-programme: Liquor Regulation					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of liquor license applications received	540 liquor licences applications were received	receive 100% liquor license applications	552 licence applications received	N/A	Twelve more licences were issued compared to prior financial year
Number of liquor license issued	512 liquor licences were approved and issued	issue 80% liquor license	489 licences issued	None	Less than twenty three liquor licences were approved and issued compared to prior year
Number of awareness programmes conducted.	-	Conduct 40 awareness programmes.	9 awareness campaigns conducted	Thirty one less awareness campaigns conducted due to Budget constraints	N/A
Number of people reached through awareness programmes	-	Reach 1372 people through awareness programmes	820 people reach through awareness programmes	Five hundred and fifty two Less people reached due to non-achievement of 31 awareness campaigns	N/A
Number of inspections conducted	-	Conduct 2400 inspections	1902 inspections conducted	Four hundred and ninety eight less inspections due to Budget constraints	N/A
Number of social responsibility programmes conducted	-	Conduct 12 social responsibility programmes	6 social responsibility programmes conducted	Six less responsibility programmes conducted due to budgets constraints	N/A

### Strategy to overcome areas of under performance

Activity based budgeting to be implemented properly and bid for more funding from Treasury were necessary

### Changes to planned targets

None

### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Liquor Regulation	7 698	7 698	-	7 622	7 622	-
<b>Total</b>	<b>7 698</b>	<b>7 698</b>	<b>-</b>	<b>7 622</b>	<b>7 622</b>	<b>-</b>

#### 2.4.4.5. Gambling and Betting

### Strategic Objectives, Performance indicators and targets

<b>Government Outcome</b>	An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship
<b>Government Output</b>	Business Processes, systems, decision rights and accountability Management
<b>Strategic Objective</b>	Regulation of the Gambling and Betting Industry
<b>Objective statement</b>	Promote and maintain an effective and efficient regulatory system for the gambling and betting industry.
<b>Baseline</b>	Number of licenses issued.
<b>Justification</b>	It contributes to a regulated gambling and betting industry
<b>Links</b>	Contributes to a fairly regulated trade environment and good governance

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Gambling and Betting					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of Gambling licenses issued	-	issue 100% gambling license	100% achieved as per applications received as follows: - 114 gambling employee licences - 88 key employee licences - 9 bookmaker licenses  Renewal of the following licenses: - 2 Casino operating licenses - 3 Totalisator licenses - 1 bookmaker license - 1 horseracing license	None	N/A
Number of awareness programmes conducted	-	One(1) Awareness campaign held in each district	No awareness campaigns conducted	Target not achieved due to budgetary constraints	N/A
Number of inspections conducted.	-	Conduct 100% inspection of all gambling equipment in all licensed establishments	100% inspections conducted per request and compliance audits were on 468 machines	None	N/A
Number of compliance audits conducted	-	conduct (4) compliance audits	4 compliance audits conducted	None	N/A
Number of social responsibility programmes conducted	-	conduct (4) responsibility programmes	No responsibility programmes conducted	Target not achieved due to budgetary constraints	N/A

#### Strategy to overcome areas of under performance

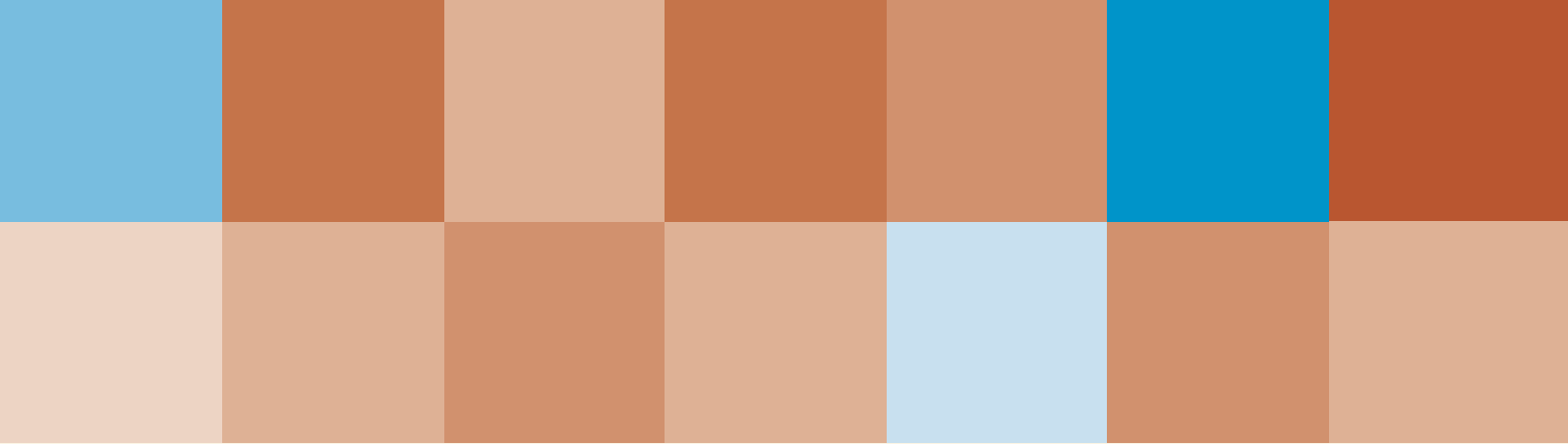
Activity based budgeting to be implemented properly and bid for more funding from Treasury for awareness campaigns and responsible gambling programmes

#### Changes to planned targets

None

#### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Gambling and Betting	10 035	10 034	1	10 191	10 191	-
<b>Total</b>	<b>10 035</b>	<b>10 034</b>	<b>1</b>	<b>10 191</b>	<b>10 191</b>	<b>-</b>



# PROGRAMME 5: ECONOMIC PLANNING

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### 2.4.5. Programme 5: Economic Planning

**Purpose of programme:** is to support and facilitate the transformation, diversification and growth of the provincial economy by developing economic policies and strategies informed by relevant economic research towards knowledge based society.

##### 2.4.5.1. Policy and Planning

###### Strategic Objectives, Performance indicators and targets

<b>Government Outcome</b>	Decent Employment through inclusive economic growth
<b>Government Output</b>	<ol style="list-style-type: none"> <li>1. Faster and sustainable growth</li> <li>2. More labour absorbing growth</li> <li>3. Multi-pronged strategy to reduce youth unemployment</li> <li>4. Increase competitiveness to raise net exports , grow trade as a share of world trade and improve its composition</li> <li>5. Appropriate cost structure in the economy</li> <li>6. Improved support SMME and Cooperatives</li> <li>7. Expansion of the EPWP</li> </ol>
<b>Strategic Objective</b>	Effective and integrated Economic Planning and Policy development
<b>Objective statement</b>	Promote effective and integrated economic planning and policies for economic growth and development.
<b>Baseline</b>	Number of policies and strategies developed
<b>Justification</b>	Policies and plans should be developed to take into account the new mandates and incorporate it in to departmental plans pertaining to that specific section.
<b>Links</b>	Effective reporting against new mandates can be done. Planning can be done more effectively

Sub-programme: Policy and Planning					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of economic strategies reviewed and developed.	One (1) Draft Renewable Energy Strategy Developed. Service provider was appointed and the following deliverables were produced <ul style="list-style-type: none"> <li>• Inception Report</li> <li>• Case study analysis</li> <li>• Baseline Profiling</li> <li>• Desired state of Development and gap analysis</li> </ul> One (1) mineral beneficiation strategy analysed and action list compiled	One (1) Analysis of Trade and investment strategy	Analysis of the National Trade and export promotion conducted. The analysis will inform the provincial trade and investment strategy	None	N/A
		Five (5) District Municipal IDP's reviewed	5 District Municipal IDPs analysed to ensure alignment to national and provincial Economic policies.		
		One(1) Renewable energy strategy developed	A Renewable Energy Strategy developed and consultation on the strategy was held across districts		
Number of economic policies analysed and reviewed.	One (1) Policy Development Guidelines  One (1) New Growth Path reviewed	One (1) PGDS analysed	PGDS analysed and gaps analysis conducted to ensure alignment to the NDP	None	N/A
		One (1) policy reviewed.	One Policy reviewed -Youth Accord analysed	None	N/A

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Policy and Planning					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of Planning Forum convened	Three (3) Planning Forum meetings convened and reports produced	Four (4) planning forum convened	6 planning Forum meetings convened and report produced	Target exceeded by two forums due to two Special Planning Forum meetings convened	Current year's target was reached and exceeded by two more special Planning Forum Meetings compared to prior year
		Four (4) planning forum reports produced	6 Planning Forum reports produced	Target exceeded by two reports due to Special Planning Forum meetings convened in addition to the planned forum meetings	
Number of Economic Sector Implementation Forum (EconSIF) convened	Two (2) EconSIF reports produced	Four (4) Econ SIF convened	4 EconSIF Forum convened. Outcome 4 implementation forum focused on developing programme of Action for 2014-19 MTSF	None	All four EconSIF forum were convened compared to prior year where the target was underachievement by two
Number of socio-economic dialogue with relevant stakeholders to facilitate implementation of policies and strategies	-	One (1) NGP stakeholder engagement convened	1 NDP workshop held in consultation with COSATU, OTP and relevant stakeholders	None	N/A

#### Strategy to overcome areas of under performance

N/A

#### Changes to planned targets

There are two indicators that were affected by changes:

- The indicator on Number of economic policies analysed and reviewed. The initial target was "One PGDS reviewed" The target was changed to one PGDS analysed. Focus was on compiling a comprehensive analysis of the current PGDS and identifying areas of alignment to the National Development Plan.
- The indicator relating to Number of Economic Cluster reports completed. This indicator was moved to Technical Economic Cluster Secretariat Unit.

#### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Policy and Planning	2 475	2 474	1	2 448	1 519	929
<b>Total</b>	<b>2 475</b>	<b>2 474</b>	<b>1</b>	<b>2 448</b>	<b>1 519</b>	<b>929</b>

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

## 2.4.5.2. Research and Development

**Strategic Objectives, Performance indicators and targets**

<b>Government Outcome</b>	Decent Employment through inclusive economic growth
<b>Government Output</b>	<ol style="list-style-type: none"> <li>1. Faster and sustainable growth</li> <li>2. More labour absorbing growth</li> <li>3. Multi-pronged strategy to reduce youth unemployment</li> <li>4. Increase competitiveness to raise net exports , grow trade as a share of world trade and improve its composition</li> <li>5. Appropriate cost structure in the economy</li> <li>6. Improved support SMME and Cooperatives</li> <li>7. Expansion of the EPWP</li> </ol>
<b>Strategic Objective</b>	Facilitation of Efficient Economic Research
<b>Objective statement</b>	To conduct and facilitate economic research that will inform economic planning to promote growth and development.
<b>Baseline</b>	Number of research reports compiled.
<b>Justification</b>	To conduct research on certain topics identified by the research Agenda will enable the department to identify projects and programmes that will contribute towards growth of the provincial economy.
<b>Links</b>	Effective research will enable the department to look at all possible views and come up with innovative approaches to tackle economic related issues.

## Sub-programme: Research and Development

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of research reports compiled.	<p>Two research reports compiled</p> <ol style="list-style-type: none"> <li>1. An economic analysis of the Provincial Spatial Development Framework regarding the impact of strategic integrated projects on the economically marginalised whilst identifying possible economic opportunities for grant holders located within these areas.</li> <li>2. The impact of water-cuts on businesses in the Sol Plaatjie municipal area</li> </ol>	<p>One (1) research report compiled and tabled:</p> <p>A socio-economic analysis of the impact of the provincial integrated projects on infrastructure planning required to promote economic growth and job creation</p>	A research report was not compiled	<p>Research report was not done due to shortage of personnel as Staff in the unit was transferred to Communications and Economic Technical Committee Secretariat Unit</p> <p>Only a proposal was developed:</p> <ul style="list-style-type: none"> <li>- Socio-economic Analysis of the Impact of the SIPs on infrastructure planning required for promotion of economic growth and job creation</li> </ul>	0 research reports compiled in 2013/14 as opposed to 2 in 2012/13



**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

Sub-programme: Research and Development					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of research and development initiatives supported.	Four(4) research and development initiatives supported which include:  Renewable Energy Preliminary research conducted on the renewable energy sector. - Compiled a presentation on the Green Economy. - A provincial renewable energy database of projects in the Northern Cape was updated -Member of the technical working and steering committee for the Provincial Renewable Energy Strategy	Two(2) research and development initiatives supported: - Renewable Energy - Mining Beneficiation	2 research initiatives were supported; Support rendered in terms of the Mineral Beneficiation Strategy and the Provincial Renewable Energy Strategy (PRES) The PRES and Mineral Beneficiation Strategy analysis have been completed	None	2 research and development initiative were targeted and supported in 2013/14 as opposed to 4 achieved in 2012/13
Number of Economic intelligence reports developed	Four reports compiled Q1 Economic Overview - A baseline documents compiled for the job summit - Economic opportunities and constraints in the NC Q2 Economic Overview - A brief economic overview of the Province was compiled. Q3 Economic Overview - A brief economic overview of the Province was compiled Q4 Economic Overview - A comprehensive annual sectorial economic intelligence report compiled	Three (3) Economic intelligence reports developed:	2 Economic Intelligence Reports were developed: Analysis of Unemployment in the Northern Cape: the Role of Rural_urban Migration and Related Social Factors Analysis of the Gap Between Labour Market Needs and the Competencies of Job Seekers Using the ESSA Database of the Department of Labour	One less report developed due to transfer of staff in the unit transferred to Communications and Economic Technical Committee Secretariat Unit	Compared to prior year, the current year target was reduced by two reports and only Economic Intelligence Report was developed
One (1) DeDat Research Agenda reviewed and tabled	One Research agenda reviewed.	One (1) DeDat Research Agenda reviewed and tabled	DEDaT research Agenda was not reviewed	Target not achieved due to Assistance rendered on the revitalisation of the Provincial Research Forum Successful Provincial Research Colloquium hosted	Target for the current financial year was not achieved opposed to 2012/13 financial period
	-	One structured interaction with relevant stakeholders	Provincial Skills Development Forum and hosting of the Provincial Skills Development Consultative Initiative hosted by the OTP	None	N/A

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### Strategy to overcome areas of under performance

The issue shortage of personnel has already been addressed. Towards the end of 2013/14 financial year two assistant managers have joined the unit making a huge difference and we will shortly welcome the senior manager. Recruitment for the manager has commenced and it is hoped that the process will conclude by the end of the first quarter.

#### Changes to planned targets

In-year, in order to improve planning, execution and quality of outputs, the number of research reports were reduced (from four to two), reduced the number of R&D initiatives supported (from four to two). The reason for these changes was for practical reasons relating to history of achievement against targets and also to improve the quality of outputs.

The first reason relates to the staff complement of the unit, financial resources, and the vast geography of the province and historical analysis of performance against planned targets. In order to improve it is necessary to set realistic targets taking into account processes and procedures for implementing work and obtaining required approvals. The second reason is entirely for quality purposes and ensuring that resources are allocated properly. The number of R&D initiatives should be commensurate with the human and financial resources at the disposal of the unit.

#### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Research and Development	3 109	2 702	407	3 121	2 415	706
<b>Total</b>	<b>3 109</b>	<b>2 702</b>	<b>407</b>	<b>3 121</b>	<b>2 415</b>	<b>706</b>

#### 2.4.5.3. Knowledge Management

##### Strategic Objectives, Performance indicators and targets

Government Outcome	An efficient, competitive and responsive economic infrastructure network
Government Output	Communication and information technology
Strategic Objective	Facilitation of Knowledge based economy
Objective statement	Develop a knowledge society to promote economic development.
Baseline	Number of economic intelligence reports developed.
Justification	Within the public sector, innovation and technology plays a vital role. The department should ensure that service delivery should be made more convenient by utilising effective technological tools.
Links	More convenient and user friendly methods of processing data/information.

Sub-programme: Knowledge management					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of provincial Economic Intelligence reports published.	No reports published	100% of departmental economic intelligence reports published.	100% of the Economic Intelligence reports received were published; - Unemployment Analysis Report (Glsiang) - Analysis of the gap between labour market needs and the competencies of jobseekers using the ESSA database of the Department of Labour	None	2 reports were published during the 2013/14 financial year

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

**Sub-programme: Knowledge management**

<b>Performance Indicator</b>	<b>Actual Achievement 2012/2013</b>	<b>Planned Target 2013/2014</b>	<b>Actual Achievement 2013/2014</b>	<b>Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation</b>	<b>Variance from 2012/2013 to 2013/2014</b>
Number of Enterprise Information Architecture (EIA) and Management Information Systems (MIS) Systems developed and maintained.	Captured , mapped & modelled Business Processes - 17 for Corporate Services - 13 for Administration - 6 for Supply Chain Management - 4 for Risk Management Unit	Two (2) EIA systems developed.	4 online portals were developed: IYM and Budget Information. War on Poverty Portal ETAC Portal Renewable Energy	Two more systems were developed due to an increase in the number of requests	None
	- 1 for Registry Unit - 2 Knowledge Management - 2 Business Regulations and Governance Assisted the registry unit with - Creation of a Document Management System (Alfresco). - Training on document creation structure. - Development of Project implementation Plan for Electronic Registry Filing System.	Two (2) MIS system developed	5 Systems and databases were developed and implemented; - Papertrail Departmental Records Management System - SMME Intervention Management Information System. - SMME Intervention Management rural Mobile Solution. - Supply Chain Management Database. - Asset/Resource Booking System	The target is exceeded by 3 systems due to an increase in the number of requests	None
	Completed Analysis, Planning and Design Phases for systems requested by the RALED Sub Programme: -Meeting Management System. - Reporting and Planning System. - Registered Central E-mail account for Intranet and Internet Website for content management. -Developed templates for the tested and evaluated Adobe Lifecycle Process Management Solution extensively. - Designed and Developed Domestic Travelling Process Form for testing in Supply Chain Management Environment.	One (1) Departmental IT strategy reviewed.	The Department IT Strategy has been completed	None	None

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

Sub-programme: Knowledge management					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
	<ul style="list-style-type: none"> <li>- Developed 100% of Municipal Database System for LED Sub Programme.</li> <li>- Created Web Portals for all Programmes and sub programmes on the departmental repository (Alfresco)</li> <li>- Created the File Plan (H1 to H10) in Records Management Portal.</li> <li>- Designed Human Resource and Financial Dashboards using SiSense Prism.</li> </ul>	One (1) EIA and One (1) MIS plan reviewed.	<ul style="list-style-type: none"> <li>- EIA Plan updated</li> <li>- MIS Plan updated</li> </ul>	None	None
	<p>Completed the following modules on MANDE:</p> <ul style="list-style-type: none"> <li>- Variable Validation module.</li> <li>- MANDE reporting module.</li> <li>- Security, Notifications</li> <li>- Supporting Document Registered , captured and upload high impact projects</li> </ul> <p>Registered (M&amp;E) MANDE users and Training. Implemented a Web Based Leave Management solution in Economic Planning programme. Implemented a Web Based Task Management System in the Knowledge Management sub-programme. Created a portal for the Renewable Energy Strategy development working committee, with document structure and user rights.</p>	EIA and MIS systems maintained.	<p>EIA and MIS systems (Departmental systems and Websites) were maintained;</p> <p>MANDE</p> <ul style="list-style-type: none"> <li>- Developed Training Manual for MANDE.</li> <li>- Departmental Intranet and Internet Websites</li> <li>- Conducted Training on all Departmental Databases and Systems developed and Implemented.</li> </ul>	None	None
		Mapping and modelling of One (1) Programme Business process	Conducted Mapping and Modeling of Programme 6 as follows;	None	None

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

**Sub-programme: Knowledge management**

<b>Performance Indicator</b>	<b>Actual Achievement 2012/2013</b>	<b>Planned Target 2013/2014</b>	<b>Actual Achievement 2013/2014</b>	<b>Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation</b>	<b>Variance from 2012/2013 to 2013/2014</b>
Number of Digital Infrastructure initiatives facilitated	-	Conduct a broadband penetration baseline for the Northern Cape.	Research ICT Africa is conducting a study in collaboration with Georgia Institute of Technology to measure the quality of broadband services in South Africa; Knowledge Management has installed Infrastructure in Kimberley to be part of this study. September Report. Research ICT Africa conducted a broadband study in conjunction with KM concluded in September 2013.	None	N/A
		Facilitate the development of IT Infrastructure projects:	Facilitated the development of; UPS Fire Suppression CCTV Netbots – environmental control. Biometrics access control. Meeting held with MTN w.r.t. Bloodhound legacy project support on school connectivity in the Mier area. Implementation of the broadband on demand solution for the Kimberley Diamond Cup, International Skateboard event.	None	N/A

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

Sub-programme: Knowledge management					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
		Lobby donor / grant funding for IT infrastructure development projects.	Enterprise Ireland contacted for possible support towards implementation of the NC Information Society Strategy.  Lobbied Foreign Ministry of Finland for funding support for the eBox and Refurbishment Center projects.  Telecom was held with the DOC and the Dialogue Facility - in pursuance of EU funding support for the 20 school pilot in JTG.  Registered proposal for PPP funding from Provincial Treasury.	None	N/A
		Wireless Mesh Network Pilot in the John Toalo Gaetsewe District – Phase 1 implemented.	Wireless Mesh Network for John Toalo Gaetsewe District: - Project managed implementation of the Wireless Mesh network by the CSIR. - Identifying service providers in the district and developing the stakeholder and guests lists.	None	
		Implementation of the Service Delivery Improvement Platform in Schools.	Telecom and Meetings were held with ELISA (Finland) and Dream School - to relook the Service Delivery Improvement Platform and to lobby the Dream School Platform for testing in the Province.	None	

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

**Sub-programme: Knowledge management**

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of e-SMME development initiatives for a digital literate economy.	Presented INSPIRE to Moepathutse ICT Solutions for possible ICT opportunities in the Northern Cape. Assisted two SMMEs that is, Agisanang Software and Phakamo Technologies in identifying business opportunities in the Northern Cape. Assisted an SMME, 'Agisanang Software' with Spectrum license application to ICASA. Meeting held with SMME to assist with understanding of technology within an archiving facility. Assisted Latita ICT to improve web development skills. shared provincial IT opportunities emanating from the Northern Cape Information Society Strategy with Techno Brain IT Company. 5 SMME Websites developed.	Conduct a Baseline study to determine ICT penetration in the Tourism sector.	50 tourism SMMEs assessed through a baseline study to determine their usage of ICT as an enabler in their business.  Baseline Study recommendations to be used to identify possible solutions to assist Tourism SMME's to improve their businesses through the usage ICT.	None	N/A
		Conduct a baseline study of the ICT skills in SMME's.	Conducted an ICT SMME survey to identify their skill gaps and compiled a report in planning ICT training requirements.	None	None
		Host 5 Training workshops for ICT SMME's	Conducted IT training workshops for 64 SMME's across province in the following : - Basic IT literacy - Open Source Business Models - Website design using Woza online	None	None
		SMME Assessment Report developed. Reviewed and finalised the e-SMME report for the INSPIRE project end report. Met Head of Communications at the OTP to look at the establishment of the Northern Cape Information Society Technical Committee. Teleconference held with the DST to look at commercialisation aspects of the SKA. Met Professor Conrad Mueller (WITS) and Professor Benet Alexander (CPUT) to assist in developing ICT Curricula for the new Northern Cape University that will assist in SMME development in the ICT space			

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### Strategy to overcome areas of under performance

The unit, going forward, will place greater emphasis on the knowledge economy aspects of information and communication technologies. This implies an emphasis on improving access and encouraging greater utilisation of ICTs by citizens and enterprises including the government. This will improve efficiencies in the economy individuals and enterprises respectively. This translates into a greater outward focus for the unit and as a result, due to limited state resources, increased lobbying of funding for the ICT sector in the province. The latter will focus on engagement with the private IT stakeholders and also SIP 15 which seeks to ensure expanded access to communication technology.

#### Changes to planned targets

The implementation of a management decision to restructure the Knowledge Management sub-programme had implications for the indicators and targets. The unit was split between IT Support and Knowledge Management respectively with the former relocating to Corporate Services and the latter staying with Economic Planning. The number of indicators were reduced from seven to four for the unit also substantially reducing the number of targets. The prevalence of composite targets stayed however.

The changes were necessitated by the restructuring to a great degree. However, indicators were also improved as they were now complying with the SMART principle.

#### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Knowledge Management	5 625	5 624	1	7 024	6 096	928
<b>Total</b>	<b>5 625</b>	<b>5 624</b>	<b>1</b>	<b>7 024</b>	<b>6 096</b>	<b>928</b>

#### 2.4.5.4. Monitoring and Evaluation

##### Strategic Objectives, Performance indicators and targets

<b>Government Outcome</b>	Decent Employment through inclusive economic growth
<b>Government Output</b>	<ol style="list-style-type: none"> <li>1. Faster and sustainable growth</li> <li>2. More labour absorbing growth</li> <li>3. Multi-pronged strategy to reduce youth unemployment</li> <li>4. Increase competitiveness to raise net exports , grow trade as a share of world trade and improve its composition</li> <li>5. Appropriate cost structure in the economy</li> <li>6. Improved support SMME and Cooperatives</li> <li>7. Expansion of the EPWP</li> </ol>
<b>Strategic Objective</b>	Effective monitoring and evaluation of service delivery initiatives
<b>Objective statement</b>	Monitor and evaluate policies, projects, plans and strategies to measure their impact.
<b>Baseline</b>	Number of monitoring and evaluation reports developed.
<b>Justification</b>	To monitor and evaluate departmental performance to understand if the correct plan of action was implemented. To measure the overall performance of a system to evaluate if the correct systems are in place or if systems should be reviewed and improved upon.
<b>Links</b>	The achievement of this sub programme will allow managers to get an in depth knowledge of what systems will work with what processes therefore increasing departmental performance.



**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

Sub-programme: Monitoring and Evaluation					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of monitoring reports produced	3 monitoring reports - 1 Monitoring report on all SMME projects visited within the 5 regions of Northern Cape. - 1 Monitoring Report on Co-operatives - 1 report on the Monitoring of the Management Performance Assessment Tool (MPAT)	Six (6) monitoring reports: - Four (4) Outcome 4 monitoring reports; - Two (2) projects monitoring reports.	6 monitoring reports were produced; - Four Outcome 4 monitoring reports and - Two projects monitoring reports.	None	Three more reports were produced compared to prior year. Only 4 reports were targeted in the 2012/13 financial period
Number of evaluation reports produced	1x Evaluation report on all SMME projects visited within the 5 regions. 1x Evaluation report on the Implementation of Policies in the department. 1x Evaluation report on the implementation of the strategic plan	Two (2) evaluations reports; - One (1) Department 2013/14 Strategic plan evaluation report. - One (1) High Impact evaluation report (Kimberley Diamond Cup)	2 evaluations reports; - One Department 2013/14 Strategic plan evaluation report. - One High Impact evaluation report (Kimberley Diamond Cup)	None	An extra Evaluation report was produced in the 2012/13 financial year
Number of M&E training workshops conducted	-	Three (3) Advocacy & Training workshops conducted.	4 Advocacy and Training workshops conducted.	One extra advocacy workshop was conducted	N/A

**Strategy to overcome areas of under performance**

N/A

**Changes to planned targets**

A change was made to reduce the M&E Training workshops from the originally four planned workshops to three.

**Sub-programme expenditure**

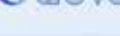
Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Monitoring and Evaluation	1 797	1 797	-	1 948	1 919	29
<b>Total</b>	<b>1 797</b>	<b>1 797</b>	<b>-</b>	<b>1 948</b>	<b>1 919</b>	<b>29</b>

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## PROGRAMME 6: TOURISM

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### 2.4.6 Programme 6: Tourism

**Purpose of programme:** To facilitate and support the development of an equitable tourism sector

##### 2.4.6.1. Tourism Research and Planning

##### Strategic Objectives, Performance indicators and targets

<b>Government Outcome:</b>	Decent Employment through inclusive economic growth
<b>Government Output</b>	2. More labour absorbing growth 4. Increase competitiveness to raise net exports , grow trade as a share of world trade and improve its composition 6. Improved support SMME and Cooperatives
<b>Strategic Objective</b>	The promotion of tourism research and planning to contribute to economic growth
<b>Objective statement</b>	To create an enabling environment for sustainable tourism growth through research for effective planning, regulation and implementation of special tourism projects.
<b>Baseline</b>	Number of studies conducted and plans developed
<b>Justification</b>	Research and planning is vital in tourism to monitor, analyse the challenges that the tourism industry face as well as deal with matters that relates to tourism trends, competition, benefits and impact and develop plans to grow the tourism sector
<b>Links</b>	White Paper on the Development and Promotion of Tourism in the Northern Cape

##### Sub-programme: Tourism Research and Planning

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of tourism sector performance reports produced.	-	One (1) tourism sector indicators report produced by 31st of March 2014.	1 tourism sector indicators report produced by 31st of March 2014	None	N/A
		One (1) Kimberley Diamond Cup impact survey conducted by the 31st of March 2014.	1 Kimberley Diamond Cup impact survey conducted by Dec 2013.		
		Two (2) visitor profile report produced by the 31st of March 2014.	2 visitor profile reports were produced		
Number of tourism establishments supported to enhance quality assurance.	Tourism establishments were not subsidised for grading	fifty (50) tourism establishments subsidised for grading by the 31st of March 2014	Tourism establishments were not subsidised for grading	The MoU between DEDaT and SA Grading Council was not endorsed	None
		Eighty (80) people trained in customer care to ensure service excellence in the tourism industry by the 31st of March 2014	110 people were trained in customer care services	Thirty additional people were trained. This was reached through partnership with the NDT on the Journey to Service Excellence Programme.	

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

Sub-programme: Tourism Research and Planning					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of campaigns against illegal tourist guiding conducted	Five inspections conducted	Six (6) inspections against illegal guiding conducted by the 31st of March 2014	6 inspections against illegal guiding conducted at following facilities. - Kgalagadi transfontier Park, - Mc Gregor Museum, - Duggan Cronin Gallery - Augrabies and Mokala - National Parks - Kuruman Eye	None	None
	Four (4) media campaigns against illegal tourist guiding conducted by the 31st March 2013	Two (2) media campaigns conducted by the 31st of March 2014	2 Media campaigns were conducted  - One conducted by 30 June 2013 - One conducted on 17 February 2014 and placed in Postmasburg Register community based newspaper	None	None
	One (1) workshop against illegal tourist guiding conducted.	Three (3) tourist guides consultative session conducted by the 31st of March 2014	3 tourist guides consultative session conducted on the following dates; - June 2013, - Dec 2013 and - 25 February 2014. Thirty-five tourist guides attended	None	None
	-	Two (2) Tourist Guides Newsletters produced by the 31st of March 2014	2 Tourist Guides Newsletters produced	None	None
Number of training initiatives conducted to capacitate tourist guides	No Tourist guides trained in niche market	Twelve (12) tourist guide trained in niche market by the 31st of March 2014	11 tourist guides trained in niche Rifle Usage course on 28 -31 January 2014	One tourist guide could not attend due to work related commitments.	None
	Two (2) refresher training courses conducted by the 31st March 2013.  1. First aid (Quarter 1 and 2)  2. Business planning	Four(4) refresher training courses conducted by the 31st of March 2014 - First aid - Business English - Tour Operator Management - Marketing	4 refresher courses conducted as follows;  - First aid training - Presentation skills training marketing and business training - Tour Operator Management training for ten tourist guides including Departmental officials	None	None

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

Sub-programme: Tourism Research and Planning					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
National Tourist Guide Day celebrations hosted.	A two day national Tourist Guide Day celebrations successfully hosted during Feb 2013.	One (1) Provincial International Tourist Guide Day celebrations hosted by the 31st March 2014	International Tourist Guides Day celebration was hosted on 26 February 2014 at Mc Gregor Museum, Kimberley. 35 tourist guides attended and participated on the day of the celebration	None	None

### Strategy to overcome areas of under performance

The Grading of Establishments project has been cancelled for the next financial years due to non-agreement between DEDaT and TGCSA on the terms of the Memorandum of Understanding.

### Changes to planned targets

The only change effected to the planned targets was the six (6) illegal inspections which were achieved.

### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Tourism Research, Planning and Quality Control	4 160	4 158	2	4 245	4 245	-
<b>Total</b>	<b>4 160</b>	<b>4 158</b>	<b>2</b>	<b>4 245</b>	<b>4 245</b>	<b>-</b>

#### 2.4.6.2. Tourism industry and Development

### Strategic Objectives, Performance indicators and targets

<b>Government Outcome</b>	Decent Employment through inclusive economic growth
<b>Government Output</b>	2. More labour absorbing growth 4. Increase competitiveness to raise net exports , grow trade as a share of world trade and improve its composition 6. Improved support SMME and Cooperatives
<b>Strategic Objective</b>	Stimulate visitor demand through tourism industry development and promotion interventions.
<b>Objective statement</b>	Create employment opportunities, enhance destination competitiveness and ensure the benefitting of SMMEs via selected interventions for developing and promoting tourism enterprises, products, experiences and related infrastructure for sustained economic development with a rural bias in the Northern Cape
<b>Baseline</b>	4 high impact tourism product development initiatives launched. (KAT science visitor centre; Frances Baard Flagship Visitor Centre; Bird-viewing platform for Kamfersdam; Upgrade of 3 provincial nature reserves)

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

<b>Justification</b>	The development of high impact tourism products contribute to making the Northern Cape a more attractive and competitive destination for South African and foreign visitors. These products will attract more visitors thus increasing market share, creating more sustainable jobs, create an environment for the acceleration of tourism industry transformation and growing the provincial economy. Rural development and building sustainable communities are a consequence of many of the high impact tourism products to be developed as they will attract more visitors to our rural areas.
<b>Links</b>	MTSF – Speed up economic growth and transforming the economy to create decent work and sustainable livelihoods. MTSF – Comprehensive rural development strategy.MTSF – Sustainable resource management use.Northern Cape Tourism Master Plan.Northern Cape Tourism White Paper.Northern Cape Tourism Product Packaging Strategy.Northern Cape Tourism Authority Marketing Strategy.Northern Cape Provincial Growth & Development Strategy.South African Tourism Sector Growth Strategy. South African Tourism White Paper.

Sub-programme: Tourism Industry Development					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of tourism enterprises guided and developed.	Three (3) provincial ETEYA Finalists selected: - Jo's Guest House & Hantam Kraal (Calvinia), - Taxi to Galeshewe Tours (Kimberley) & - Villa D'Este Guest House (Kimberley)	Fifteen (15) tourism enterprises guided and developed where it relate to business planning, skills development and awarding product development grants.	15 tourism enterprises guided on the Development of Business Plans.	None	N/A
	Five emerging small tourism enterprises could not be selected and developed.	Four (4) workshops held to develop selected business and operation skills of 4 tourism enterprises by March 2014.	5 workshops held and 22 tourism enterprises attended;  Marketing strategy held in Kimberley on 29 April 2013 had a total of 8 enterprises.  Social Media workshop held in Kimberley on 30 April 2013 had a total of 8 enterprises.  The five day programme took place from 22 – 25 July 2013 in Kakamas for the Riemvasmaak Enterprises. 28 people from 5 enterprises attended training on Housekeeping, Kitchen Staff, Front office, Supervisory, Customer Service, Human Resource Management, Financial Management and Business Management.  Quality assurance and Customer Care Workshop held in Kimberley on 25 February 2014 was attended by 5 enterprises.  Housekeeping skills workshop held in Kimberley on 11 March 2014 was attended by 5 enterprises	One extra workshop held and Seventeen more enterprises attended.  The development of new enterprises in Riemvasmaak created the need for an in-depth 5 day workshop to ensure that these enterprises are sustainable.	4 Workshops held in 2012/13 and 5 Workshops held in 2013/14.

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### Sub-programme: Tourism Industry Development

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
	Four (4) rural based small tourism enterprises selected: Business plans received from the four small tourism enterprises in Riemvasmaak. Business plans not up to standard and a workshop was held in Kakamas on 10 August 2012 to improve the business proposals of the prospective grant recipients.	Fifteen (15) product development grants awarded by November 2013.	17 product development grants were awarded: <ul style="list-style-type: none"> <li>- Ubuntu Guest house (Kimberley)</li> <li>- Villa D'Este Guest House (Kimberley)</li> <li>- Heuningvlei Guest House (Heuningvlei)</li> <li>- Vera's Kookskerm (Leliefontein)</li> <li>- Tata Ma Tata Tours (Upington)</li> <li>- Oase in die Wildernis (Pella)</li> <li>- Jo's Guest House and Hantam Kraal Restaurant (Calvinia)</li> <li>- Aukwatowa Tours (Port Nolloth)</li> <li>- Taxi to Galeshewe (Kimberley)</li> <li>- Damas Guest House (Riemvasmaak)</li> <li>- Berg en Dal Restaurant (Riemvasmaak)</li> <li>- Uthixo Unathi Tourism Cooperative (Riemvasmaak)</li> <li>- Kookfontein Rondhawels (Steinkopf)</li> <li>- Cammas Fonteyn (Pella)</li> <li>- Siyanda Tours (Upington)</li> <li>- Mûre Steinkopf//Ausa (Steinkopf)</li> <li>- Siphumlakahle Guest House (Kimberley)</li> </ul>	Two more enterprises received product development grants.  Adjustment budget provided the opportunity to assist two extra enterprises	No grants awarded in 2012/13 and Seventeen product development grants awarded in 2013/14.
	Four (4) workshop held: PRE-INDABA TRAINING NETWORKING AND EXHIBITION SKILLS: 23 April 2012 / Kimberley  PRE-NAMIBIA TOURISM EXPO TRAINING NETWORKING AND EXHIBITION SKILLS: 4 June 2012 / Kimberley  FINANCIAL MANAGEMENT: 26 -27 June 2012 / Upington  COMMUNICATION AND TELEPHONE ETIQUETTE: 19 - 20 September 2012 / Calvinia	Fifteen (15) clients evaluated in terms of their development and update baseline by March 2014	23 clients were evaluated in terms of their development and baseline updated by March 2014 Rooi Duin Guest Farm (Kalahari) Tata Ma Tata Tours (Upington) -Thubo Kobo Segole Guest House (Kuruman) Audreys Guest House (Kuruman) Damas Guest House (Riemvasmaak) Berg en Dal Restaurant (Riemvasmaak) Uthixo Unathi Tourism Cooperative (Riemvasmaak) Heuningvlei Guest House (Heuningvlei) Oase in die Wildernis (Pella) -Cammass Fonteyn (Pella) Kookfontein Rondhawels (Steinkopf) Aukwatowa Tours (Port Nolloth) Cedswill Guest House (Steinkopf) Mûre Steinkopf//Ausa (Steinkopf) Vera's Kookskerm (Leliefontein) Jo's Guest House and Hantam Kraal Restaurant (Calvinia) Siyanda Tours (Upington) Repa Guest House (Kimberley) Lerou's Guest House (Kimberley) Taxi to Galeshewe (Kimberley) Villa D'Este Guest House (Kimberley) Siphumlakahle Guest House (Kimberley) Ubuntu Guest house (Kimberley)	Eight more enterprises evaluated.  The impact of the financial support had to be evaluated and monitored. Therefore all enterprises that received either a product development or a marketing grant or both had to be evaluated.	-

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Tourism Industry Development					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of tourism enterprises supported to develop and implement their marketing plans	<p>Northern Cape Business Guide: 35 clients advertised</p> <p>Northern Cape Travel Guide: 50 clients advertised.</p> <p>Cape-to-Namibia and Karoo highways maps: 10 clients advertised</p>	Fifteen (15) tourism enterprises supported to develop and implement their marketing plans.	<p>11 clients advertised in the Northern Cape Business Guide.</p> <p>40 Clients advertised in the Top entrepreneur booklet.</p> <p>9 Clients advertised in the Cape To Namibia map of Discover South Africa.</p> <p>9 Clients advertised in the Diamond Karoo Map of Discover South Africa.</p> <p>2 Clients, Tata Ma Tata Tours (Upington) &amp; Orange River Wine Cellars (Upington), taken to participate in the Manila Food &amp; Wine show April 2013. This is the first time this expo was attended and only meetings were setup with tour operators and Local Wine suppliers in the Philippines.</p> <p>4 Clients, Tata Ma Tata Tours (Upington), Jo's Guest House and Hantam Kraal Restaurant (Calvinia) , Taxi to Galeshewe (Kimberley) &amp; Villa D'Este Guest House (Kimberley), taken to the 2013 Tourism Indaba in May 2013.</p> <ul style="list-style-type: none"> <li>- Contacts made = 95</li> <li>- Strong Leads = 11</li> <li>- Deals closed = 3</li> <li>- Partnerships concluded = 11</li> </ul> <p>3 Clients, Tata Ma Tata Tours (Upington), Aukwatowa Tours (Port Nolloth) &amp; Mattanu Private Game Reserve (Barkley West) taken to the East Mediterranean International Tourism and Travel Exhibition from 30 January – 2 February 2014.</p> <ul style="list-style-type: none"> <li>- Contacts made = 240</li> <li>- Strong Leads = 61</li> <li>- Deals closed = 10</li> <li>- Partnerships concluded = 11</li> </ul> <p>2 clients, Tata Ma Tata Tours (Upington) &amp; Orange River Wine Cellars(Upington), taken to the Manila Travel Tour Expo from 10 – 17 February 2014.</p> <ul style="list-style-type: none"> <li>- Contacts made = 1394</li> <li>- Strong Leads = 602</li> <li>- Deals closed = 7</li> <li>- Partnerships concluded = 7</li> </ul>	<p>58 more clients supported through 4 advertising initiatives and 4 Tourism Expos attended.</p> <p>Adjustment budget provided an opportunity to embark on more initiatives.</p>	<p>3 advertising initiatives utilised in 2012/13. 4 advertising initiatives utilised in 2013/14</p> <p>3 Tourism Expos attended in 2012/13. 4 Tourism Expose attended in 2013/14.</p>



## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### Sub-programme: Tourism Industry Development

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of tourism infrastructure projects facilitated.	Five (5) High Impact Tourism Projects facilitated and supported: Maloo Money Cup:  Event Manager appointed.  Sponsorship Activator appointed.  Skate Park facility director appointed.	Six (6) tourism infrastructure projects facilitated;  - Convert 4 projects to National Department of Tourism's Social Responsibility Initiative criteria.	2 Projects converted to National Department of Tourism's Social Responsibility Initiative criteria. SKA Science Visitor Centre and the development of the Big Hole precinct	2 project conversions will only be completed by 30 April 2014. Service level agreement extended to ensure that the 2 project conversions are provided by 15 May 2014	-
	Maloo Skate Plaza Landscaping master plan completed.  Skate Plaza Infrastructure completed.  Maloo All Cities team competition completed.  Maloo Fan wheels completed. None	- Procure office equipment for the Frances Baard Flagship Visitor Centre.	Office equipment procured and delivered.	None	In 2012/13: Not all the furniture and office equipment was procured. Green Kalahari Familiarisation trip completed. Namakwa Familiarisation trip completed.  In 2013/14 Office equipment procured and delivered
		Improve infrastructure at the Kimberley Skate Park and landscape the Big Hole precinct.	The comprehensive maintenance on the electricity articulation provided electricity supply to the Maloo Village.	None	-
		Erect road signs for developed routes, i.e. Quiver Tree, Richtersveld, Karoo highlands and Cape-to-Namibia.	Road sign applications completed in September 2013. Applications sent do SANRAL and Provincial Department of Roads and Public Works.  Department of Roads and Public Works approved 3 routes on 19 March 2014.	Road signs were not erected.  SANRAL has not approved one Route sign application yet  Tender process to erect route signs will commence in 2015/15 financial year.	Route maps and facility databases completed. Symbol design completed. Application submitted to road authorities on 21 November 2012 in 2012/13.  In 2013/14 Applications approved by Provincial Department of Roads and Public works.

**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

Sub-programme: Tourism Industry Development					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
		Architectural drawings and quantity surveying for the SKA Science Visitor Centre project.	Architectural drawings and quantity surveying for the SKA Science Visitor Centre project not completed.	Service provider recruited. Architectural Drawings and Quantity Surveying in process. MOU concluded to ensure that work is completed by 30 April 2014. Service provider recruited. QTS Architects in the process of developing architectural drawings and quantity surveying.	-
		- Complete the Plan for the development of walking, hiking and mountain bike trails in Renosterberg as part of the "War on Poverty" campaign.	Implementation plan for the development of walking, hiking and mountain bike trails completed.	None	
Number of tourism products and experiences supported to enhance attraction value, employment creation potential and SMME beneficiation opportunities.	Eleven (11) Events facilitated and supported: - Namaqualand Flower Power Run. 932 temporary job opportunities created - Carnarvon Fly In. - Green Kalahari Canoe Marathon. - Gariiep Festival. - NC Youth festival Formula Drift Media Activation. - Barney Barnato Golf Week. - Kalahari Speedweek.	Fourteen (14) tourism products and experiences supported to enhance attraction value, employment creation potential and SMME beneficiation opportunities;  - Diamonds & Dorings Festival.	14 tourism products and experiences supported:  - Diamonds & Dorings. Event took place on 19 – 20 April 2014. Event financial support provided to the amount of R241 700.	None	3 more events supported in 2013/14.
		-Carnarvon Fly In.	Event took place 7 – 8 June 2013. Financial support provided to the amount of R160 000.00. A total of 68 aircraft of 42 different makes and models arrived from 15 towns and cities throughout South Africa bringing a total of 138 visitors. A total of 93 local adults and 806 children attend on Friday and 323 adults and 278 children attended on the Saturday. 53 job opportunities created over the period of the event.	None	In 20112/13 Fifteen (15) job opportunities created for the duration of the event.  In 2013/14 53 job opportunities created.

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### Sub-programme: Tourism Industry Development

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
		-Green Kalahari Canoe Marathon.	The event was financially supported to the amount of R750 000.	Event planned for 21 – 23 March 2014 could not take place due to flood warning and Department of Water Affairs and Forestry, Municipal Disaster Management and SAPS took a decision that it was too dangerous to continue. The event will be taking place from 7 – 9 August 2014.	In 2012/13 71 paddlers and 59 Boats competed in the race. 19 job opportunities created.  In 2013/14 event could not take place.
		- Gariep Arts Festival.	Arts Festival staged 29 August to 1 September 2013. Event financially supported to the amount of R241 700. A total of around 60 000 people entered the Festival's gates. Arts and crafts stalls were made available to crafters from the previously disadvantaged communities in Kimberley / Northern Cape, at the Arts and Crafts Market. 540 job opportunities created for the duration of the festival.	None	In 2012/13 629 job opportunities was created.  In 2013/14 540 job opportunities was created.
		- Arid Experience development.	Project 80% complete. Financial support provided to the amount of R850 000.00 provided to SANPARKS to procure a mobile camp equipment that will be utilised to host events at the National Parks within the Northern Cape. Arid Region Cultural event held on 18 September 2014. This year the event took place at Ai Ais Richtersveld Transfrontier park. 300 visitors attended the event. 45 job opportunities created.	20% off the equipment not procured yet.  MOU extended until 30 April 2014 to ensure that project is completed.	In 2012/13 Arid Region Cultural event took place at Mokala National Park. Coastal Route "preekstoeltjies" constructed and created 12 job opportunities.  In 2013/14 Arid Region Cultural Event took place in Ai Ais Richtersveld Transfrontier Park. 80% of mobile camp has been procured.

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Tourism Industry Development					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
		- Barney Barnato Golf Tournament.	Event took place on 19 – 26 October 2013. Financial support provided to the amount of R100 000. 600 competitors played over 1600 rounds of golf. Competitors from all the provinces and international competitors from Australia, United Kingdom and neighbouring countries attended the tournament. 61 job opportunities created for the duration of the event.	None	2012/13 500 competitors attended and 12 job opportunities were created.  2013/14 600 competitors attended and 61 job opportunities were created.
		- Kimberley Diamond Cup.	Kimberley Diamond Cup successfully hosted from 27 – 29 September 2013	None	<b>N/A</b>
		-Kalahari Desert Speedweek.	Event took place from 14 – 23 September 2014. Financial Support provided to the amount of R300 000. More the 4 500 people attended the event. All the catering for the event was provided by the local community 73 job opportunities created.  Funding to the amount of R930 000 provided to create infrastructure for the event taking place in September 2014.	None	In 2012/13 more than 3000 visitors attended the event and 66 job opportunities created.  In 2013/14 more than 4500 visitors attended the event with 73 job opportunities created.
		-Bloodhound.	A Tourism Enterprise Stakeholder forum was established with various planning sessions to ensure economic opportunities within the Mier Municipality. A two day workshop led by the HOD was held during February 2014 with all local Businesses.	None	
		-Philippines	DEDaT established a relationship with the Philippine tourism authorities, industry role-players and media. To date three Philippines familiarisation Media and Tourism Trade groups visited the province. This increased the awareness and profile of the NC within the Asian market	None	N/A
		-Kalahari Desert festival.	Event took place from 21 – 22 March 2014. Financial support to the amount of R450 000 was provided. More than a thousand people attended the event. Local community attended and participated in the event. 210 job opportunities created.	None	N/A
		-Aspen Mountain Bike Race.	Event is taking place on 26 April 2014. Financial support to the amount of R150 000 was provided.	None	N/A

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### Sub-programme: Tourism Industry Development

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
		-SA Off Road Championship.	Event took place on 12 April 2014. Financial support to the amount of R650 000 was provided.	None	N/A
		-Big Hole Cultural festival.	Event took place 1–3 November 2013. Financial support to the amount of R100 000 was provided. 1700 visitors attended the event. Most of the artists, groups and stall owners was from previous disadvantage communities. This includes all Cultural dancers, Gymnastics, School of Magic, Nama dancers and the Steel band. 39 job opportunities created.	None	N/A

#### Strategy to overcome areas of under performance

The root cause of the challenges in meeting all targets are the lack of commitment from some project partners. Interventions will therefore be designed to improve the effectiveness and efficiencies of project partnerships, i.e drafting of even more detailed memoranda of agreement.

#### Changes to planned targets

Due to adjustment budget the following targets increased:

Number of tourism infrastructure projects facilitated. The target increased from 4 to 6 projects.

Number of tourism products and experiences supported to enhance attraction value, employment creation potential and SMME beneficiation opportunities. Target increased from 8 to 14 experiences.

#### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Partnership and Industry Development	71 061	71 057	4	62 396	61 658	738
<b>Total</b>	<b>71 061</b>	<b>71 057</b>	<b>4</b>	<b>62 396</b>	<b>61 658</b>	<b>738</b>

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

#### 2.4.6.3. Tourism Sector Transformation

##### Strategic Objectives, Performance indicators and targets

<b>Government Outcome</b>	Decent Employment through inclusive economic growth
<b>Government Output</b>	2. More labour absorbing growth 4. Increase competitiveness to raise net exports , grow trade as a share of world trade and improve its composition 6. Improved support SMME and Cooperatives
<b>Strategic Objective</b>	Build necessary human capital to empower people to participate in the transformation of the tourism industry.
<b>Objective statement</b>	To market and promote the tourism industry as a possible redress to socio-economic challenges with a “pro-poor” bias.
<b>Baseline</b>	Awareness campaigns launched across the province in rural towns, such as Richtersveld (Kuboes), Mier and Rietfontein, Griquatown and Noupoort. 5 more awareness campaigns launched in Pabalello, Galeshewe, Sizamile, Greenpoint and Nonzwakazi to promote the concept of “township tourism”.
<b>Justification</b>	Quantitative information about the number of community based tourism projects within the rural and previously disadvantaged communities bear evidence to the fact that tourism remains a strange phenomenon amongst these communities. This is one of the main reasons why there is a lack of interest to participate within the sector amongst these communities, and why there is little progress in the transformation of the sector within our province. It is a well-known fact that interest will only be sparked through better intellectual capacity, and as a department we are duty bound to popularize the tourism sector with a “pro poor” biased approach, through educational and awareness programmes within the said communities, if we wish to expedite the transformation of the sector. Education and awareness programmes should actually spearhead tourism projects and programmes within local communities as it will enhance better management, after care and sustainability of tourism projects within these communities.
<b>Links</b>	MTSF – Speed up economic growth and transforming the economy to create decent work and sustainable livelihoods. MTSF – Comprehensive rural development strategy.MTSF – Sustainable resource management use.Northern Cape Tourism Master Plan.Northern Cape Tourism White Paper.Northern Cape Tourism Product Packaging Strategy.Northern Cape Tourism Authority Marketing Strategy.Northern Cape Provincial Growth & Development Strategy.South African Tourism Sector Growth Strategy. South African Tourism White Paper.

##### Sub-programme: Tourism Sector Transformation

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of campaigns to create awareness of tourism policies and strategies	Three (3) Tourism Culture and Awareness Programmes conducted - Living arts event in Frances Baard (Kimberley)  - Service excellence awareness in Namakwa District - Heritage Living Arts and Tourism Awareness in Pixle Ka Seme	Three (3) campaigns conducted to create awareness of tourism policies and strategies. - Frances Baard district. - Siyanda district - Pixley ka Seme district	3 campaigns were conducted to create awareness of tourism policies and strategies.	None	N/A

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

Sub-programme: Tourism Sector Transformation					
Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014 and reasons for deviation	Variance from 2012/2013 to 2013/2014
Number of campaigns to create a tourism industry dialogue between government and the tourism sector	-	Two (2) campaigns conducted to create a tourism industry dialogue between government and the tourism sector: - Advance Indigenous Tourism campaign - Advance community tourism messaging	One campaign conducted to create a tourism industry dialogue between government and the tourism sector Advance Indigenous Tourism campaign was not conducted Advanced Community Tourism Messaging was done	Advance Indigenous Tourism Campaign: - Funds appropriated for this target were reallocated for the Lilizela Tourism Awards Campaign	N/A
Number of campaigns to promote tourism as a career choice	One (1) programme conducted - 60 learners transported to National Tourism Careers Expo) in East London	Two (2) campaigns conducted to promote tourism as a career choice: - National Tourism Careers Expo - Frances Baard District Municipality Tourism Business Plan competition	Conducted 2 campaigns to promote tourism as a career choice by taking 60 learners, students and educators to the NTCE in Eastern Cape and held a ceremonial and award event held on 11 October 2013 in Kimberley	None	One programme/campaign more than the previous financial year was conducted in this reporting period

#### Strategy to overcome areas of under performance

None

#### Changes to planned targets

None

#### Sub-programme expenditure

Sub- Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Tourism Awareness	923	923	-	1 304	1 304	-
<b>Total</b>	<b>923</b>	<b>923</b>	<b>-</b>	<b>1 304</b>	<b>1 304</b>	<b>-</b>

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

## 2.5. TRANSFER PAYMENTS

### 2.5.1. Transfer payments to Public Entities

**Table 2.5.1.1: transfer payments made for the period 1 April 2013 to 31 March 2014**

Name of Public Entity	Service rendered by the public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)	Achievements of the public entity
<b>NCEDA</b>	Promoting direct foreign and local investment in the Province	9 000	9 000	Please refer to the annual report of the Public Entity obtainable from the Public Entity
<b>Northern Cape Liquor Board</b>	Regulating the Liquor Industry in the Province	7 405	7 405	Please refer to the annual report of the Public Entity obtainable from the Public Entity
<b>Northern Cape Gambling Board</b>	Regulating the Gambling Industry in the Province	9 180	9 180	Please refer to the annual report of the Public Entity obtainable from the Public Entity
<b>Northern Cape Tourism Agency (NCTA)</b>	Marketing the Province as a Tourist Destination	17 127	17 127	Please refer to the annual report of the Public Entity obtainable from the Public Entity
<b>Total</b>		<b>42 712</b>	<b>42 712</b>	

### 2.5.2. Transfer payments to all organisations other than public entities

**Table 2.5.2.1: Transfer payments made for the period 1 April 2013 to 31 March 2014**

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Richtersveld Municipality	Local Governments	Liggies Festival	Yes	200	200	N/A
Sol Plaatje Municipality	Local Governments	Rates and Taxes	Yes	109	109	N/A
Khara Hais Municipality	Local Governments	Funding Festival	Yes	200	200	N/A
<b>Total</b>				<b>509</b>	<b>509</b>	

**Table 2.5.2.2: Transfer payments made for the period 1 April 2013 to 31 March 2014**

Name of transferee	Purpose which the funds were to be used	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why the funds were not transferred
Department of Communication (SABC)	TV Licence renewal for Video Conferencing facilities	TV Licence renewal for Video Conferencing facilities	Yes	1	1	N/A
National Development Agency	EPWP Grant	EPWP Grant	Yes	1550	1 550	N/A
<b>Total</b>				<b>1551</b>	<b>1551</b>	



**NON-FINANCIAL PERFORMANCE INFORMATION**  
For the year ended the 31 March 2014

**Table 2.5.2.3: Transfer payments made for the period 1 April 2013 to 31 March 2014**

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Gariep Kunstefees	Private Enterprises	Festival support in promoting Tourism	Yes	242	242	N/A
Karona Trading 720 CC	Private Enterprises	Enterprise Development Grant	Yes	98	98	N/A
Kimberley Golf Club	Private Enterprises	Support to Barney Bernato Golf Event in promoting Tourism	Yes	100	100	N/A
Leruo's Guesthouse CC	Private Enterprises	Enterprise Market Access Grant	Yes	10	10	N/A
Ntingataka Trading Enterprise	Private Enterprises	Enterprise Development Grant	Yes	60	60	N/A
Open Africa	Private Enterprises	Development of Richtersveld Route	Yes	160	160	N/A
Repa Guesthouse CC	Private Enterprises	Enterprise Market Access Grant	Yes	10	10	N/A
Sanparks	Private Enterprises	Support Sanparks projects in Province	Yes	900	900	N/A
Tata Matata	Private Enterprises	Enterprise Development Grant	Yes	220	220	N/A
Villa D'Este	Private Enterprises	Enterprise Development Grant	Yes	50	50	N/A
Riemvasmaak Community Development Trust	Private Enterprises	Enterprise Development Grant	Yes	675	675	N/A
South African San Institute	Private Enterprises	Support of Uruke Kalahari project in promoting Tourism	Yes	450	450	N/A
Verneukpan Speedweek Event Management	Private Enterprises	Speedweek festival support	Yes	1 230	1 230	N/A
Audrey's Guest House	Private Enterprises	Enterprise Market Access Grant	Yes	10	10	N/A
Aukwatowa	Private Enterprises	Enterprise Development Grant	Yes	829	829	N/A
Cammass Fontyn Gastehuis Pty Ltd	Private Enterprises	Enterprise Development Grant	Yes	100	100	N/A
Cedswill Guesthouse	Private Enterprises	Enterprise Market Access Grant	Yes	10	10	N/A
Fluency Experiential Marketing	Private Enterprises	Aspen Mountain Bike Race	Yes	150	150	N/A
Frances Baard SMME Trust		SMME Development	Yes	12 387	12 387	N/A
Griqua Diamonds (NPC)	Private Enterprises	Griqua Cricket	Yes	1 200	1 200	N/A
Groen Kalahari Kano Marathon	Private Enterprises	Groen Kalahari Kano Marathon	Yes	750	750	N/A
Independent Development Trust	Private Enterprises	Enterprise Development Grant	Yes	548	548	N/A
Inguana Enterprise	Private Enterprises	EGDF-SMME Support	Yes	4 120	4 120	N/A

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Jo's Catering Services	Private Enterprises	Enterprise Development Grant	Yes	300	300	N/A
Kareeberg Municipality		Carnavon Fly-In	Yes	160	160	N/A
Kimberley Off- Road Club	Private Enterprises	Senior National Off Road Championship	Yes	650	650	N/A
LDSW Inc Chartered Accountants	Private Enterprises	SEDA Donor Fund	Yes	5 280	5 280	N/A
Mare Steinfopf Ausa	Private Enterprises	Enterprise Market Access Grant	Yes	130	130	N/A
Mario Strauss	Private Enterprises	Enterprise Development Grant	Yes	25	25	N/A
NCEDA	Private Enterprises	Adventure Sport Resort Feasibility	Yes	400	400	N/A
Nonong Trading	Private Enterprises	Enterprise Development Grant	Yes	88	88	N/A
Oase In Die Wildernis	Private Enterprises	Enterprise Development Grant	Yes	240	240	N/A
Pearl Star Investments	Private Enterprises	EGDF-SMME Support	Yes	25 000	25 000	N/A
Pragmatic Train & Development CC	Private Enterprises	Tourism Enterprise Partnership	Yes	50	50	N/A
Re A Itirela Trading CC	Private Enterprises	Big Hole Culture Event	Yes	250	250	N/A
Rooiduin Guest Farm	Private Enterprises	Enterprise Market Access Grant	Yes	10	10	N/A
Siphumlakahela Guesthouse	Private Enterprises	Enterprise Market Access Grant	Yes	60	60	N/A
Siyanda Tour Operator	Private Enterprises	Enterprise Development Grant	Yes	120	120	N/A
Small Enterprise Development Agency	Private Enterprises	SMME Development	Yes	1 000	1 000	N/A
Sol Plaatje Municipality	Private Enterprises	Diamonds & Dorings	Yes	241	241	N/A
South African Bisley Union	Private Enterprises	Sponsorship of FCWC	Yes	75	75	N/A
Steintour Development/KR	Private Enterprises	Enterprise Development Grant	Yes	310	310	N/A
Strategic Partners In Tourism	Private Enterprises	Tourism Enterprise Partnership	Yes	150	150	N/A
Thuba-Kobo-Segole Guesthouse	Private Enterprises	Enterprise Market Access Grant	Yes	10	10	N/A
Vera's Kookskerm	Private Enterprises	Enterprise Market Access Grant	Yes	80	80	N/A
<b>Total</b>				<b>58 938</b>	<b>58 938</b>	

**NON-FINANCIAL PERFORMANCE INFORMATION**  
**For the year ended the 31 March 2014**

**Table 2.5.2.4: Transfer payments made for the period 1 April 2013 to 31 March 2014**

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
K Fortuin	Households	Leave gratuity pay-out	N/A	2	2	N/A
B De Vos	Households	Leave gratuity pay-out	N/A	5	5	N/A
F Louw	Households	Leave gratuity pay-out	N/A	20	20	N/A
Harding	Households	Leave gratuity pay-out	N/A	2	2	N/A
LH Van Gensen	Households	Leave gratuity pay-out	N/A	11	11	N/A
MP Montwedi	Households	Leave gratuity pay-out	N/A	1	1	N/A
T Maarman	Households	Leave gratuity pay-out	N/A	-22	-22	N/A
F Makatong	Households	Leave gratuity pay-out	N/A	15	15	N/A
FT Mocumi	Households	Leave gratuity pay-out	N/A	6	6	N/A
S Moilwa	Households	Leave gratuity pay-out	N/A	5	5	N/A
Senkge	Households	Leave gratuity pay-out	N/A	5	5	N/A
NT Tshisa	Households	Leave gratuity pay-out	N/A	5	5	N/A
<b>Total</b>				<b>55</b>	<b>55</b>	

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

## 2.6. CONDITIONAL GRANTS

The Department is part of the Environment and Culture Sector of the EPWP Programme. Based on this and proposal submitted combined with previous performance the Department is assigned conditional grant/s to implement proposed projects. Expenditure received must be primarily spent on stipends for these projects with limited amounts on compliance and services.

### 2.6.1. Conditional grants and earmarked funds paid

None

### 2.6.2. Conditional grants and earmarked funds received

For 2013/14 the Department was initially allocated R 550 000 which was spent on the Dikgatlong Pebbles project.

Towards the end of the financial year the Department received R 1 million that was committed to the Deben Devils Claw project.

Both projects are implemented in partnership with the National Development Agency.

- The funds are transferred to them based on the following;
- They are a government agency and are fully compliant with the PFMA
- They have the capacity to render crucial project support
- The transfer is governed by a mutual approved business plan, expenditure schedule and MOA.

A total of R 1 550 000 was transferred to NDA for the above mentioned projects. The Dikgatlong project was completed with 100% expenditure. The Glenred project is currently rolled out and will be completed in November 2014.

Both projects are compliant to internal and DORA requirements.

- An amount of R 550 650,42 was spent as follows on Dikgatlong Pebbles project;
  - Stipends: R 407 170(74%)
  - Capital: R 143 480, 42(26%)
  - 42 Jobs were created through an exit strategy
- An amount of R 1million has been received for the Glenred Devils Claw project and R 392 017(39.2%) has been spent to date;
  - Stipends: R 310 240(79% of current expenditure)
  - Capital: R 31 777(8% of current expenditure)
  - Administration: R 50 000 once off expenditure (12.75% of current expenditure)
  - 60 jobs has been created to date

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

## 2.7. DONOR FUNDS

### 2.7.1. Donor Funds Received

**Table 2.7.1.1: Donor funds received**

<b>Name of donor</b>	Employment Creation Fund
<b>Full amount of the funding</b>	R 33 million
<b>Period of the commitment</b>	3 years
<b>Purpose of the funding</b>	<ul style="list-style-type: none"> <li>- Job creation</li> <li>- Skills development in diamond cutting, polishing and jewellery manufacturing at KIDJA</li> <li>- Renovations and upgrading of existing Infrastructure at the Kimberley diamond and jewellery centre that will lure foreign investors to set up factories.</li> </ul>
<b>Expected outputs</b>	To have fully serviced Kimberley Diamond and Jewellery hub that will create jobs, skills development and technology transfer.
<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>- Phase 1 renovation's to existing infrastructure at KIDJA and the Kimberley diamond and Jewellery centre has been completed.</li> <li>- The Kimberley International Diamond and Jewellery Academy is operational and has trained 112 learners in MQA accredited courses at KIDJA.</li> </ul>
<b>Amount received in current period (R'000)</b>	R1, 471
<b>Amount spent by the department (R'000)</b>	R1, 395
<b>Reasons for the funds unspent</b>	Delays in the tender processes and the appointment of contractors
<b>Monitoring mechanism by the donor</b>	Reports on expenditure of the funds are sent to the dti on a quarterly basis

## NON-FINANCIAL PERFORMANCE INFORMATION

### For the year ended the 31 March 2014

## 2.8. CAPITAL INVESTMENTS

### 2.8.1 Capital investment, maintenance and asset management plan

The Department is currently involved in upgrading the KIDJA building to prepare the building to become a fully-fledged training facility of international standards to achieve our aim of establishing KIDJA as a training destination of choice for diamond and mineral beneficiation.

The procurement is procured with assistance of Department of Roads, Transport and Public Works, who is the owner of the building.

Payment for these renovations and maintenance work is paid from donor funding the Department received from European Union (EU). The donor funding will run over a period of three years as per MOU signed between the Department and the EU.

Every year renovations and upgrades are made to the KIDJA building as funding becomes available. For the year under review, total renovations and upgrades to the KIDJA building amounted to R1 109 000. These renovations and upgrades for the 14/2013 financial year include paving, air conditioners for SMME's, heavy duty burglar doors, devil forks and electrical fencing.

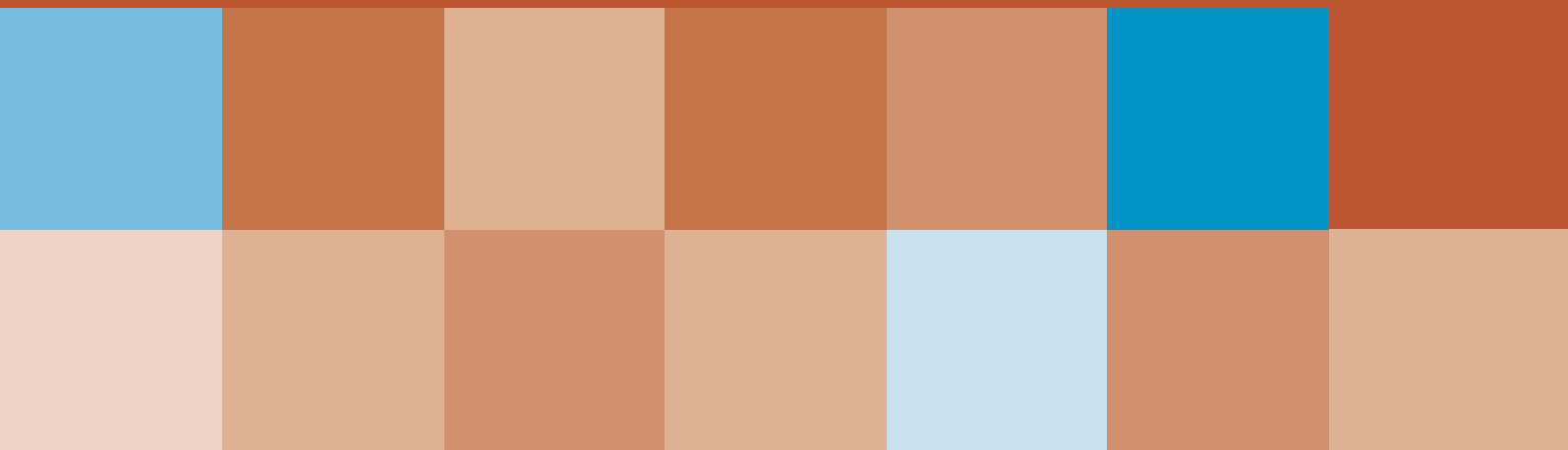
Prospective renovations for this building in the 2014/15 financial year include the construction of a canteen, construction of additional ablution block, office building, factory building, display area and surveillance cameras for the building.

Upgrades to the Kumba Skate Plaza to the value of R1 749 000 were under taken during the financial year to improve the electrical infrastructure and to pave the vendor sites for the first ever Kimberley Diamond Cup World Skateboarding Championship.

These renovations and upgrades are captured in a separate asset register of the Department, and will be transferred out to the Department of Roads, Transport and Public Works upon completion of the project which will be in 2014/15 financial year. Please refer to disclosure note 41 for more detail.

Infrastructure projects	2013/2014			2012/2013		
	Final Appropriation R'000	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)
New and replacement assets	-	-	-	-	-	-
Existing infrastructure assets	2 858	2 858	-	1 438	1 438	-
Upgrades and additions	2 858	2 858	-	1 438	1 438	-
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-	-
Infrastructure transfer	-	-	-	( 1 438)	(1 438)	-
Current			-	-	-	-
Capital			-	(1 438)	(1 438)	-
<b>Total</b>	2 858	2 858	-	-	-	-

# PART C: GOVERNANCE



## GOVERNANCE INFORMATION

### For the year ended the 31 March 2014

# PART C: GOVERNANCE

## 3.1. INTRODUCTION

The Department observes and maintains high standards of good governance. The Strategic Management Advisory Committee (SMAC) is the highest management decision-making body in the department. In addition, the Department has a Planning Forum, a Risk Management Committee, and an Audit Committee which is a shared function meeting on quarterly basis. The Department accounts to SCOPA and Portfolio Committees of Legislature on quarterly basis.

The Accounting Officer is responsible for the governance of the Department and is actively involved in the various governance structures. In compliance with Section 38(1)(a) of the PFMA which states that the Accounting Officer for a department, trading entity or constitutional institution must ensure that that department, trading entity or constitutional institution has and maintains effective, efficient and transparent systems of financial and risk management and internal controls. The Department submitted monthly financial and in-year monitoring reports, Interim Financial Statements and Updated Audit Action Plan to address the findings of internal and external audit to Provincial Treasury.

During the financial year under review, the department reviewed its existing policies and procedures, to become more transparent, economical and effective in the use of its budget. Effort was expended to decrease the potential risks, with the assistance of Internal Audit under the guidance of the Audit Committee.

## 3.2. ENTERPRISE RISK MANAGEMENT

Enterprise Risk management is recognized as an integral part of sound organizational management. Risk management in the Department derives its mandate from the Public Finance Management Act (PFMA) which stipulates in section 38 that:

The accounting officer of a Department must ensure that the Department has and maintains:

(i) Effective, efficient and transparent systems of financial and risk management and internal control;

The department also complies with the National Treasury Public Sector Risk Management Framework.

The department manages its risk, by making use of the approved Enterprise Risk Management Framework. A Risk Management Strategy, Risk Management Policy and Risk Management Implementation plan has been approved by SMAC for the year under review.

In line with best practices, governance structures are in place to ensure effective management of risks both at a strategic and operational level. Regular Risk assessments were conducted at program level in order to review and update existing risks and to identify any emerging risks. Significant risks relevant to objectives were assessed in terms of its likelihood and impact; Risk treatment plans with target dates were developed and managed by their allocated Risk owners.

The Department has a Risk Management Committee whose responsibility is to assist the Accounting Officer in addressing its oversight requirements of risk management, evaluating and monitoring the departments' performance with regard to risk management. Furthermore the committee's role is to review the institution's enterprise risk management strategy, policy, implementation plan and monitor the process at strategic management and operational levels.

The committee is composed of executive members and the chairperson who is a senior management external member. The Risk Management Committee operates in accordance with the approved Risk Management Committee Charter and the risk management framework.

The committee is supported by a Risk Management Unit.



## GOVERNANCE INFORMATION

### For the year ended the 31 March 2014

### 3.3. FRAUD AND CORRUPTION

The department reviewed the fraud prevention plan in the financial year under review. Various channels/mechanisms for reporting allegations of fraud and corruption exist, and these are described in the Departmental Fraud Prevention Plan. Employees who blow the whistle on suspicion of fraud, corruption and theft are protected. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept participated in these acts is subjected to a disciplinary hearing. The officials are assured protection in accordance with the Protected Disclosure Act

### 3.4. MINIMISING CONFLICT OF INTEREST

Department has adopted the Remuneration Outside the Public Service (RWOPS) policy to manage conflict of interest, which ensures that department does not do business with its employees. The Gifts Policy provides for the Gifts Register and ensures that employees refrain from accepting or soliciting gifts.

### 3.5. CODE OF CONDUCT

Department utilises Code of Conduct for the Public Service and generally disciplines employees who breach the code. Awareness sessions are periodically held to inform and advise the employees of the Code and consequences for breaching it.

### 3.6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Department has adopted Health and Safety Policy and has established necessary structures in this regard. On quarterly basis Health and Safety Inspections are conducted and reports to management issued for action.

### 3.7. PORTFOLIO COMMITTEES

(i) Budget presentation to legislature on 7 May 2013

Matters raised:

- Requested reports on the following by 19 June 2013:
- Business plan for Maloof Money Cup
- Business Plan for Bloodhound
- Comprehensive report of Apollo Film Festival
- Four municipalities supported by the department
- Status quo of missing diamonds
- Comprehensive report on solar project
- Comprehensive expenditure report of the past 3 years on the Frances Baard SMME Trust
- KIDJA and Diamond Dealer license

Above mentioned reports were submitted to the legislature by 18 June 2013

(ii) Annual Report presentation to the legislature on 1 November 2013

Matters raised:

- Requested the following reports by 5 November 2013:
- Maloof Money Cup Comprehensive report including expenditures
- Exit Strategy for KIDJA students
- Annual reports for NC Liquor and NC Gambling Board as well as NCEDA
- Report on support provided to Waldex enterprises
- Apollo Theatre and support given by the department.

Above mentioned reports were submitted to the legislature on 6 November 2013

(iii) Resolutions for Annual Report 2012-2013

- To drastically reduce its reliance on consultants and utilise the skills and expertise of its own employees
- All times follow Treasury resolutions and report on all strategic objectives as per Annual Performance Plan
- Plan effectively to ensure that there is an interdepartmental correlation and synergy between the PGDS, strategic objectives and budgets

## GOVERNANCE INFORMATION

### For the year ended the 31 March 2014

- Set realistic targets taking time, personnel and budget/funds into consideration
- Plan effectively and ensure that the necessary funds and resources are available in order to realise the establishment of the Mining Desk

#### 3.8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved Yes/No
1	Unqualified audit opinion with matters of emphasis	Adequate controls should be implemented to ensure compliance with all the relevant laws and regulations.	The department developed an Audit Action Plan to address the weaknesses identified by the Auditor General	Yes

#### 3.9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
1. The financial statements for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(a) and (b) of the PFMA	2012/13	Resolved
2. A contract was awarded to a bidder who did not submit a declaration of past supply chain practices such as fraud, abuse of SCM system and non-performance, which is prescribed in order to comply with treasury regulation 16A9.2	2012/13	Resolved
3. Employees were appointed without following a proper process to verify the claims made in their applications in contravention of Public Service Regulation 1/VII/D.8	2012/13	Resolved

#### 3.10. INTERNAL CONTROL UNIT

The Risk Management Unit assists management of the Department to strengthen internal controls within the various business processes. During the period under review, internal audit completed all the reviews in accordance with the Annual Audit Plan and provided the department assurance on the existing internal controls in place.

The department has developed an audit action plan for both the external audit findings of the 2012/13 financial year and the internal audit findings for the current financial year, which lists all the areas of risks within each programme, within the department and identified a responsible official per risk. The audit action plan was tabled at the department's Senior Management Advisory Committee (SMAC) and the Standard Committee on Public Accounts (SCOPA). Risk management unit monitors the implementation and progress of the actions identified in the audit action plans as part of the various control activity and compliance checks conducted within the units.

#### 3.11. INTERNAL AUDIT AND AUDIT COMMITTEES

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

The internal audit unit compiles a rolling three year risk-based plan and prepares an annual plan after taking into consideration the risks facing the department, strategic objectives, the department's mandate, audit issues and inputs by management. The capacity of the Internal Audit was built over the financial year, with a full complement of staff by the end of the year. In addition, a co-sourced capacity was procured to enable completion of the internal audit coverage plan. The audit committee approves the Internal Audit Plan for implementation.

## GOVERNANCE INFORMATION

### For the year ended the 31 March 2014

The internal audit reviews performed for the financial year under review, were all in line with the annual audit plan. The reviews performed were:

- Human Resource Management,
- Interim Financial Statements,
- Draft Annual Financial Statements,
- Commitments, Leases and Accruals,
- Information Technology Governance,
- Supply Chain Management,
- Fixed asset management,
- Audit of Performance Information.

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

#### 3.11.1 Audit Committee

Throughout the year under review, the Audit Committee operated in terms of an approved Audit Committee Charter, which was the committee's approved terms of reference. The committee comprised of two external members and two internal audit committee members, all of whom are not employed by the department. The chairperson resigned during the year and the remaining external member is acting as chairperson. Other cluster Audit Committee's members are utilised to ensure quorum.

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

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

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or External	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Adv. DJ Block	B.Luris,LLB, Higher Diploma In Taxation	External	N/A	01 October 2011	N/A	04
Mr. J Besnaar	CA.(SA)	External	N/A	01 December 2011	30 November 2011	03
Mr. Z Fihlani	M.Com(Tax),CA(SA)	External	N/A	01 October 2011	N/A	01
Ms OJ Gill	B Com, B Com (hons) in Business Management, Cert. in Executive Development Program	Internal	Department of Public Works	01 October 2011	N/A	03
Ms. E Botes	ND: Police Administration, Bachelor's degree in Police Science, Certificate in Executive Development Program	Internal	Department of Social Development	01 October 2011	N/A	03

## GOVERNANCE INFORMATION

### For the year ended the 31 March 2014

### 3.12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2014.

#### Audit Committee Responsibility

The audit committee reports that it has complied with its responsibilities arising from section 38(1)(a), 76(4)(d) and 77 of the Public Finance Management Act and Treasury Regulations 3.1. It has adopted appropriate formal terms of reference as the Audit Committee Charter, has regulated its affairs and discharged its responsibilities in compliance thereof.

#### Audit Committee Members and Attendance

The audit committee consists of the members listed below. It meets as frequent as mandated by the approved audit committee charter and as often as it deems necessary.

During the financial year under review, 4 meetings were convened as per its charter.

Attendance of meetings was as follows:

Name	Qualifications	Internal or External	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Adv. DJ Block	B.Luris,LLB, Higher Diploma In Taxation	External		01 October 2011		04
Mr. J Besnaar	CA.(SA)	External		01 December 2011	30 November 2011	03
Mr. Z Fihlani	M.Com(Tax),CA(SA)	External		01 October 2011		01
Ms OJ Gill	B Com, B Com (hons) in Business Management, Cert. in Executive Development Program	Internal	Chief Director Department of Public Works	01 October 2011		03
Ms. E Botes	ND: Police Administration, Bachelor's degree in Police Science, Certificate in Executive Development Program	Internal	Head of Department Department of Social Development	01 October 2011		03

#### The Effectiveness of Internal Control

We have reviewed the reports of the internal auditors, the audit report on the annual Financial Statements and the management report of the Auditor-General of South Africa. Nothing has come to our attention that would indicate a material breakdown in Internal controls in this department.

The department has taken full responsibility and ownership for the implementation of risk management. The challenge remains to institutionalize risk management throughout the department. The Audit Committee noted a number of emerging risks and will monitoring these on a regular basis.

We have fulfilled our mandate with regards to the annual financial statements as mentioned below. We have reviewed and concur with management's acceptance of the AGSA's management report. We can confirm that there are no unresolved issues. The Audit Committee is satisfied with the content and quality of quarterly reports in respect of in-year management and quarterly performance reports submitted in terms of the PFMA and the Division of Revenue Act prepared and issued by the Accounting Officer of the department during the year under review.

**GOVERNANCE INFORMATION**  
**For the year ended the 31 March 2014****Evaluation of Financial Statements**

The audit committee has:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the Accounting Officer;
- Reviewed the Auditor-General's management report and management's response thereto;
- Reviewed changes to accounting policies and practices as reported in the annual financial statements;
- Reviewed the department's processes for compliance with legal and regulatory provisions;
- Reviewed the information on predetermined objectives as reported in the annual report;
- Reviewed material adjustments resulting from the audit of the department; and
- Reviewed and where appropriate recommended changes to the interim financial statements as presented by the department for the six months ending 30 September 2013.

**Internal Audit**

In line with the PFMA and the King III Report on Corporate Governance requirements, internal audit provides the audit committee and management with reasonable assurance that the internal controls are adequate and effective. This is achieved by a risk based internal audit plan, internal audit assessing the adequacy of controls mitigating the risks and the audit committee monitoring implementation of corrective actions.

The following internal audits approved of which all were completed during the year under review:

- Review of Annual Financial Statement for year ending 31 March 2012/13
- Asset Management
- Commitments and Leases (Ad-hoc audit on management request)
- MPAT
- Supply Chain Management
- IT Governance
- Interim Financial Statements ending 31 December 2013
- Audit of Performance Information

The audit committee will encourage increased assurance over significant risk by overseeing the implementation of combined assurance principles.

**Auditor's General Report**

We have reviewed the department's implementation plan for the audit issues raised in the prior year on a quarterly basis. The audit committee has met with the Auditor General to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on detailed finding emanating from current regulatory audit will be monitored by the audit committee on regular basis.

**Conclusion**

The audit committee concurs and accepts the Auditor-General's opinion regarding the Annual financial statements, and proposes that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

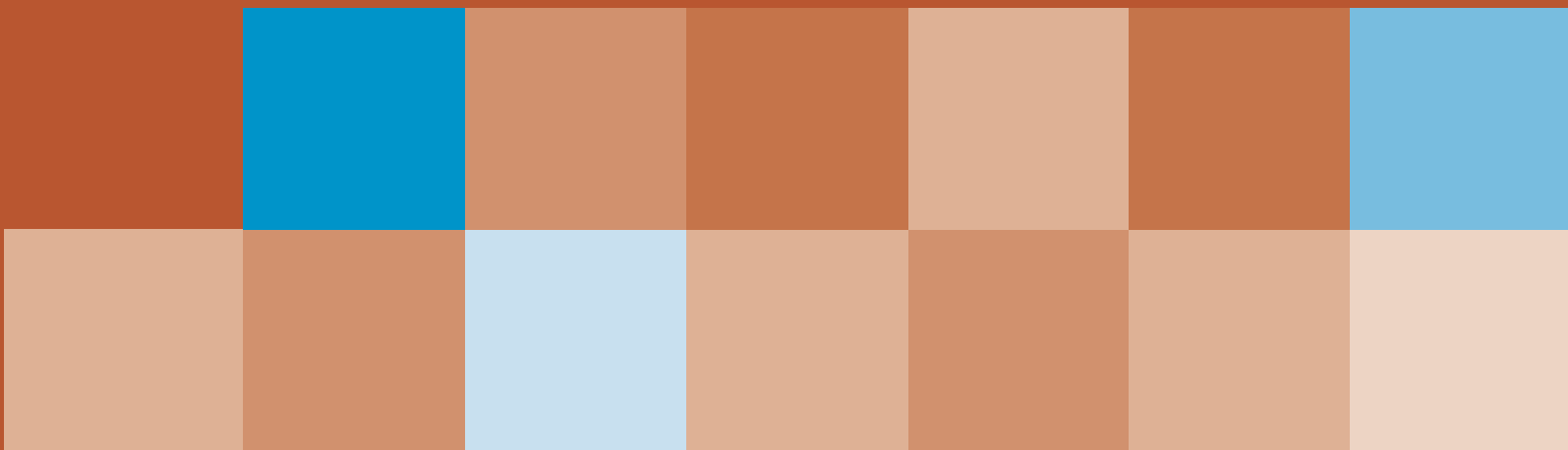


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**Advocate DJ Block**

**Acting Chairperson of the Audit Committee**

Department of Economic Development and Tourism

# PART D: HUMAN RESOURCE MANAGEMENT



# PART D: HUMAN RESOURCE MANAGEMENT

## 4.1. INTRODUCTION

Human Resource practices of the Department are regulated by the following:

- Public Service Act and Regulations
- Employment Equity Act
- Skills Development Act

## 4.2. OVERVIEW OF HUMAN RESOURCES

### 4.2.1. The status of human resources in the department

Reduction of vacancy rate, bulk verification of qualification, pre-screening of job applicants and job evaluation of posts on the organogram remain key HR matters in the department.

### 4.2.2. Human resource priorities for the year under review and the impact of these

Pre-screening of job applicants and exit interviews have been institutionalised in the department. An Employee Health and Wellness Programme has also been institutionalised. Job evaluations have been conducted to ensure the implementation of equal pay for work of equal value.

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

An HR Plan and its implementation report were concluded during the period under review. A target was set to recruit 20 employees and about 17 were recruited. Our turnover rate is below 10%, which suggest that we are able to retain skilled and capable staff in our employ.

### 4.2.4. Employee performance management

Employee Performance is managed through the Employee Performance and Development System, in case of level 1 – 12 employees, and Chapter 4 of SMS Handbook in case of Senior Managers. Quarterly and annual assessments are conducted and reviewed.

### 4.2.5. Employee wellness programmes

Department has adopted the EHW policies and programmes to manage the employee health and wellness initiatives, including HIV/AIDS, TB and STI's.

### 4.2.6. Highlights achievements and challenges faced by the department, as well as future human resource plans/ goals

Department has adopted a set of HR Policies and Standard Operating Procedures, covering the whole HR spectrum, including Recruitment and Selection, Training and Development, Bursaries, EHW and Succession and Retention. Review of the organisational structure and obtaining of the MPSA concurrence on creation of SMS posts are some of the challenges facing the department. Unfunded posts remain one of the challenges that negatively affects recruitment programme. The future HR plans and goals are contained in the approved HR, EE, WS and HRD Implementation Plans of the Department.

## HUMAN RESOURCE MANAGEMENT INFORMATION

### For the year ended the 31 March 2014

## 4.3. HUMAN RESOURCE OVERSIGHT STATISTICS

### 4.3.1. Personnel related expenditure

**Table 4.3.1.1. Personnel expenditure by programme for the period 1 April 2013 to 31 March 2014**

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services Expenditure (R'000)	Personnel Expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	44 598	24 034	213	1 372	54%	381
IEDS	66 857	9 596	21	1 411	14%	417
Trade & Sector	29 786	7 956	77	3 262	27%	612
Business Regulation & Governance	27 623	7 114	0	274	26%	1 423
Economic Planning	14 665	9 352	88	422	64%	425
Tourism	82 851	7 108	43	33 676	9%	374
<b>Total</b>	<b>266 380</b>	<b>65 160</b>	<b>442</b>	<b>40 417</b>	<b>25%</b>	<b>449</b>

**Table 4.3.1.2 Personnel costs by salary bands for the period 1 April 2013 to 31 March 2014**

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (levels 1-2)	-	-	-	-
Skilled (level 3-5)	4 059	6.2	28	145
Highly skilled production (levels 6-8)	10 211	15.7	42	243
Highly skilled supervision (levels 9-12)	25 913	39.8	57	455
Senior and Top management (levels 13-16)	17 240	26.5	19	907
Contract (Levels 1-2)	922	1.4	21	44
Contract (Levels 3-5)	464	0.7	6	77
Contract (Levels 6-8)	292	0.4	1	292
Contract (Levels 9-12)	924	1.4	2	462
Contract (Levels 13-16)	2 945	4.5	4	736
Periodical Remuneration	-	-	-	-
Abnormal Appointment	2 191	3.4	7	313
<b>Total</b>	<b>65 161</b>	<b>100</b>	<b>187</b>	<b>348</b>

**Table 4.3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2013 to 31 March 2014**

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	17 506	77.9	-	-	485	2.2	810	3.6
Integrated Econ Development Services	7 356	74.9	-	-	260	2.6	315	3.2
Trade & Sector Development	6 835	76.4	-	-	318	3.6	228	2.5



## HUMAN RESOURCE MANAGEMENT INFORMATION

### For the year ended the 31 March 2014

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Business Regulation & Governance	4 017	55.0	-	-	125	1.7	125	1.7
Economic Planning	8 782	81.6	-	-	165	1.5	186	1.7
Tourism	5 734	74.8	-	-	152	2.0	276	3.6
<b>TOTAL</b>	<b>50 230</b>	<b>75.0</b>	<b>-</b>	<b>-</b>	<b>1 505</b>	<b>2.2</b>	<b>1 940</b>	<b>2.9</b>

**Table 4.3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary bands for the period 1 April 2013 to 31 March 2014**

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	-	-	-	-	-	-	-	-
Skilled (level 3-5)	2 858	70.2	-	-	239	5.9	356	8.7
Highly skilled production (levels 6-8)	7 530	73.3	-	-	407	4.0	667	6.5
Highly skilled supervision (levels 9-12)	20 272	76.1	-	-	472	1.8	714	2.7
Senior management (level 13-16)	14 327	79.6	-	-	293	1.6	203	1.1
Contract (Levels 1-2)	922	98.1	-	-	-	-	-	-
Contract (Levels 3-5)	464	100.0	-	-	-	-	-	-
Contract (Levels 6-8)	292	100.0	-	-	-	-	-	-
Contract (Levels 9-12)	906	97.8	-	-	-	-	-	-
Contract (Levels 13-16)	2 659	84.4	-	-	93	3.0	-	-
<b>Total</b>	<b>50 230</b>	<b>75.0</b>	<b>-</b>	<b>-</b>	<b>1 504</b>	<b>2.2</b>	<b>1 940</b>	<b>2.9</b>

#### 4.3.2. Employment and Vacancies

**Table 4.3.2.1 Employment and vacancies by programme as on 31 March 2014**

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Admin	73	63	13.7	5
IEDS	30	23	26.7	0
Trade & Sector	25	13	48	0
Business Regulation & Governance	6	5	16.7	0
Econ Planning	26	22	19.3	0
Tourism	28	19	32.3	0
<b>Total</b>	<b>188</b>	<b>145</b>	<b>24</b>	<b>5</b>

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### For the year ended the 31 March 2014

**Table 4.3.2.2 Employment and vacancies by salary band as on 31 March 2014**

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled ( 1-2)	0	0	0	0
Skilled(3-5)	19	17	10.6%	5
Highly skilled production (6-8)	59	45	25.5%	0
Highly skilled supervision (9-12)	84	64	25%	0
Senior management (13-16)	26	19	27%	0
<b>Total</b>	<b>188</b>	<b>145</b>	<b>24%</b>	<b>5</b>

**Table 4.3.2.3 Employment and vacancies by critical occupation as on 31 March 2014**

Critical occupations	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Economist	4	0	100%	0
<b>Total</b>	<b>4</b>	<b>0</b>	<b>100%</b>	<b>0</b>

#### 4.3.3. Filling of SMS Posts

**Table 4.3.3.1 SMS post information as on 31 March 2014**

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	2	2	100%	0	0
Salary Level 14	6	5	85.7%	1	14.3%
Salary Level 13	19	11	57.8%	8	42.2%
<b>Total</b>	<b>27</b>	<b>18</b>	<b>70%</b>	<b>9</b>	<b>33.3%</b>

**Table 4.3.3.2 SMS post information as on 31 March 2014**

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	2	2	100%	0	0
Salary Level 14	6	5	85.7%	1	14.3%
Salary Level 13	19	11	57.8%	8	42.2%
<b>Total</b>	<b>27</b>	<b>19</b>	<b>70%</b>	<b>9</b>	<b>30%</b>

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**Table 4.3.3.3 Advertising and filling of SMS posts for the period 1 April 2013 to 31 March 2014**

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	2	2	100%	0	0
Salary Level 14	6	5	85.7%	1	14.3%
Salary Level 13	19	11	57.8%	8	42.2%
<b>Total</b>	<b>27</b>	<b>19</b>	<b>70%</b>	<b>9</b>	<b>30%</b>

**Table 4.3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2013 to 31 March 2014**

Reasons for vacancies not advertised within six months
Internal administrative processes
Reasons for vacancies not filled within six months
The closing of offices during the festive season 13 December 2013 to January 2013 period and the accompanying competency assessments that needed to be done.

**Table 4.3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2013 to 31 March 2014**

Reasons for vacancies not advertised within six months
None
Reasons for vacancies not filled within six months
None

#### 4.3.4. Job Evaluation

**Table 4.3.4.1 Job Evaluation by salary band for the period 1 April 2013 to 31 March 2014**

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	19	8	42%	1	0	0	0
Highly skilled production (Levels 6-8)	59	25	42%	0	0	0	0
Highly skilled supervision (Levels 9-12)	84	16	19%	0	0	0	0
Senior Management Service Band A	16	5	31%	0	0	0	0
Senior Management Service Band B	9	0	0	0	0	0	0
Senior Management Service Band C	1	0	0	0	0	0	0

## HUMAN RESOURCE MANAGEMENT INFORMATION

### For the year ended the 31 March 2014

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Senior Management Service Band D	0	0	0	0	0	0	0
Contract (Levels 1-2)	0	0	0	0	0	0	0
Contract (Levels 3-5)	0	0	0	0	0	0	0
Contract (Levels 6-8)	0	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	0	0	0	0	0
Contract (Band A)	0	0	0	0	0	0	0
Contract (Band B)	0	0	0	0	0	0	0
Contract (Band C)	0	0	0	0	0	0	0
Contract (Band D)	0	0	0	0	0	0	0
<b>Total</b>	<b>188</b>	<b>54</b>	<b>29%</b>	<b>1</b>	<b>0.53</b>	<b>0</b>	<b>0</b>

**Table 4.3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2013 to 31 March 2014**

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	1	0	0	0	1
<b>Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Employees with a disability</b>					<b>0</b>

**Table 4.3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2013 to 31 March 2014**

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None identified in 2013/14	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

**Table 4.3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2013 to 31 March 2014**

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Employees with a disability</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Number of Employees whose remuneration exceeded the grade determined by job evaluation in 2013/14</b>					<b>0</b>

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#### 4.3.5. Employment Changes

**Table 4.3.5.1 Annual turnover rates by salary band for the period 1 April 2013 to 31 March 2014**

Salary Band	Employment at beginning of period- April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled ( Levels 1-2)	-	-	-	-
Skilled (Levels 3-5)	29	9	3	10.3%
Highly skilled production (Levels 6-8)	34	0	2	5.8%
Highly skilled supervision (Levels 9-12)	62	3	5	8%
Senior Management Service Bands A	13	0	0	0
Senior Management Service Bands B	5	0	0	0
Senior Management Service Bands C	2	0	0	0
Senior Management Service Bands D	0	0	0	0
Contracts	-	-	-	-
<b>Total</b>	<b>145</b>	<b>12</b>	<b>10</b>	<b>6.8%</b>

**Table 4.3.5.2 Annual turnover rates by critical occupation for the period 1 April 2013 to 31 March 2014**

Critical Occupation	Number of employees at beginning of period- April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Economist	1	0	1	100%
<b>TOTAL</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>100%</b>

**Table 4.3.5.3 Reasons why staff left the department for the period 1 April 2013 to 31 March 2014**

Termination Type	Number	% of Total Resignations
Death	2	20
Resignation	6	60
Expiry of contract	0	0
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	0	0
Transfer to other Public Service Departments	2	20
Other	0	0
<b>Total</b>	<b>10</b>	<b>100</b>
<b>Total number of employees who left as a % of total employment</b>	<b>10</b>	<b>6.9</b>

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**Table 4.3.5.4 Promotions by critical occupation for the period 1 April 2013 to 31 March 2014**

Occupation:	Employees 1 April 2013	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch promotions as a % of employees by occupation
None	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 4.3.5.5 Promotions by salary band for the period 1 April 2013 to 31 March 2014**

Salary Band	Employees 1 April 2013	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled ( Levels 1-2)	0	-	-	-	-
Skilled (Levels3-5)	29	0	0	20	69%
Highly skilled production (Levels 6-8)	34	1	2.9%	24	71%
Highly skilled supervision (Levels 9-12)	62	0	0	35	56%
Senior Management (Level 13-16)	20	0	0	10	50%
<b>Total</b>	<b>145</b>	<b>1</b>	<b>0.69%</b>	<b>89</b>	<b>61%</b>

#### 4.3.6. Employment Equity

**Table 4.3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2014**

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	16	10	2	3	8	4	0	1	<b>44</b>
Professionals	12	5	0	2	6	6	0	2	<b>33</b>
Technicians and associate professionals	2	6	0	0	16	15	0	1	<b>40</b>
Clerks	6	0	0	0	12	6	0	3	<b>27</b>
Service and sales workers	0	0	0	0	0	0	0	0	<b>0</b>
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	<b>0</b>
Craft and related trades workers	0	0	0	0	0	0	0	0	<b>0</b>
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	<b>0</b>
Elementary occupations	0	1	0	0	0	0	0	0	<b>1</b>
<b>Total</b>	<b>36</b>	<b>22</b>	<b>2</b>	<b>5</b>	<b>42</b>	<b>31</b>	<b>0</b>	<b>7</b>	<b>145</b>
Employees with disabilities	0	0	0	0	1	1	0	0	<b>2</b>

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For the year ended the 31 March 2014

**Table 4.3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2014**

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management(L15-L16)	1	0	1	0	0	0	0	0	2
Senior Management(L13-L14)	4	3	1	1	5	2	0	1	17
Professionally qualified and experienced specialists and mid-management	11	7	0	2	3	2	0	0	25
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	14	11	0	2	22	21	0	3	73
Semi-skilled and discretionary decision making	6	1	0	0	12	6	0	3	28
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>36</b>	<b>22</b>	<b>2</b>	<b>5</b>	<b>42</b>	<b>31</b>	<b>0</b>	<b>7</b>	<b>145</b>

**Table 4.3.6.3 Recruitment for the period 1 April 2013 and 31 March 2014**

Occupational Bands	Total				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	1	0	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	1	0	0	0	0	2
Semi-skilled and discretionary decision making	2	1	0	0	4	1	0	1	9
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>12</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

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### For the year ended the 31 March 2014

**Table 4.3.6.4 Promotions for the period 1 April 2013 to 31 March 2014**

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	1	1
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

**Table 4.3.6.5 Terminations for the period 1 April 2013 to 31 March 2014**

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	1	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	1	0	0	3	1	0	2	7
Semi-skilled and discretionary decision making	1	0	0	0	1	0	0	0	2
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>10</b>
Employees with Disabilities	0	0	0	0	0	0	0	0	0



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**Table 4.3.6.6 Disciplinary action for the period 1 April 2013 to 31 March 2014**

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Absenteeism	1	0	0	0	0	0	0	0	1
Insubordination	1	0	0	0	0	0	0	0	1
Refusing a lawful instruction	1	0	0	0	0	0	0	0	1
Non-compliance to supply chain processes	2	0	0	0	0	0	0	0	2
Non-compliance to EPMDs processes	1	0	0	0	0	0	0	0	1

**Table 4.3.6.7 Skills development for the period 1 April 2013 to 31 March 2014**

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	1	0	1	0	2	0	0	0	4
Professionals	4	3	0	1	2	1	0	0	11
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	4	3	0	0	13	2	0	0	22
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	22	0	0	0	22
<b>Total</b>	<b>9</b>	<b>6</b>	<b>1</b>	<b>1</b>	<b>39</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>59</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

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

**Table 4.3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2014**

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	0	0	0	0
Salary Level 16	0	0	0	0
Salary Level 15	1	1	1	100%
Salary Level 14	17	6	6	100%
Salary Level 13	19	11	11	100%
<b>Total</b>	<b>37</b>	<b>18</b>	<b>18</b>	<b>100%</b>

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**Table 4.3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2014**

Reasons
N/A

**Table 4.3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2014**

Reasons
N/A

### 4.3.8. Performance Rewards

**Table 4.3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2013 to 31 March 2014**

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Male	3	36	4.1	66	6,497
Asian, Male	0	2	0	0	0
Coloured Male	1	22	4.5	23	23,404
White Male	0	5	0	0	0
African Female	2	42	4.8	13	6,497
Asian Female	0	0	0	0	0
Coloured Female	4	31	12.9	39	9,739
White Female	2	7	28.6	17	8,479
<b>Total</b>	<b>12</b>	<b>145</b>	<b>8.3</b>	<b>158</b>	<b>13,875</b>

**Table 4.3.8.2 Performance Rewards by salary bands for personnel below Senior Management Service for the period 1 April 2013 to 31 March 2014**

Salary Bands	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	0	0	0%	0	0	0
Skilled (level 3-5)	2	17	9.5%	9	4,500	.01%
Highly skilled production (level 6-8)	5	45	11.9	33	6,600	.05%
Highly skilled supervision (level 9-12)	4	64	7%	64	16,000	.10%
Contract ( levels1-2)	0	12	0	0	0	0
Contract ( levels 3-5)	0	5	0	0	0	0
Contract ( levels 9-12)	0	3	0	0	0	0
Abnormal Appointments	0	4	0	0	0	0
<b>Total</b>	<b>11</b>	<b>150</b>	<b>7.6</b>	<b>106</b>	<b>9636</b>	<b>0.16%</b>

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### For the year ended the 31 March 2014

**Table 4.3.8.3 Performance Rewards by critical occupations for the period 1 April 2013 to 31 March 2014**

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**Table 4.3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2013 to 31 March 2014**

Salary Band	Number of beneficiaries			Cost		
	Number of beneficiaries	Number of employees	% of total within band	Total Cost (R'000)	Average cost per employee	Total cost as a % of the personnel expenditure
Band A	0	13	0	0	0	0
Band B	0	6	0	0	0	0
Band C	1	2	50%	52	52 000	2.8
Band D	0	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>21</b>	<b>4.8%</b>	<b>52</b>	<b>52 000</b>	<b>2.8</b>

#### 4.3.9. Foreign Workers

**Table 4.3.9.1 foreign workers by salary band for the period 1 April 2013 to 31 March 2014**

Salary Band	01 April 2013		31 March 2014		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 4.3.9.2 foreign workers by major occupation**

Major occupation	April 2013		31 March 2014		Change	
	Number	% of total	Number	% of total	Number	% Change
None	0	0	0	0	0	0

## HUMAN RESOURCE MANAGEMENT INFORMATION

### For the year ended the 31 March 2014

#### 4.3.10. Leave utilisation

**Table 4.3.10.1 Sick leave for the period 1 April 2013 to 31 March 2014**

Salary Band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	0	0	0	0	0	0
Skilled (levels 3-5)	186	0	23	19.82	8.09	837 775
Highly skilled production (levels 6-8)	379	0	36	31	10.53	268 573
Highly skilled supervision (levels 9 -12)	380	0	40	34.48	9.5	470 625
Top and Senior management (levels 13-16)	94	0	17	14.65	5.53	205 446
<b>Total</b>	<b>1039</b>	<b>0</b>	<b>116</b>	<b>100</b>	<b>8.95</b>	<b>1 028 421</b>

**Table 4.3.10.2 Disability Leave (temporary and permanent) for the period 1 April 2013 to 31 March 2014**

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)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

NB: No disability leave were recorded due to the non-appointment of a Health Risk Manager

**Table 4.3.10.3 Annual Leave for the period 1 April 2013 to 31 March 2014**

Salary Band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	0	0	0
Skilled Levels 3-5)	469	29	16.17
Highly skilled production (Levels 6-8)	972	49	19.84
Highly skilled supervision (Levels 9-12)	1386	60	23.1
Senior management (Levels 13-16)	573	24	23.88
<b>Total</b>	<b>3400</b>	<b>162</b>	<b>20.98</b>

## HUMAN RESOURCE MANAGEMENT INFORMATION

### For the year ended the 31 March 2014

**Table 4.3.10.4 Capped leave for the period 1 April 2013 to 31 March 2014**

Salary Band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 March
Lower skilled (Levels 1-2)	-	-	-	-
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 4.3.10.5 Leave pay outs for the period 1 April 2013 to 31 March 2014**

Reason	Total Amount (R'000)	Number of Employees	Average per employee (R'000)
Leave payout for 2012/13 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2013/14	0	0	0
Current leave payout on termination of service for 2013/14	101 748	13	7826
<b>Total</b>	<b>101 748</b>	<b>13</b>	<b>7826</b>

#### 4.3.11. HIV/AIDS & Health Promotion Programmes

**Table 4.3.11.1 Steps taken to reduce the risk of occupational exposure**

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
<b>All</b>	HIV/AIDS, TB Policy adopted
<b>All</b>	Voluntary and counselling services provided

**Table 4.3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)**

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		The Senior Manager has been designated as SMS responsible.
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		EHW Unit established and staffed
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		Awareness campaigns, voluntary testing and counselling services
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		X	
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		The HIV/AIDS and TB Policy and Employment Equity Plan

## HUMAN RESOURCE MANAGEMENT INFORMATION

### For the year ended the 31 March 2014

Question	Yes	No	Details, if yes
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		HIV/AIDS and TB Policy and Employment Equity Plan
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		Staff members participated in our VCT activities
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.		X	

#### 4.3.12. Labour Relations

**Table 4.3.12.1 Collective agreements for the period 1 April 2013 to 31 March 2014**

Total number of collective agreements	None
---------------------------------------	------

**Table 4.3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2013 to 31 March 2014**

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	3	25
Verbal warning	0	0
Written warning	5	41.67
Final written warning	4	33.33
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
<b>Total</b>	<b>12</b>	<b>100</b>

**Table 4.3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2013 to 31 March 2014**

Type of misconduct (based on annexure A)	Number	% of total
Absenteeism	1	16.67
Insubordination	1	16.67
Refusing a lawful instruction	1	16.66
Non-compliance to supply chain processes	2	33.33
Non-compliance to EPMS processes	1	16.67
<b>Total</b>	<b>6</b>	<b>100</b>

**Table 4.3.12.4 Grievances logged for the period 1 April 2013 to 31 March 2014**

	Number	% of Total
Number of grievances resolved	1	50
Number of grievances not resolved	1	50
<b>Total number of grievances lodged</b>	<b>2</b>	<b>100</b>

## HUMAN RESOURCE MANAGEMENT INFORMATION

### For the year ended the 31 March 2014

**Table 4.3.12.5 Disputes logged for the period 1 April 2013 to 31 March 2014**

	Number	% of Total
Number of disputes upheld	1	100
Number of disputes dismissed	0	0
<b>Total number of disputes lodged</b>	<b>1</b>	<b>100</b>

**Table 4.3.12.6 Strike actions for the period 1 April 2013 to 31 March 2014**

Total number of persons working days lost	None
Total costs working days lost	None
Amount (R'000) recovered as a result of no work no pay	None

**Table 4.3.12.7 Precautionary suspensions for the period 1 April 2013 to 31 March 2014**

Number of people suspended	1
Number of people who's suspension exceeding 30 days	1
Average number of days suspended	68
Cost (R'000) of suspension	R60 402.36

#### 4.3.13. Skills development

**Table 4.3.13.1 Training needs identified for the period 1 April 2013 to 31 March 2014**

Occupational Categories	Gender	Number of employees as at 1 April 2013	Training needs identified at start of the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	8	3	Project management, Econometrics and Advance management	Generic training	11
	Male	12	3	Same as above	Same as above	15
Professionals	Female	20	9	Certificate in business management, Project management, Financial training, Basic Economics training, Journalism	Records management, Project management, Strategic management, & Finance for non-financial managers.	29
	Male	38	9	Same as above	Same as above	47
Technicians and associate professionals	Female	27	6	Emerging management development programme, Business writing and facilitation skills, Basic Economics,	Certificate in employment relations, Report writing, Strategic management.,	33
	Male	28	6	Same as above	Same as above	34
Clerks	Female	0	0	-	-	0
	Male	10	6	Report writing skills, Computer training (Microsoft, excel & powerpoint, Project management	Logis/Bas, Persal and Generic training	16

## HUMAN RESOURCE MANAGEMENT INFORMATION

### For the year ended the 31 March 2014

Occupational Categories	Gender	Number of employees as at 1 April 2013	Training needs identified at start of the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Service and sales workers	Female	23	6	Same as above	Same as above	29
	Male	0	0	-	-	0
Skilled agriculture and fishery workers	Female	0	0	-	-	0
	Male	0	0	-	-	0
Craft and related trades workers	Female	0	0	-	-	0
	Male	0	0	-	-	0
Plant and machine operators and assemblers	Female	0	0	-	-	0
	Male	0	0	-	-	0
Elementary occupations	Female	0	0	-	-	0
	Male	0	0	-	-	0
Sub Total	Female	0	0	-	-	0
	Male	0	0	-	-	0
<b>Total</b>		<b>166</b>	<b>48</b>			<b>214</b>

**Table 4.3.13.2 Training provided for the period for the period 1 April 2013 to 31 March 2014**

Occupational Categories	Gender	Number of employees as at 1 April 2013	Training provided within the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	3	0	Business continuity management, Monitoring & evaluation, Communication programme,	-	<b>3</b>
	Male	3	0	Same as above	-	3
Professionals	Female	8	0	Business management, monitoring and evaluation, e-disclosure training, Workplace skills plan training, Communication programme, Organisational development, Advance Microsoft computer training.	-	<b>8</b>
	Male	11	0	Same as above	-	11
Technicians and associate professionals	Female	4	0	Assessor training, Compulsory Induction, Persal, Workplace Skills plan, Job Evaluation	-	<b>4</b>
	Male	0	0	-	-	0



## HUMAN RESOURCE MANAGEMENT INFORMATION

### For the year ended the 31 March 2014

Occupational Categories	Gender	Number of employees as at 1 April 2013	Training provided within the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Clerks	Female	8	0	Government Accounting, Advance Microsoft computer training, Disaster management training, Mentoring and coaching	Logis/bas, Persal training, Procurement and fleet management,	8
	Male	4	0	Same as above	-	4
Service and sales workers	Female	0	0	-	-	0
	Male	0	0	-	-	0
Skilled agriculture and fishery workers	Female	0	0	-	-	0
	Male	0	0	-	-	0
Craft and related trades workers	Female	0	0	-	-	0
	Male	0	0	-	-	0
Plant and machine operators and assemblers	Female	0	0	-	-	0
	Male	0	0	-	-	0
Elementary occupations	Female	0	0	-	-	0
	Male	0	0	-	-	0
Sub Total	Female	0	0	-	-	0
	Male	0	0	-	-	0
<b>Total</b>		<b>41</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>41</b>

#### 4.3.14. Injury on duty

**Table 4.3.14.1 Injury on duty for the period 1 April 2013 to 31 March 2014**

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

#### 4.3.15. Utilisation of Consultants

**Table 4.3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2013 to 31 March 2014**

Project Title	Total Number of consultants that worked on project	Duration Work days	Contract value in Rand
Job Evaluation	1	90	R400 000
Mentoring Services	1	260	R297 000
<b>Clothing and Textile Cluster \Feasibility Study and Business Plan Development</b>	4	62	R409,400 excl. VAT (including travel costs)
Feasibility Study and Business Plan for a Mineral Beneficiation Cluster	12	84	R446 880
Development of the Northern Cape Renewable Energy Strategy	3	173	R811 041
NC Agro-processing cluster	5	90	R 264 480

## HUMAN RESOURCE MANAGEMENT INFORMATION

### For the year ended the 31 March 2014

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
6	26	759	R2 628 801

**Table 4.3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2013 to 31 March 2014**

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Job Evaluation	100%	100%	2
Mentoring Services	100%	100%	1
Clothing and Textile Cluster Feasibility Study and Business Plan Development	2.5%	42%	1
Feasibility Study and Business Plan for a Mineral Beneficiation Cluster	100%	72%	7
Development of the Northern Cape Renewable Energy Strategy	80%	51%	3
NC Agro-processing cluster	51%	51%	3

**Table 4.3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2013 to 31 March 2014**

Project Title	Total Number of consultants that worked on project	Duration Work days	Donor and Contract value in Rand
None	-	-	-

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	-	-	-

**Table 4.3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2013 to 31 March 2014**

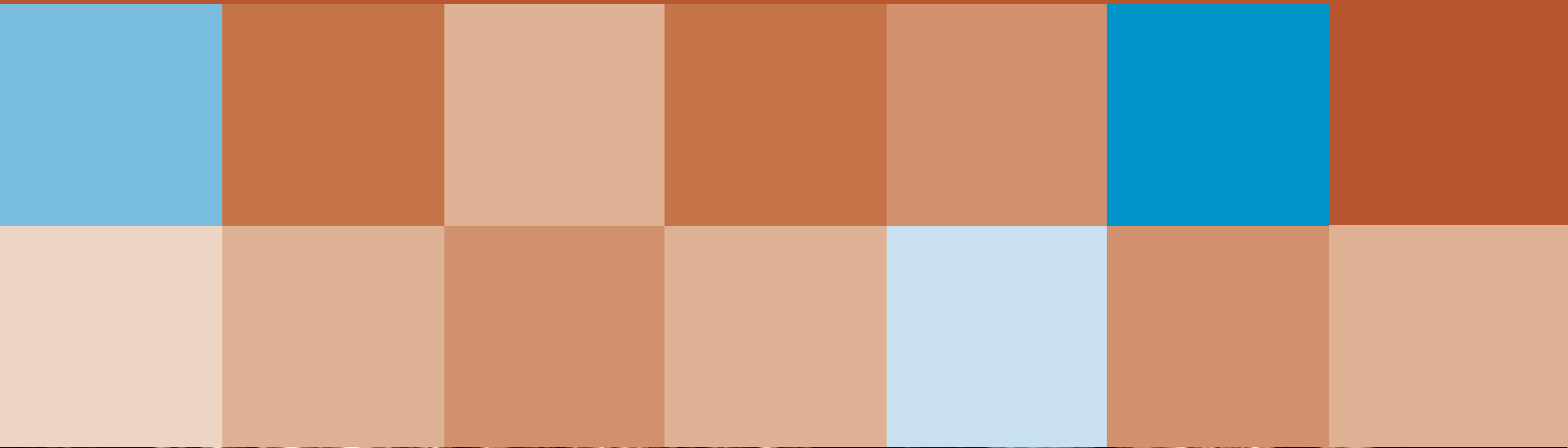
Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
None	-	-	-

#### 4.3.16. Severance Packages

**Table 4.3.16.1 Granting of employee initiated severance packages for the period 1 April 2013 to 31 March 2014**

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
None	-	-	-	-

# PART E: FINANCIAL INFORMATION



**AUDITOR-GENERAL REPORT**  
For the year ended the 31 March 2014

## REPORT OF THE AUDITOR-GENERAL TO THE NORTHERN CAPE PROVINCIAL LEGISLATURE ON VOTE NO.6: DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

### REPORT ON THE FINANCIAL STATEMENTS

#### Introduction

1. I have audited the financial statements of the department of Economic Development and Tourism set out on pages 142 to 200, which comprise the appropriation statement, the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

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

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

#### Auditor-General's responsibility

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

#### Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the department as at 31 March 2014, and its financial performance and cash flows for the year then ended in accordance with the *Modified Cash Standard* prescribed by the National Treasury and the requirements of the PFMA.

#### Emphasis of matters

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

#### Material losses/impairments

8. As disclosed in note 28 to the financial statements, material impairments to the amount of R3 800 000 were incurred as a result of the re assessment of shares.

**AUDITOR-GENERAL REPORT**  
**For the year ended the 31 March 2014**

9. As disclosed in note 31 to the financial statement, material losses to the amount of R 10 779 000 were incurred as a result of intangible assets being written - off.

**Additional matter**

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

**Unaudited supplementary schedules**

11. The supplementary information set out in annexure 1A to 8 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

12. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, noncompliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

**Predetermined objectives**

13. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2014:
- Programme 2: Integrated Economic Development Services on pages 46 to 54
  - Programme 6: Tourism on pages 90 to 102
14. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
15. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the *National Treasury's Framework for managing programme performance information (FMPPI)*.
16. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
17. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected programmes.

**Additional matters**

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

**Achievement of planned targets**

19. Refer to the annual performance report on pages 46 to 54; 90 to 102 for information on the achievement of planned targets for the year

**Unaudited supplementary schedules**

20. The supplementary information set out on pages 103 to 137 does not form part of the annual performance report and is presented as additional information. We have not audited these schedules and, accordingly, we do not express a conclusion thereon.

**AUDITOR-GENERAL REPORT**  
**For the year ended the 31 March 2014****Compliance with legislation**

21. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

**Internal control**

22. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. I did not identify any deficiencies in internal control which I considered sufficiently significant for inclusion in this report

**OTHER REPORTS****Investigations**

23. An investigation is being conducted to probe the manner in which some projects utilised funds advanced as transfer payments by the department. The investigation aims to establish whether the funds were used for the intended purpose and in accordance with approved business plans. The investigation was still ongoing at the reporting date.

24. An investigation is being conducted on request by the department. The investigation was initiated based on the allegation of possible misappropriation of uncut diamonds that was acquired by the department. The investigation was still ongoing at the reporting date.

*Auditor General*

Kimberley  
31 July 2014



**A U D I T O R - G E N E R A L**  
**S O U T H A F R I C A**

*Auditing to build public confidence*

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

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

Appropriation per programme										
	2013/14					2012/13				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
<b>1. Administration</b>										
Current payment	42,465	(298)	1,302	43,469	43,455	14	100.0%	37,121	35,003	
Transfers and subsidies	366	55	-	421	421	-	100.0%	196	195	
Payment for capital assets	614	243	(45)	812	722	90	88.9%	346	346	
Payment for financial assets	-	-	-	-	-	-	-	-	-	
<b>Subtotal</b>	<b>43,445</b>	<b>-</b>	<b>1,257</b>	<b>44,702</b>	<b>44,598</b>	<b>104</b>		<b>37,663</b>	<b>35,544</b>	
<b>2. Integrated Economic Development Services</b>										
Current payment	16,406	(88)	(458)	15,860	15,858	2	100.0%	16,821	16,818	
Transfers and subsidies	50,929	15	-	50,944	50,871	73	99.9%	39,165	39,153	
Payment for capital assets	282	73	(227)	128	128	-	100.0%	107	107	
Payment for financial assets	-	-	-	-	-	-	-	-	-	
<b>Subtotal</b>	<b>67,617</b>	<b>-</b>	<b>(685)</b>	<b>66,932</b>	<b>66,857</b>	<b>75</b>		<b>56,093</b>	<b>56,078</b>	
<b>3. Trade and Sector Development</b>										
Current payment	22,517	(30)	(1,757)	20,730	20,725	5	100.0%	23,147	17,392	
Transfers and subsidies	9,002	2	-	9,004	9,004	-	100.0%	5,265	5,265	
Payment for capital assets	110	28	71	209	57	152	27.3%	130	42	
Payment for financial assets	-	-	-	-	-	-	-	-	-	
<b>Subtotal</b>	<b>31,629</b>	<b>-</b>	<b>(1,686)</b>	<b>29,943</b>	<b>29,786</b>	<b>157</b>		<b>28,542</b>	<b>22,699</b>	





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

	2013/14		2012/13	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
<b>TOTAL (brought forward)</b>				
<b>Reconciliation with statement of financial performance</b>				
<b>ADD</b>				
Departmental receipts	-		1,290	
NRF Receipts	-		-	
Aid assistance	1,471		2,000	
<b>Actual amounts per statement of financial performance (total revenue)</b>	<b>268,605</b>		<b>238,524</b>	
<b>ADD</b>				
Aid assistance		1,395		1,605
Prior year unauthorised expenditure approved without funding				
<b>Actual amounts per statement of financial performance (total expenditure)</b>		<b>267,775</b>		<b>224,893</b>

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

Appropriation per economic classification										
	2013/14					2012/13				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
<b>Current payments</b>										
Compensation of employees	66,444	(458)	(419)	65,567	65,160	407	99.4%	59,353	57,703	
Goods and services	93,764	(708)	417	93,473	93,473	-	100.0%	95,474	86,276	
Interest and rent on land	29	-	-	29	-	29	-	42	-	
<b>Transfers and subsidies</b>										
Provinces and municipalities	1,366	(805)	-	561	508	53	90.6%	1,174	1,174	
Departmental agencies and accounts	54,654	1,996	-	56,650	56,650	-	100.0%	42,025	42,025	
Higher education institutions	-	-	-	-	-	-	-	-	-	
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	
Public corporations and private enterprises	47,406	(891)	-	46,515	46,515	-	100.0%	34,909	34,909	
Non-profit institutions	-	-	-	-	-	-	-	-	-	
Households	56	22	-	78	56	22	71.8%	200	189	
Gifts and donations	-	-	-	-	-	-	-	-	-	
<b>Payments for capital assets</b>										
Buildings and other fixed structures	996	249	504	1,749	1,749	-	100.0%	735	-	
Machinery and equipment	2,097	595	(187)	2,505	2,262	243	90.3%	1,216	1,007	
Heritage assets	-	-	-	-	-	-	-	-	-	
Specialised military assets	-	-	-	-	-	-	-	-	-	
Biological assets	-	-	-	-	-	-	-	-	-	
Land and subsoil assets	-	-	-	-	-	-	-	-	-	
Intangible assets	322	-	(315)	7	7	-	100.0%	106	5	
<b>Payments for financial assets</b>										
<b>Total</b>	<b>267,134</b>	<b>-</b>	<b>-</b>	<b>267,134</b>	<b>266,380</b>	<b>754</b>	<b>99.7%</b>	<b>235,234</b>	<b>223,288</b>	

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

Statutory Appropriation										
Direct changes against the National/ Provincial Revenue Fund	2013/14					2012/13		Expenditure as % of final appropriation	Variance	Actual Expenditure
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Final Appropriation	Actual expenditure			
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
List all direct charges against the National/Provincial Revenue Fund President and Deputy President salaries Member of executive committee / parliamentary officers Judges and magistrates salaries Sector education and training authorities (SETA) National Skills Fund	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-

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

Program 1: Per Economic classification	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	21,965	-	2,069	24,034	24,034	-	100.0%	18,866	17,886
Goods and services	20,485	(297)	(767)	19,421	19,421	-	100.0%	18,221	17,117
Interest and rent on land	14	-	-	14	-	14	-	34	-
<b>Transfers and subsidies</b>									
Provinces and municipalities	54	54	-	108	108	-	100.0%	77	77
Departmental agencies and accounts	1	-	-	1	1	-	100.0%	2	2
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	300	-	-	300	300	-	100.0%	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	12	-	-	12	12	-	100.0%	117	117
Gifts and donations	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>									
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	607	243	(45)	805	715	90	88.8%	346	345
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	7	-	-	7	7	-	100.0%	-	-
<b>Payments for financial assets</b>									
<b>Total</b>	<b>43,445</b>	<b>-</b>	<b>1,257</b>	<b>44,702</b>	<b>44,598</b>	<b>104</b>	<b>99.8%</b>	<b>37,663</b>	<b>35,544</b>

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

Detail per sub-programme	2013/14					2012/13			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>1.1 Office of the MEC</b>									
Current payment	1,191	389	-	1,580	1,580	-	100.0%	1,587	1,587
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>1.2 Office of the HOD</b>									
Current payment	4,970	(90)	1,597	6,477	6,476	1	100.0%	7,468	7,468
Transfers and subsidies	1	-	-	1	1	-	100.0%	-	-
Payment for capital assets	92	(2)	(32)	58	57	1	98.3%	14	14
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>1.3 Corporate Services</b>									
Current payment	16,488	(148)	(767)	15,573	15,573	-	100.0%	7,693	7,379
Transfers and subsidies	11	-	-	11	11	-	100.0%	96	96
Payment for capital assets	222	(21)	(13)	188	188	-	100.0%	63	63
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>1.3 Financial Management</b>									
Current payment	19,816	(449)	472	19,839	19,826	13	99.9%	20,373	18,569
Transfers and subsidies	354	55	-	409	409	-	100.0%	100	99
Payment for capital assets	300	266	-	566	477	89	84.3%	269	269
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>43,445</b>	<b>-</b>	<b>1,257</b>	<b>44,702</b>	<b>44,598</b>	<b>104</b>	<b>99.8%</b>	<b>37,663</b>	<b>35,544</b>

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

Programme 2: Per Economic classification	2013/14					2012/13			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual expenditure R'000
<b>Current payments</b>									
Compensation of employees	9,884	(15)	(273)	9,596	9,596	-	100.0%	9,921	9,918
Goods and services	6,521	(72)	(186)	6,263	6,263	-	100.0%	6,899	6,899
Interest and rent on land	2	-	-	2	-	2	-	1	-
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	550	(100)	-	450	400	50	88.9%	-	-
Departmental agencies and accounts	11,787	2,150	-	13,937	13,937	-	100.0%	7,407	7,407
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	38,575	(2,050)	-	36,525	36,525	-	100.0%	31,735	31,735
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	16	15	-	31	9	22	29.0%	23	12
Gifts and donations	-	-	-	-	-	-	-	-	-
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	187	72	(131)	128	127	1	99.2%	107	107
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	95	-	(95)	-	-	-	-	-	-
<b>Payments for financial assets</b>									
<b>Total</b>	<b>67,617</b>	<b>-</b>	<b>(685)</b>	<b>66,932</b>	<b>66,857</b>	<b>75</b>	<b>99.9%</b>	<b>56,093</b>	<b>56,078</b>

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

Detail per sub-programme	2013/14					2012/13			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>2.1 Enterprise Development</b>									
Current payment	4,553	1,200	-	5,753	5,751	2	100.0%	3,455	3,455
Transfers and subsidies	13,362	(100)	-	13,262	13,190	72	99.5%	1,500	1,500
Payment for capital assets	165	1	(137)	29	29	-	100.0%	2	2
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>2.2 Regional &amp; Local Economic Development</b>									
Current payment	6,332	(1,433)	(352)	4,547	4,547	-	100.0%	5,666	5,666
Transfers and subsidies	1,562	15	-	1,577	1,576	1	99.9%	-	-
Payment for capital assets	60	53	(33)	80	80	-	100.0%	36	36
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>2.3 Economic Empowerment</b>									
Current payment	3,105	(690)	(106)	2,309	2,309	-	100.0%	3,472	3,469
Transfers and subsidies	-	-	-	-	-	-	-	23	23
Payment for capital assets	-	-	-	-	-	-	-	1	1
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>2.4 Economic Growth and Development Fund</b>									
Current payment	-	-	-	-	-	-	-	-	-
Transfers and subsidies	36,000	-	-	36,000	36,000	-	100.0%	37,550	37,550
Payment for capital assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>2.5 Office of the Chief Director</b>									
Current payment	2,416	835	-	3,251	3,251	-	100.0%	4,228	4,228
Transfers and subsidies	5	100	-	105	105	-	100.0%	92	80
Payment for capital assets	57	19	(57)	19	19	-	100.0%	68	68
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>67,617</b>	<b>-</b>	<b>(685)</b>	<b>66,932</b>	<b>66,857</b>	<b>75</b>	<b>99.9%</b>	<b>56,093</b>	<b>56,078</b>



## APPROPRIATION STATEMENT for the year ended 31 March 2014

Program 3: Per Economic classification	2013/14					2012/13			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>Current payments</b>									
Compensation of employees	9,513	(2)	(1,555)	7,956	7,956	-	100.0%	7,978	7,978
Goods and services	12,999	(28)	(202)	12,769	12,769	-	100.0%	15,167	9,414
Interest and rent on land	5	-	-	5	-	5	-	2	-
<b>Transfers and subsidies</b>									
Provinces and municipalities	-	-	-	-	-	-	-	847	847
Departmental agencies and accounts	9,000	-	-	9,000	9,000	-	100.0%	4,403	4,403
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2	2	-	4	4	-	100.0%	15	15
Gifts and donations	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>									
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	110	28	71	209	57	152	27.3%	124	37
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	6	5
<b>Payments for financial assets</b>									
<b>Total</b>	<b>31,629</b>	<b>-</b>	<b>(1,686)</b>	<b>29,943</b>	<b>29,786</b>	<b>157</b>	<b>99.5%</b>	<b>28,542</b>	<b>22,699</b>

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

Detail per sub-programme	2013/14					2012/13			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>3.1 Trade and Investment Promotion</b>									
Current payment	3,623	2,135	-	5,758	5,757	1	100.0%	4,627	4,143
Transfers and subsidies	9,000	-	-	9,000	9,000	-	100.0%	5,250	5,250
Payment for capital assets	15	(3)	-	12	12	-	100.0%	6	5
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>3.2 Sector Development</b>									
Current payment	6,052	(798)	(355)	4,899	4,897	2	100.0%	5,844	4,619
Transfers and subsidies	2	-	-	2	2	-	100.0%	15	15
Payment for capital assets	30	5	-	35	35	-	100.0%	24	24
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>3.3 Strategic Initiatives</b>									
Current payment	10,233	(1,544)	(916)	7,773	7,771	2	100.0%	10,199	6,510
Transfers and subsidies	-	2	-	2	2	-	100.0%	-	-
Payment for capital assets	64	26	71	161	9	152	5.6%	30	13
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>3.4 Office of the Chief Director</b>									
Current payment	2,609	177	(486)	2,300	2,300	-	100.0%	2,477	2,120
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	1	-	-	1	1	-	100.0%	70	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>31,629</b>	<b>-</b>	<b>(1,686)</b>	<b>29,943</b>	<b>29,786</b>	<b>157</b>	<b>99.5%</b>	<b>28,542</b>	<b>22,699</b>

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

Program 4: Per Economic classification	2013/14					2012/13			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	7,624	(251)	(259)	7,114	7,114	-	100.0%	5,801	5,189
Goods and services	4,070	(109)	(908)	3,053	3,053	-	100.0%	4,721	4,721
Interest and rent on land	2	-	-	2	-	2	-	-	-
<b>Transfers and subsidies</b>									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	16,339	246	-	16,585	16,585	-	100.0%	14,766	14,766
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	20	5	-	25	25	-	100.0%	22	22
Gifts and donations	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>									
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	636	109	101	846	846	-	100.0%	233	232
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>									
<b>Total</b>	<b>28,691</b>	<b>-</b>	<b>(1,066)</b>	<b>27,625</b>	<b>27,623</b>	<b>2</b>	<b>100.0%</b>	<b>25,543</b>	<b>24,930</b>

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

Detail per sub-programme	2013/14					2012/13			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>4.1 Corporate Governance</b>									
Current payment	1,865	(246)	(147)	1,472	1,472	-	100.0%	2,171	2,171
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	35	(35)	-	-	-	-	-	18	18
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>4.2 Consumer Protection</b>									
Current payment	8,462	(39)	(799)	7,624	7,623	1	100.0%	5,328	4,728
Transfers and subsidies	20	-	-	20	20	-	100.0%	-	(13)
Payment for capital assets	601	74	101	776	776	-	100.0%	213	213
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>4.3 Liquor Regulation</b>									
Current payment	392	(31)	(99)	262	262	-	100.0%	977	977
Transfers and subsidies	7,159	246	-	7,405	7,405	-	100.0%	6,643	6,643
Payment for capital assets	-	31	-	31	31	-	100.0%	2	2
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>4.3 Gambling and Betting</b>									
Current payment	977	(44)	(122)	811	810	1	99.9%	2,034	2,034
Transfers and subsidies	9,180	5	-	9,185	9,185	-	100.0%	8,157	8,157
Payment for capital assets	-	39	-	39	39	-	100.0%	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>28,691</b>	<b>-</b>	<b>(1,066)</b>	<b>27,625</b>	<b>27,623</b>	<b>2</b>	<b>100.0%</b>	<b>25,543</b>	<b>24,930</b>

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

Program 5: Per Economic classification	2013/14					2012/13			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>Current payments</b>									
Compensation of employees	10,160	-	(401)	9,759	9,352	407	95.8%	10,062	10,007
Goods and services	5,553	(33)	(355)	5,165	5,165	-	100.0%	7,216	4,875
Interest and rent on land	3	-	-	3	-	3	-	2	-
<b>Transfers and subsidies</b>									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Gifts and donations	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>									
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	298	33	(183)	148	148	-	100.0%	268	148
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	220	-	(220)	-	-	-	-	100	-
<b>Payments for financial assets</b>									
<b>Total</b>	<b>16,234</b>	<b>-</b>	<b>(1,159)</b>	<b>15,075</b>	<b>14,665</b>	<b>410</b>	<b>97.3%</b>	<b>17,648</b>	<b>15,030</b>

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

Detail per sub-programme	2013/14					2012/13			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>5.1 Policy and Planning</b>									
Current payment	2,727	(282)	-	2,445	2,444	1	100.0%	2,418	1,514
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	50	9	(29)	30	30	-	100.0%	30	5
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>5.2 Research and Development</b>									
Current payment	2,766	387	(44)	3,109	2,702	407	86.9%	3,101	2,415
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	55	-	(55)	-	-	-	-	20	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>5.3 Knowledge Management</b>									
Current payment	5,053	477	-	5,530	5,529	1	100.0%	6,771	5,965
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	323	17	(245)	95	95	-	100.0%	253	131
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>5.4 Monitoring and Evaluation</b>									
Current payment	2,438	(292)	(356)	1,790	1,790	-	100.0%	1,917	1,917
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	60	7	(60)	7	7	-	100.0%	31	2
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>5.5 Office of the Chief Director</b>									
Current payment	2,732	(323)	(356)	2,053	2,052	1	100.0%	3,072	3,072
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	30	-	(14)	16	16	-	100.0%	35	9
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>16,234</b>	<b>-</b>	<b>(1,159)</b>	<b>15,075</b>	<b>14,665</b>	<b>410</b>	<b>97.3%</b>	<b>17,648</b>	<b>15,030</b>

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

Program 6 : Per Economic classification	2013/14					2012/13			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>Current payments</b>									
Compensation of employees	7,298	(190)	-	7,108	7,108	-	100.0%	6,725	6,725
Goods and services	44,136	(169)	2,835	46,802	46,802	-	100.0%	43,250	43,250
Interest and rent on land	3	-	-	3	-	3	-	3	-
<b>Transfers and subsidies</b>									
Provinces and municipalities	762	(759)	-	3	-	3	-	250	250
Departmental agencies and accounts	17,527	(400)	-	17,127	17,127	-	100.0%	15,447	15,447
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	8,531	1,159	-	9,690	9,690	-	100.0%	3,174	3,174
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	6	-	-	6	6	-	100.0%	23	23
Gifts and donations	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>									
Buildings and other fixed structures	996	249	504	1,749	1,749	-	100.0%	735	-
Machinery and equipment	259	110	-	369	369	-	100.0%	138	138
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>									
<b>Total</b>	<b>79,518</b>	<b>-</b>	<b>3,339</b>	<b>82,857</b>	<b>82,851</b>	<b>6</b>	<b>100.0%</b>	<b>69,745</b>	<b>69,007</b>

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

Detail per sub-programme	2013/14				2012/13				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>6.1 Tourism Planning</b>									
Current payment	4,820	(682)	-	4,138	4,136	2	100.0%	4,228	4,228
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	106	(84)	-	22	22	-	100.0%	17	17
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>6.2 Tourism Growth and Development</b>									
Current payment	43,085	(947)	-	42,138	42,138	-	100.0%	42,649	42,646
Transfers and subsidies	26,826	-	-	26,826	26,823	3	100.0%	18,894	18,894
Payment for capital assets	1,044	549	504	2,097	2,096	1	100.0%	853	118
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>6.3 Tourism Sector Transformation</b>									
Current payment	1,553	(630)	-	923	923	-	100.0%	1,304	1,304
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	75	(75)	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>6.4 Office of the Chief Director</b>									
Current payment	1,979	1,899	2,835	6,713	6,713	-	100.0%	1,797	1,797
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	30	(30)	-	-	-	-	-	3	3
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>79,518</b>	<b>-</b>	<b>3,339</b>	<b>82,857</b>	<b>82,851</b>	<b>6</b>	<b>100.0%</b>	<b>69,745</b>	<b>69,007</b>



**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

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

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

**3. Detail on payments for financial assets**

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

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

**4.1 Per programme**

	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
<b>Administration</b>				
Payment of capital assets	805	715	90	11%

A savings was realised on Payment for Capital Assets. Therefore Financial Management registered a request for roll-over of R89 000 for Machinery and Equipment.

**Trade and Sector Development**

Payment of capital assets	209	57	152	73%
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A savings was realised on Payment for Capital Assets. Therefore Strategic Initiative registered a request for roll-over of R152 000 for Machinery and Equipment.

**4.2 Per economic classification**

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
<b>Transfers and subsidies</b>				
Provinces and municipalities	561	508	53	9%
Households	78	56	22	28%
<b>Payments for capital assets</b>				
Machinery and equipment	2,505	2,262	243	10%

A savings was realised on Payments for Capital Assets. Therefore roll-over requests was registered on R241 000 for Machinery and Equipment. A savings was realised on Transfers and Subsidies on Transfers to Municipalities of R50 000. Transfer of funds to Municipality from Programme 2 has not been paid and recover R22 000 for leave gratuity.

## STATEMENT OF FINANCIAL PERFORMANCE

### for the year ended 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
<b>REVENUE</b>			
Annual appropriation	1	267,134	235,234
Departmental revenue	2	-	1,290
Aid assistance	3	1,471	2,000
<b>TOTAL REVENUE</b>		<b>268,605</b>	<b>238,524</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	4	65,160	57,704
Goods and services	5	93,473	86,275
<b>Total current expenditure</b>		<b>158,633</b>	<b>143,979</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	6	103,729	78,297
Aid assistance	3	1,395	1,605
<b>Total transfers and subsidies</b>		<b>105,124</b>	<b>79,902</b>
<b>Expenditure for capital assets</b>			
Tangible assets	7	4,011	1,006
Intangible assets	7	7	6
<b>Total expenditure for capital assets</b>		<b>4,018</b>	<b>1,012</b>
<b>TOTAL EXPENDITURE</b>		<b>267,775</b>	<b>224,893</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>830</b>	<b>13,631</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		754	11,946
Annual appropriation		-	-
Conditional grants		-	-
Unconditional grants		-	-
Departmental revenue and NRF Receipts	13	-	1,290
Aid assistance	3	76	395
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>830</b>	<b>13,631</b>

**STATEMENT OF FINANCIAL POSITION**  
as at 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
<b>ASSETS</b>			
<b>Current assets</b>			
		<b>9,293</b>	<b>20,737</b>
Cash and cash equivalents	8	402	12,735
Prepayments and advances	9	361	63
Receivables	10	8,530	7,939
<b>Non-current assets</b>			
		<b>3,800</b>	<b>3,800</b>
Investments	11	3,800	3,800
<b>TOTAL ASSETS</b>		<b>13,093</b>	<b>24,537</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
		<b>2,497</b>	<b>13,941</b>
Voted funds to be surrendered to the Revenue Fund	12	754	11,946
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	1,585	1,471
Payables	14	82	129
Aid assistance unutilised	3	76	395
<b>Non-current liabilities</b>			
		-	-
<b>TOTAL LIABILITIES</b>		<b>2,497</b>	<b>13,941</b>
<b>NET ASSETS</b>		<b>10,596</b>	<b>10,596</b>
<b>Represented by:</b>			
Capitalisation reserve		3,800	3,800
Recoverable revenue		6,796	6,796
Retained funds		-	-
Revaluation reserves		-	-
<b>TOTAL</b>		<b>10,596</b>	<b>10,596</b>

**STATEMENT OF CHANGES IN NET ASSETS**  
for the year ended 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
<b>Capitalisation Reserves</b>			
Opening balance		3,800	3,800
<b>Closing balance</b>		<b>3,800</b>	<b>3,800</b>
<b>Recoverable revenue</b>			
Opening balance		6,796	-
Transfers:		-	6,796
Debts raised		-	6,796
<b>Closing balance</b>		<b>6,796</b>	<b>6,796</b>
<b>TOTAL</b>		<b>10,596</b>	<b>10,596</b>

## CASH FLOW STATEMENT

### for the year ended 31 March 2014

	<b>Note</b>	<b>2013/14</b> <b>R'000</b>	<b>2012/13</b> <b>R'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>290,068</b>	<b>257,543</b>
Annual appropriated funds received	1.1	267,134	235,234
Departmental revenue received	2	21,463	20,309
Aid assistance received	3	1,471	2,000
Net (increase)/decrease in working capital		(936)	(6,311)
Surrendered to Revenue Fund		(33,295)	(24,258)
Surrendered to RDP Fund/Donor		(395)	(4,022)
Current payments		(158,633)	(143,979)
Transfers and subsidies paid		(105,124)	(79,902)
<b>Net cash flow available from operating activities</b>	<b>15</b>	<b>(8,315)</b>	<b>(929)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	7	(4,018)	(1,012)
<b>Net cash flows from investing activities</b>		<b>(4,018)</b>	<b>(1,012)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		-	6,796
<b>Net cash flows from financing activities</b>		<b>-</b>	<b>6,796</b>
Net increase/(decrease) in cash and cash equivalents		(12,333)	4,855
Cash and cash equivalents at beginning of period		12,735	7,880
<b>Cash and cash equivalents at end of period</b>	<b>16</b>	<b>402</b>	<b>12,735</b>

## ACCOUNTING POLICIES for the year ended 31 March 2014

<b>Summary of significant accounting policies</b>	
<p>The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated.</p> <p>The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.</p> <p>Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.</p>	
<b>1</b>	<p><b>Basis of preparation</b></p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
<b>2</b>	<p><b>Going concern</b></p> <p>The financial statements have been prepared on a going concern basis.</p>
<b>3</b>	<p><b>Presentation currency</b></p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
<b>4</b>	<p><b>Rounding</b></p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
<b>5</b>	<p><b>Foreign currency translation</b></p> <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the exchange rates prevailing at the date of payment / receipt.</p>
<b>6</b>	<p><b>Current year comparison with budget</b></p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
<b>7</b>	<p><b>Revenue</b></p>
<b>7.1</b>	<p><b>Appropriated funds</b></p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
<b>7.2</b>	<p><b>Departmental revenue</b></p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
<b>7.3</b>	<p><b>Accrued departmental revenue</b></p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> <li>• it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and</li> <li>• the amount of revenue can be measured reliably.</li> </ul> <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p>
<b>8</b>	<p><b>Expenditure</b></p>
<b>8.1</b>	<p><b>Compensation of employees</b></p>
<b>8.1.1</b>	<p><b>Salaries and wages</b></p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
<b>8.1.2</b>	<p><b>Social contributions</b></p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>

**ACCOUNTING POLICIES**  
for the year ended 31 March 2014

<b>8.2</b>	<p><b>Other expenditure</b></p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
<b>8.3</b>	<p><b>Accrued expenditure payable</b></p> <p>Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department.</p> <p>Accrued expenditure payable is measured at cost.</p>
<b>8.4</b>	<p><b>Leases</b></p>
<b>8.4.1</b>	<p><b>Operating leases</b></p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
<b>8.4.2</b>	<p><b>Finance leases</b></p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> <li>• cost, being the fair value of the asset; or</li> <li>• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li> </ul>
<b>9</b>	<p><b>Aid Assistance</b></p>
<b>9.1</b>	<p><b>Aid assistance received</b></p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>
<b>9.2</b>	<p><b>Aid assistance paid</b></p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
<b>10</b>	<p><b>Cash and cash equivalents</b></p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
<b>11</b>	<p><b>Prepayments and advances</b></p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p><i>&lt;Indicate when prepayments are expensed and under what circumstances.&gt;</i></p>
<b>12</b>	<p><b>Loans and receivables</b></p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
<b>13</b>	<p><b>Investments</b></p> <p>Investments are recognised in the statement of financial position at cost.</p>
<b>14</b>	<p><b>Impairment of financial assets</b></p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
<b>15</b>	<p><b>Payables</b></p> <p>Loans and receivables are recognised in the statement of financial position at cost.</p>

## ACCOUNTING POLICIES for the year ended 31 March 2014

<b>16</b>	<b>Capital Assets</b>
<b>16.1</b>	<p><b>Immovable capital assets</b></p> <p>Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1. Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.</p>
<b>16.2</b>	<p><b>Movable capital assets</b></p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined accurately, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
<b>16.3</b>	<p><b>Intangible assets</b></p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
<b>17</b>	<b>Provisions and Contingents</b>
<b>17.1</b>	<p><b>Provisions</b></p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
<b>17.2</b>	<p><b>Contingent liabilities</b></p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
<b>17.3</b>	<p><b>Contingent assets</b></p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
<b>17.4</b>	<p><b>Commitments</b></p> <p>Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>



## ACCOUNTING POLICIES for the year ended 31 March 2014

<b>18</b>	<p><b>Unauthorised expenditure</b></p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> <li>• approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li> <li>• approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li> <li>• transferred to receivables for recovery.</li> </ul> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
<b>19</b>	<p><b>Fruitless and wasteful expenditure</b></p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>20</b>	<p><b>Irregular expenditure</b></p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the irregularity unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority or transferred to receivables for recovery.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>21</b>	<p><b>Changes in accounting estimates</b></p> <p>The effect of a change in an accounting estimate shall be recognised prospectively.</p> <p>A department shall disclose the nature and amount of a change in an accounting estimate that has an effect in the current period or is expected to have an effect in future periods, except for the disclosure of the effect on future periods when it is impracticable to estimate that effect.</p> <p>If the amount of the effect in future periods is not disclosed because estimating it is impracticable, an entity shall disclose that fact.</p>
<b>22</b>	<p><b>Prior period errors</b></p> <p>A department shall disclose the following, distinguishing clearly between primary and secondary financial information:</p> <ol style="list-style-type: none"> <li>(a) the nature of the prior period error;</li> <li>(b) for each prior period presented, to the extent practicable, the amount of the correction for each line item affected;</li> <li>(c) the amount of the correction at the beginning of the earliest prior period presented;</li> <li>(d) the impact on unauthorised expenditure and voted funds to be surrendered (where applicable); and</li> <li>(e) if retrospective restatement is impracticable for a particular prior period, the circumstances that led to the existence of that condition and a description of how and from when the error has been corrected.</li> </ol> <p>Financial statements of subsequent periods need not repeat these disclosures.</p>
<b>23</b>	<p><b>Non-adjusting events after the reporting date</b></p> <p>The departments must disclose the date when the financial statements are authorised for issue and who gave the authorisation.</p> <p>When information is received after the reporting date about conditions existing at the reporting date, but before the financial statements are authorised for issue, disclosure should be made that relates to the new information.</p> <p>The department must disclose the following for each material category of non-adjusting event after the reporting date:</p> <ol style="list-style-type: none"> <li>(a) the nature of the event;</li> <li>(b) an estimate of its financial effect, or a statement that such an estimate cannot be made.</li> </ol> <p>The recording and measurement principles established in other chapters of the Accounting Manual apply equally to adjusting events arising after the reporting date.</p>
<b>24</b>	<p><b>Agent-Principal arrangements</b></p> <p>Specific disclosures are required for agent-principal arrangements entered into by the department.</p>

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

**1. Annual Appropriation****1.1 Annual Appropriation**

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

	<b>Final Appropriation R'000</b>	<b>Actual Funds Received R'000</b>	<b>2013/14 Funds not requested/ not received R'000</b>	<b>2012/13 Appropriation received R'000</b>
Administration	44,702	44,702	-	37,663
Integrated Economic Development Services	66,932	66,932	-	56,093
Trade and Sector Development	29,943	29,943	-	28,542
Business Regulation and Governance	27,625	27,625	-	25,543
Economic Planning	15,075	15,075	-	17,648
Tourism	82,857	82,857	-	69,745
<b>Total</b>	<b>267,134</b>	<b>267,134</b>	<b>-</b>	<b>235,234</b>

**1.2 Conditional grants**

	<b>Note</b>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
<b>Total grants received</b>	<b>46</b>	<b>1,550</b>	<b>-</b>

**2. Departmental revenue**

<b>Note</b>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Tax revenue	21,210	20,031
Sales of goods and services other than capital assets	2.1 26	20
Fines, penalties and forfeits	2.2 179	225
Transactions in financial assets and liabilities	2.3 48	33
<b>Total revenue collected</b>	<b>21,463</b>	<b>20,309</b>
Less: Own revenue included in appropriation	13 21,463	19,019
<b>Departmental revenue collected</b>	<b>-</b>	<b>1,290</b>

The fines, penalties and forfeits of R179 000.00 are made on late payments by liquor licence holders to renew their 2014 licences in terms of Liquor Act 2010 Sec67(2) as amended.

The department under-collected an amount of R217 000 (budget R21 680 000 less actual collection of R21 463 000) on casino taxes due to the licence of the third casino only being awarded temporarily during the 2013/14 financial year and not awarded/approved full time for the year.

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

	<b>Note</b>		
	2		
Sales of goods and services produced by the department		26	20
Sales by market establishment		26	20
Sales of scrap, waste and other used current goods			
<b>Total</b>		<b>26</b>	<b>20</b>

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

**2.2 Fines, penalties and forfeits**

	<b>Note</b>	<b>2013/14</b>	<b>2012/13</b>
	2	<b>R'000</b>	<b>R'000</b>
Penalties		179	225
<b>Total</b>		<b>179</b>	<b>225</b>

**2.3 Transactions in financial assets and liabilities**

	<b>Note</b>		
	2		
Other Receipts including Recoverable Revenue		48	33
<b>Total</b>		<b>48</b>	<b>33</b>

**3. Aid assistance****3.1 Aid assistance received in cash from other sources**

	<b>Note</b>		
	3		
<b>Foreign</b>			
Opening Balance		395	4,022
Revenue		1,471	2,000
Expenditure		<b>(1,395)</b>	<b>(1,605)</b>
Transfers		(1,395)	(1,605)
Prepayments			
Surrendered to the donor		(395)	(4,022)
<b>Closing Balance</b>		<b>76</b>	<b>395</b>

**3.2 Total assistance**

	<b>Note</b>		
	3		
Opening Balance		395	4,022
Revenue		1,471	2,000
Expenditure		<b>(1,395)</b>	<b>(1,605)</b>
Transfers		(1,395)	(1,605)
Surrendered to RDP/Donor		(395)	(4,022)
<b>Closing Balance</b>		<b>76</b>	<b>395</b>

**3.3 Analysis of balance**

	<b>Note</b>		
	3		
Aid assistance unutilised		76	395
Other sources		76	395
<b>Closing balance</b>		<b>76</b>	<b>395</b>

Donor funding is received from European Union Commission for employment creation in the Northern Cape via Department of Trade and Industry (DTI) to Provincial Treasury, who then releases the funds to the Department as per requests when needed. This funding is then used for capital improvements and requirements of the Kimberley Diamond Hub and Kimberley International Diamond Jewellery Academy (KIDJA). The funds requested during this financial year amounted to R1, 471 million. Of this R1, 395 million has been spent on capital needs of KIDJA. Up to date 112 learners has graduated with Mining Qualifications Authority (MQA) accredited courses at Kimberley International Diamond and Jewellery Academy.

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

**4. Compensation of employees****4.1 Salaries and Wages**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
Basic salary		44,524	40,201
Performance award		184	159
Service Based		16	6
Compensative/circumstantial		2,347	416
Periodic payments		28	171
Other non-pensionable allowances		10,743	9,869
<b>Total</b>		<b>57,842</b>	<b>50,822</b>

**4.2 Social contributions**

	<i>Note</i>		
<b>Employer contributions</b>			
Pension		5,369	4,896
Medical		1,940	1,978
Bargaining council		9	8
<b>Total</b>		<b>7,318</b>	<b>6,882</b>
<b>Total compensation of employees</b>		<b>65,160</b>	<b>57,704</b>
Average number of employees		<b>192</b>	<b>169</b>

**5. Goods and services**

	<i>Note</i>		
Administrative fees		2,536	1,178
Advertising		4,210	4,183
Capital assets less than R5 000	5.1	281	657
Bursaries (employees)		215	54
Catering		1,380	1,387
Communication		1,685	1,781
Computer services	5.2	1,425	1,853
Consultants, contractors and agency/outsourced services	5.3	45,113	47,128
Audit cost – external	5.4	1,901	3,326
Fleet services		287	-
Consumables	5.6	1,801	1,189
Housing		-	-
Operating leases		4,631	3,838
Property payments	5.7	4,938	3,346
Rental and hiring		132	-
Travel and subsistence	5.8	19,174	12,393
Venues and facilities		2,210	1,761
Training and development		812	1,301
Other operating expenditure	5.9	742	900
<b>Total</b>		<b>93,473</b>	<b>86,275</b>

Stationery of the department in the previous was disclosed as Inventory which has been re-classified according to SCoA Technical Committee along with OAG as consumables and not inventory. The correction has been made retrospectively.

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

**5.1 Capital assets less than R5 000**

	<i>Note</i> 5	2013/14 R'000	2012/13 R'000
<b>Tangible assets</b>		<b>215</b>	<b>559</b>
Machinery and equipment		215	559
<b>Intangible assets</b>		<b>66</b>	<b>98</b>
<b>Total</b>		<b>281</b>	<b>657</b>

**5.2 Computer services**

	<i>Note</i> 5		
SITA computer services		793	1,014
External computer service providers		632	839
<b>Total</b>		<b>1,425</b>	<b>1,853</b>

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

	<i>Note</i> 5		
Business and advisory services		40,417	39,524
Infrastructure and planning		19	284
Legal costs		292	76
Contractors		3,357	7,115
Agency and support/outsourced services		1,028	129
<b>Total</b>		<b>45,113</b>	<b>47,128</b>

**5.4 Audit cost – External**

	<i>Note</i> 5		
Regularity audits		1,901	3,326
<b>Total</b>		<b>1,901</b>	<b>3,326</b>

**5.5 Consumables**

	<i>Note</i> 5		
Consumable supplies		991	69
IT consumables		850	69
Other consumables		141	-
Stationery, printing and office supplies		810	1,120
<b>Total</b>		<b>1,801</b>	<b>1,189</b>

**5.6 Property payments**

	<i>Note</i> 5		
Other		4,938	3,346
<b>Total</b>		<b>4,938</b>	<b>3,346</b>

**5.7 Travel and subsistence**

	<i>Note</i> 5		
Local		11,250	8,528
Foreign		7,924	3,865
<b>Total</b>		<b>19,174</b>	<b>12,393</b>

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

**5.8 Other operating expenditure**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
Resettlement costs	5	86	185
Other		656	714
<b>Total</b>		<b>742</b>	<b>900</b>

**6. Transfers and subsidies**

	<i>Note</i>		
Provinces and municipalities	<i>Annex 1B</i>	509	1,174
Departmental agencies and accounts	<i>Annex 1C</i>	56,650	42,025
Public corporations and private enterprises	<i>Annex 1E</i>	46,515	34,909
Households	<i>Annex 1H</i>	55	184
Gifts, donations and sponsorships made	<i>Annex 1K</i>	-	5
<b>Total</b>		<b>103,729</b>	<b>78,297</b>

**7. Expenditure for capital assets**

	<i>Note</i>		
<b>Tangible assets</b>		<b>4,011</b>	<b>1,006</b>
Buildings and other fixed structures	32	1,749	-
Machinery and equipment	30	2,262	1,006
<b>Intangible assets</b>		<b>7</b>	<b>6</b>
Software	31	7	6
<b>Total</b>		<b>4,018</b>	<b>1,012</b>

**7.1 Analysis of funds utilised to acquire capital assets – 2013/14**

	<b>Voted funds</b>	<b>Aid assistance</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>	4,011	-	4,011
Buildings and other fixed structures	1,749	-	1,749
Machinery and equipment	2,262	-	2,262
<b>Intangible assets</b>	<b>7</b>	<b>-</b>	<b>7</b>
Software	7	-	7
<b>Total</b>	<b>4,018</b>	<b>-</b>	<b>4,018</b>

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

	<b>Voted funds</b>	<b>Aid assistance</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>	<b>1,006</b>	<b>-</b>	<b>1,006</b>
Machinery and equipment	1,006	-	1,006
<b>Intangible assets</b>	<b>6</b>	<b>-</b>	<b>6</b>
Software	6	-	6
<b>Total</b>	<b>1,012</b>	<b>-</b>	<b>1,012</b>

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

**7.3 Finance lease expenditure included in Expenditure for capital assets**  
*[Expenditure par .20(c); Leases par.17]*

	<i>Note</i>	2013/14 R'000
Tangible assets		911
Machinery and equipment		911
<b>Total</b>		<b>911</b>

**8. Cash and cash equivalents**

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Consolidated Paymaster General Account		401	12,736
Cash receipts		-	(2)
Cash on hand		1	1
<b>Total</b>		<b>402</b>	<b>12,735</b>

**9. Prepayments and advances**

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Travel and subsistence		230	7
Advances paid	9.1	131	56
<b>Total</b>		<b>361</b>	<b>63</b>

**9.1 Advances paid**

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Other entities	14	131	56
<b>Total</b>		<b>131</b>	<b>56</b>

**10. Receivables**

	<i>Note</i>	R'000 Less than one year	R'000 One to three years	R'000 Older than three years	Total	Total
Claims recoverable	10.1 Annex 4	602	6,796	226	7,624	7,125
Staff debt	10.2		159		159	197
Other debtors	10.3		157	590	747	617
<b>Total</b>		<b>602</b>	<b>7,112</b>	<b>816</b>	<b>8,530</b>	<b>7,939</b>

**10.1 Claims recoverable**

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Provincial departments	10	828	329
Private enterprises		6,796	6,796
<b>Total</b>		<b>7,624</b>	<b>7,125</b>

**10.2 Staff debt**

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Salary reversal	10	127	157
Salary Tax Debt		21	19
Sal: Deduction Disall Acc: CA		11	20
Sal: Pension Fund: CI		-	1
<b>Total</b>		<b>159</b>	<b>197</b>

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

**10.3 Other debtors**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
	10	<b>R'000</b>	<b>R'000</b>
Sal: Income Tax CL		84	105
Disallowance Miscellaneous – Outbound Mission		104	104
Disallowance Miscellaneous – Legaeng Guest House		11	11
Disallowance – Iceberg Trading		19	19
Rec:Dom:CLMs:PVT Ent: Claim Reco		372	372
Sal: Insurance Deductions		-	1
Disallowance		157	5
<b>Total</b>		<b>747</b>	<b>617</b>

**11. Investments**

	<i>Note</i>		
<b>Non-Current</b>			
<b>Shares and other equity</b>			
Wavelength 101 (Pty) Ltd		3,800	3,800
<b>Total</b>		<b>3,800</b>	<b>3,800</b>
<b>Total non-current</b>		<b>3,800</b>	<b>3,800</b>
<b>Analysis of non-current investments</b>			
Opening balance		3,800	3,800
<b>Closing balance</b>		<b>3,800</b>	<b>3,800</b>

The Department has a 70% shareholding in Wavelength 101 (Pty) Ltd and the amount disclosed represents the cost price of the shareholding.

This investment has been re-valued subsequent to obtaining the shares and has been impaired to a R zero value in 2008/09. Please refer to note 28 for the impairment of this investment.

Details of the investment can furthermore be found in Annexures 2A and 2B respectively.

**11.1 Impairment of investments**

	<i>Note</i>		
Estimate of impairment of investment		3,800	3,800
<b>Total</b>		<b>3,800</b>	<b>3,800</b>

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

	<i>Note</i>		
Opening balance		11,946	3,421
As restated		11,946	3,421
Transfer from statement of financial performance (as restated)		754	11,946
Paid during the year		(11,946)	(3,421)
<b>Closing balance</b>		<b>754</b>	<b>11,946</b>



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

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

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		1,471	1,999
As restated		1,471	1,999
Transfer from Statement of Financial Performance (as restated)		-	1,290
Own revenue included in appropriation		21,463	19,019
Paid during the year		(21,349)	(20,837)
<b>Closing balance</b>		<b>1,585</b>	<b>1,471</b>

**14. Payables – current**

	<i>Note</i>		
Other payables	14.1	82	129
<b>Total</b>		<b>82</b>	<b>129</b>

**14.1 Other payables**

	<i>Note</i>		
	14		
Description			
Payable: Advance Public Corp and Private Enterprises		4	90
GEPF (SAL): ens		-	16
Unallocated receipts		55	-
Northern Cape Gambling Board		23	23
<b>Total</b>		<b>82</b>	<b>129</b>

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

	<i>Note</i>		
Net surplus/(deficit) as per Statement of Financial Performance		830	13,631
Add back non cash/cash movements not deemed operating activities		(9,145)	(14,560)
(Increase)/decrease in receivables – current		(591)	(6,678)
(Increase)/decrease in prepayments and advances		(298)	431
Increase/(decrease) in payables – current		(47)	(64)
Expenditure on capital assets		4,018	1,012
Surrenders to Revenue Fund		(33,295)	(24,258)
Surrenders to RDP Fund/Donor		(395)	(4,022)
Own revenue included in appropriation		21,463	19,019
<b>Net cash flow generated by operating activities</b>		<b>(8,315)</b>	<b>(929)</b>

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

	<i>Note</i>		
Consolidated Paymaster General account		401	12,736
Cash receipts		-	(2)
Cash on hand		1	1
<b>Total</b>		<b>402</b>	<b>12,735</b>

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

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

## 17. Contingent liabilities and contingent assets

### 17.1 Contingent liabilities

<b>Liable to</b>	<b>Nature</b>	<b>Note</b>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Claims against the department		<i>Annex 3B</i>	407	745
Intergovernmental payables (unconfirmed balances)		<i>Annex 5</i>	45	45
<b>Total</b>			<b>452</b>	<b>790</b>

Claims against the Department of R206 000 are related to Labour issues and R201 000 are related claims against the Department. Please refer to Annexure 3B for more details. *However the status of these claims are still pending.*

## 18. Commitments

### Current expenditure

Approved and contracted	112,794	110,229
Approved but not yet contracted	-	914
<b>Total Commitments</b>	<b>112,794</b>	<b>111,143</b>

An amount of R107, 524 million has been committed for the Kimberley Diamond Cup (KDC) with respect to current expenditure. The Department has contracted World Skateboard Grand Prix to manage the KDC programme for skateboarding development in South Africa and the Northern Cape over the next 3 years. A number of skateboarding projects and events will be held throughout South Africa annually. The events and projects held throughout South Africa will lead to the skateboarders qualifying for the World KDC championship which will be hosted in Kimberley during September for the next 3 years.

An amount of R 531 187,20 is for cleaning services over the next 16 months and R 2 ,703 million is allocated for security services over the next 16 months.

## 19. Accruals

<b>Listed by economic classification</b>			<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	6,426	-	6,426	3,565
<b>Total</b>	<b>6,426</b>	<b>-</b>	<b>6,426</b>	<b>3,565</b>

*Note*

### Listed by programme level

Administration	2,307	930
Integrated Economic Development Services	1,873	701
Trade and Sector Development	619	1,312
Business Regulation and Governance	293	430
Economic Planning	324	85
Tourism	1,010	107
<b>Total</b>	<b>6,426</b>	<b>3,565</b>

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

	<b>Note</b>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
Confirmed balances with other departments	<i>Annex 5</i>	346	37
Confirmed balances with other government entities	<i>Annex 5</i>	23	-
<b>Total</b>		<b>369</b>	<b>37</b>

An event to the value of R1 400 000 which took place in December 2013 was paid only in April 2014 since the service provider only submitted the invoice in April 2014.

## 20. Employee benefits

	<b>Note</b>		
Leave entitlement		2,090	2,303
Service bonus (Thirteenth cheque)		1,824	1,683
Performance awards		927	657
Capped leave commitments		1,733	1,709
Other		6	-
<b>Total</b>		<b>6,580</b>	<b>6,352</b>

Performance awards for the financial year 2013/14 are calculated at 1.5% of R61, 774 million 2014/15 financial year budget on basic salary of employees in the Department. The R6 000 classified under Other are accrued employee benefits. Included in the 2013/14 disclosure for leave entitlement is a negative amount of R60 826.50 for leave owed to the department.

## 21. Lease commitments

### 21.1 Operating leases expenditure

	<b>Specialised military equipment</b>	<b>Land</b>	<b>Buildings and other fixed structures</b>	<b>Machinery and equipment</b>	<b>Total</b>
<b>2013/14</b>					
Not later than 1 year	-	-	5,341	-	5,341
Later than 1 year and not later than 5 years	-	-	23,582	-	23,582
Later than five years	-	-	6,457	-	6,457
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>35,380</b>	<b>-</b>	<b>35,380</b>

	<b>Specialised military equipment</b>	<b>Land</b>	<b>Buildings and other fixed structures</b>	<b>Machinery and equipment</b>	<b>Total</b>
<b>2012/13</b>					
Not later than 1 year	-	-	2,981	-	2,981
Later than 1 year and not later than 5 years	-	-	13,035	-	13,035
Later than five years	-	-	10,392	-	10,392
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>26,408</b>	<b>-</b>	<b>26,408</b>

The Department has leased the following buildings as per the table below:

<b>Company</b>	<b>Property in Kimberley</b>	<b>Escalation Rate per annum</b>	<b>Lease Period</b>	<b>Date of Renewal</b>
ERIS Properties	MetLife Towers	7%	60 months	1 July 2018
Ocean Echo Properties	Khaya La Bantu	8%	119 months	1 October 2020
Anlar Beleggings Pty Ltd	31 Mc Dougal Street	8%	60 months	1 September 2018

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

**21.2 Finance leases expenditure\*\***

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
<b>2013/14</b>					
Not later than 1 year	-	-	-	1,499	1,499
Later than 1 year and not later than 5 years	-	-	-	1,682	1,682
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,181</b>	<b>3,181</b>

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
<b>2012/13</b>					
Not later than 1 year	-	-	-	1,283	1,283
Later than 1 year and not later than 5 years	-	-	-	1,967	1,967
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,250</b>	<b>3,250</b>

**22. Accrued departmental revenue**

	Note	2013/14 R'000	2012/13 R'000
Tax revenue		-	1,171
<b>Total</b>		<b>-</b>	<b>1,171</b>

In the previous financial year 2012/13, the accrued departmental tax revenue was disclosed. In the financial year 2013/14, the accrued departmental tax revenue was excluded from disclosure as per section 7.3 of the policy.

A department is exempt for the recording of an accrual for taxation revenue.

**22.1 Analysis of accrued departmental revenue**

	Note	2013/14 R'000	2012/13 R'000
Opening balance		1,171	360
Less: amounts received		1,171	360
Add: amounts recognised		-	1,171
<b>Closing balance</b>		<b>-</b>	<b>1,171</b>

**23. Irregular expenditure****23.1 Reconciliation of irregular expenditure**

	Note	2013/14 R'000	2012/13 R'000
Opening balance		-	37,607
Add: Irregular expenditure – relating to current year		-	400
Less: Current year amounts condoned		-	(24,176)
Less: Amounts recoverable (not condoned)	15	-	(6,796)
Less: Amounts not recoverable (not condoned)		-	(7,035)
<b>Irregular expenditure awaiting condonation</b>		<b>-</b>	<b>-</b>
<b>Analysis of awaiting condonation per age classification</b>			
Current year		-	-
Prior years		-	-
<b>Total</b>		<b>-</b>	<b>-</b>

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**24. Fruitless and wasteful expenditure****24.1 Reconciliation of fruitless and wasteful expenditure**

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Fruitless and wasteful expenditure – relating to current year		-	50
Less: Amounts resolved		-	(50)
<b>Fruitless and wasteful expenditure awaiting resolution</b>		<b>-</b>	<b>-</b>

**24.2 Analysis of awaiting resolution per economic classification**

	2013/14 R'000	2012/13 R'000
Current	-	50
<b>Total</b>	<b>-</b>	<b>50</b>

**25. Related party transactions**

<b>Payments made</b>	<i>Note</i>	2013/14 R'000	2012/13 R'000
Goods and services		113	163
<b>Total</b>		<b>113</b>	<b>163</b>

*List related party relationships*

- 1) The Department has an administrative oversight role over the following public entities of the Department, to whom funds are transferred to via transfer payments, as disclosed in Note 6 and Annexure 1C:
  - a) Northern Cape Tourism Agency (NCTA);
  - b) NCEDA;
  - c) Northern Cape Gambling Board (NCGB); and
  - d) Northern Cape Liquor Board (NCLB).
 The Department paid the car rental of NCLB and NCGB on their behalf for the period under review. These rentals will be transferred to the individual entities from 1 April 2014 and included in the budgets of the respective entities from 1 April 2014.
- 2) The Department serves as a Trustee on the Board of Trustees of Frances Baard SMME Trust, to whom funds are transferred via transfer payments, as disclosed in Note 6 and Annexure 1C.
- 3) The Department serves as a Trustee on the Board of Trustees of Kimberley International Diamond and Jewellery Academy (KIDJA) and during the financial year under review the Department has assisted them administratively to procure goods and services from the donor funding received from the European Union, since their system of financial and internal controls were not established during the year to enable the Department to transfer the funds to KIDJA. All these transactions are captured under the Employment Creation Fund. Please refer to Note 16 for additional details on these transactions.
- 4) The Department has a 70% shareholding in Wavelength 101 (Pty) Ltd, a corrugated iron manufacturing company. This company has been dormant since 2008/09 financial year and no transactions have been entered into with this company. Please refer to Note 11, Disclosure Note 28, Annexure 2A and Annexure 2B for more details on the interest of the Department in this company.
- 5) The Department occupied/utilised two buildings owned by Department of Roads, Transport and Public Works rent free for the period under review.

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

**26. Key management personnel**

	<b>No. of Individuals</b>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Officials:			
Level 15 to 16	2	2,540	2,383
Level 14 (incl. CFO if at a lower level)	6	5,632	4,662
<b>Total</b>		<b>8,172</b>	<b>7,045</b>

**27. Public Private Partnership**

The Department has requested the National Treasury to register a Public Private Partnership (PPP) with respect to the e-Infrastructure project of the Northern Cape Information Society Programme. The project was registered by National Treasury as a potential PPP on the 13 February 2014. A reference number of P135 was allocated to this project and the PPP unit of National Treasury will publish the details of the project on their website.

**28. Impairment: other**

Investments	3,800	3,800
Debtors	-	7
Other	104	104
<b>Total</b>	<b>3,904</b>	<b>3,911</b>

The impairment of the investment was based on the Net Assets Approach Valuation Method to value the ordinary shares being held by the Department. The Income and Market Value Approaches were also considered but not utilised due to the fact that these approaches are based on the underlying assumption that the Company will continue doing business into the foreseeable future. This assumption is not applicable to the business of Wavelengths.

**29. Provisions**

	<i>Note</i>	
Labour related issue		1,773
<b>Total</b>		<b>1,773</b>

**29.1 Reconciliation of movement in provisions – 2013/14**

	<b>Provision 1</b>	<b>Provision 2</b>	<b>Provision 3</b>	<b>Total provisions</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Provisions raised	1,773	-	-	1,773
<b>Closing balance</b>	<b>1,773</b>	<b>-</b>	<b>-</b>	<b>1,773</b>

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**30. Movable Tangible Capital Assets****MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Opening balance	Curr Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>12,133</b>	<b>(668)</b>	<b>4,513</b>	<b>(690)</b>	<b>15,288</b>
Transport assets	-	-	1,287	(690)	597
Computer equipment	4,810	-	381	-	5,191
Furniture and office equipment	3,399	-	289	-	3,688
Other machinery and equipment	3,924	(668)	2,556	-	5,812
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>12,133</b>	<b>(668)</b>	<b>4,513</b>	<b>(690)</b>	<b>15,288</b>

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

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>1,351</b>	<b>2,251</b>	<b>911</b>	<b>-</b>	<b>4,513</b>
Transport assets	690	-	597	-	1,287
Computer equipment	381	-	-	-	381
Furniture and office equipment	126	163	-	-	289
Other machinery and equipment	154	2,088	314	-	2,556
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>1,351</b>	<b>2,251</b>	<b>911</b>	<b>-</b>	<b>4,513</b>

The Department received assets to the value of R2,251million (R163 000 for furniture and office equipment and R2,088million of other machinery and equipment) from Department of Roads and Public Works, as transferred to us by Roads and Public Works regarding the moveable assets of the Mittah Seperepere International Convention Centre (MSICC).

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

**30.2 Disposals****DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Sold for cash R'000	Transfer out or destroyed or scrapped R'000	Total disposals R'000	Cash Received Actual R'000
<b>MACHINERY AND EQUIPMENT</b>	-	690	690	-
Transport assets	-	690	690	-
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	-	690	690	-

During the year two vehicles to the value of R690 000 was purchased for the Northern Cape Consumer Authority. These assets were transferred to the Government Garage, which is an entity of the Department of Roads, Transport and Public Works.

Subsequent to year-end assets with a cost value of R197 973.34 was disposed of.

**30.3 Movement for 2012/13**

	Opening balance R'000	Curr Year Adjust-ments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>MACHINERY AND EQUIPMENT</b>	16,563	(1,292)	1,007	(4,145)	12,133
Computer equipment	5,252	(812)	370	-	4,810
Furniture and office equipment	3,668	(545)	276	-	3,399
Other machinery and equipment	7,643	65	361	(4,145)	3,924
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	16,563	(1,292)	1,007	(4,145)	12,133

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

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	1,329	-	3,610	-	4,939
Additions	-	66	-	283	-	349
<b>TOTAL MINOR ASSETS</b>	-	1,395	-	3,893	-	5,288

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	140	-	140
Number of minor assets at cost	-	930	-	2,650	-	3,580
<b>TOTAL NUMBER OF MINOR ASSETS</b>	-	930	-	2,790	-	3,720



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

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

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	1,217	-	3,525	-	4,742
Curr Year Adjustments to Prior Year balances	-	14	-	151	-	165
Additions	-	98	-	559	-	657
Disposals	-	-	-	(625)	-	(625)
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>1,329</b>	<b>-</b>	<b>3,610</b>	<b>-</b>	<b>4,939</b>

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	140	-	140
Number of minor assets at cost	-	905	-	2,457	-	3,362
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>905</b>	<b>-</b>	<b>2,597</b>	<b>-</b>	<b>3,502</b>

**30.5 Movable assets written off**

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

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	625	-	625
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>625</b>	<b>-</b>	<b>625</b>

**31. Intangible Capital Assets**

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

	Opening balance R'000	Current Year Adjust-ments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	282	-	7	-	289
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	10,779	-	-	(10,779)	-
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>11,061</b>	<b>-</b>	<b>7</b>	<b>(10,779)</b>	<b>289</b>

**31.1 Additions**

**ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED  
31 MARCH 2014**

	Cash R'000	Non- Cash R'000	(Develop- ment work in progress - current costs) R'000	Received current year, not paid (Paid current year, received prior year) R'000	Total R'000
SOFTWARE	7	-	-	-	7
<b>TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7</b>

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

**31.2 Disposals****DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	10,779	10,779	-
<b>TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS</b>	<b>-</b>	<b>10,779</b>	<b>10,779</b>	<b>-</b>

The contract with the Maloof Skateboarding Championship was ended during the 2013/14 financial year. The intangible asset related to this contract in terms of brand names and trademarks to the value of R10 779 000 has therefore been written off during the 2013/14 financial year.

**31.3 Movement for 2012/13****MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013**

	Opening balance	Current Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	453	-	6	(177)	282
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	10,779	-	-	10,779
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>453</b>	<b>10,779</b>	<b>6</b>	<b>(177)</b>	<b>11,061</b>

**32. Immovable Tangible Capital Assets****MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Opening balance	Curr Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>213</b>	<b>-</b>	<b>2,858</b>	<b>-</b>	<b>3,071</b>
Other fixed structures	213	-	2,858	-	3,071
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>213</b>	<b>-</b>	<b>2,858</b>	<b>-</b>	<b>3,071</b>

Included in the amount above are the following:

- 1) R213 000 regarding upgrading/improvements at the Frances Oats Wing of the Kimberley Boys' High Hostel where the students from outside Kimberley are housed. This was done based on a lease agreement entered into by the Department and Kimberley Boys' High to supply accommodation for the students of KIDJA. The lease agreement is for the period 1 February 2011 to 30 November 2011 and is renewable on an annual basis for a period of 5 years. The cost price of said upgrading/improvements will be transferred to Kimberley Boys' High School upon termination of the lease agreement;
- 2) R1,749million was for the upgrading of the Kumba Skate Plaza from the Departmental Funds; and
- 3) R1, 109million was related to the upgrading of the Kimberley International Diamond and Jewellery Academy (KIDJA) which was paid from the EU donor funding received.

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

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

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>	-	-	2,858	-	2,858
Other fixed structures	-	-	2,858	-	2,858
<b>TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	-	-	2,858	-	2,858

- 1) R1,749million was for the upgrading of the Kumba Skate Plaza from the Departmental Funds; and
- 2) R1, 109million was related to the upgrading of the Kimberley International Diamond and Jewellery Academy (KIDJA) which was paid from the EU donor funding received.
- 3) All these assets are in the process of being transferred to Public Works in 2014/15.

**32.2 Movement for 2012/13****MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013**

	Opening balance	Curr Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	213	-	1,438	(1,438)	213
Other fixed structures	213	-	1,438	(1,438)	213
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	213	-	1,438	(1,438)	213

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

**ANNEXURE 1A  
STATEMENT OF CONDITIONAL GRANTS RECEIVED**

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT			2012/13		
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Over-spending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
National Department of Public Works	1,550	-	-	-	1,550	1,550	1,550	-	100%	-	-
<b>Total</b>	<b>1,550</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,550</b>	<b>1,550</b>	<b>1,550</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 1B  
STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER		SPENT			2012/13 Total Available	
	Amount	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by municipality	Amount spent by municipality		% of available funds spent by municipality
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		%
Richtersveld Municipality	200	-	-	200	200	100%	200	200	100%	-
Sol Plaatje Municipality – Rates & Taxes	109	-	-	109	109	100%	109	109	100%	-
Khara Hais Municipality	200	-	-	200	200	100%	200	200	100%	-
Dept of Transport, Roads & Public Works	-	-	-	-	-	-	-	-	-	847
Kamiesberg Municipality	-	-	-	-	-	-	-	-	-	50
Momentum Investments (Sol Plaatje Rates & Taxes for Metlife)	-	-	-	-	-	-	-	-	-	77
Kareeberg Munisipaliteit	-	-	-	-	-	-	-	-	-	200
	<b>509</b>	<b>-</b>	<b>-</b>	<b>509</b>	<b>509</b>	<b>-</b>	<b>509</b>	<b>509</b>	<b>-</b>	<b>1,174</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**ANNEXURE 1C**  
**STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2012/13 Appro- priation Act
	Adjusted Appro- priation	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
Frances Baard SMME Trust	12,387	-	-	12,387	12,387	100%	8,663
Northern Cape Tourism Authority	17,127	-	-	17,127	17,127	100%	15,447
NCEDA	9,000	-	-	9,000	9,000	100%	3,147
Gambling Board	9,180	-	-	9,180	9,180	100%	8,148
Liquor Board	7,405	-	-	7,405	7,405	100%	6,618
SABC (TV Licences)	1	-	-	1	1	100%	2
National Development Agency	1,550	-	-	1,550	1,550	100%	-
	<b>56,650</b>	-	-	<b>56,650</b>	<b>56,650</b>		<b>42,025</b>

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

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

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE			2013/14 R'000	
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred	Capital R'000		Current R'000
<b>Private Enterprises</b>									
<b>Transfers</b>									
Diamond Bed Factory	-	-	-	-	-	-	-	-	18,000
Boitumelo JWA Sechaba Guesthouse	-	-	-	-	-	-	-	-	10
Gariep Kunstefeens	242	-	-	242	242	100%	-	-	250
Ibhotwe Guesthouse	-	-	-	-	-	-	-	-	10
Karona Trading 720 cc	98	-	-	98	98	100%	-	-	10
Kimberley Golf Club	100	-	-	100	100	100%	-	-	100
Leliefontein Culture Camp	-	-	-	-	-	-	-	-	10
Leruo's Guesthouse cc	10	-	-	10	10	100%	-	-	10
Magelewendze Lodge	-	-	-	-	-	-	-	-	10
Ntingataka Trading Enterprise	60	-	-	60	60	100%	-	-	10
Open Africa	124	-	-	124	124	100%	-	-	119
Repa Guesthouse cc	10	-	-	10	10	100%	-	-	10
Richmond Community Dev Foundation	-	-	-	-	-	-	-	-	100
Sanparks	900	-	-	900	900	100%	-	-	600
Tata Matata Tours	220	-	-	220	220	100%	-	-	10
Villa D'Este	50	-	-	50	50	100%	-	-	10
WA Sheba Productions	-	-	-	-	-	-	-	-	150
Williston Winter Festival	-	-	-	-	-	-	-	-	100
Worldwide Travel & Tours	-	-	-	-	-	-	-	-	10
Bright Ideas Project	-	-	-	-	-	-	-	-	92
Eternal City Trading 664	-	-	-	-	-	-	-	-	13,643
Fritz Johan Edwin	-	-	-	-	-	-	-	-	10
Heerengracht Hotel	-	-	-	-	-	-	-	-	10
Mouto Conrad	-	-	-	-	-	-	-	-	10
Richmond Community	-	-	-	-	-	-	-	-	100
Riemvasmaak Community Dev Trust	675	-	-	675	675	100%	-	-	10
South African San Institute	450	-	-	450	450	100%	-	-	80
The Tourism Blue Print	-	-	-	-	-	-	-	-	50

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

Verneukpan Speedweek Event Man	1,230	-	-	1,230	1,230	100%	-	-	1,375
Audrey's Guest House	10	-	-	10	10	100%	-	-	-
Aukwatowa	829	-	-	829	829	100%	-	-	-
Cammas Fontyn Gastehuis PTY LTD	100	-	-	100	100	100%	-	-	-
Cedswill Guesthouse	10	-	-	10	10	100%	-	-	-
Fluency Experiential Marketing	150	-	-	150	150	100%	-	-	-
Griqua Diamonds (NPC)	1,200	-	-	1,200	1,200	100%	-	-	-
Groen Kalahari Kano Maraton	750	-	-	750	750	100%	-	-	-
Independent Development Trust	548	-	-	548	548	100%	-	-	-
Inguana Enterprise	4,120	-	-	4,120	4,120	100%	-	-	-
Jo's Catering Services	300	-	-	300	300	100%	-	-	-
Kareeberg Munisipaleiteit	160	-	-	160	160	100%	-	-	-
Kimberley Off-Road Club	650	-	-	650	650	100%	-	-	-
LDSW Inc Chartered Accountants	5,280	-	-	5,280	5,280	100%	-	-	-
Mare Steinfopf AUSA	130	-	-	130	130	100%	-	-	-
Mario Strauss	25	-	-	25	25	100%	-	-	-
NCEDA	400	-	-	400	400	100%	-	-	-
Nonong Trading	88	-	-	88	88	100%	-	-	-
Oase in Die Wildernis	240	-	-	240	240	100%	-	-	-
Pearl Star Investments	25,000	-	-	25,000	25,000	100%	-	-	-
Pragmatic Train & Development cc	50	-	-	50	50	100%	-	-	-
RE A ITIRELA TRADING CC	250	-	-	250	250	100%	-	-	-
Rooiduin Guestfarm	10	-	-	10	10	100%	-	-	-
Siphumlakahle Guesthouse	60	-	-	60	60	100%	-	-	-
Siyanda Tour Operator	120	-	-	120	120	100%	-	-	-
Small Enterprise Development	1,000	-	-	1,000	1,000	100%	-	-	-
Sol Plaatje Municipality	241	-	-	241	241	100%	-	-	-
South African Bisley Union	75	-	-	75	75	100%	-	-	-
Steintour Development/KR	310	-	-	310	310	100%	-	-	-
Strategic Partners in Tourism	150	-	-	150	150	100%	-	-	-
Thuba-Kobo-Segole Guesthouse	10	-	-	10	10	100%	-	-	-
Vera's Kookskerm	80	-	-	80	80	100%	-	-	-
<b>TOTAL</b>	<b>46,515</b>	<b>-</b>	<b>-</b>	<b>46,515</b>	<b>46,515</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>34,909</b>



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

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

	TRANSFER ALLOCATION				EXPENDITURE		2012/13
	Adjusted Appropriation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appro-riation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>HOUSEHOLDS</b>							
<b>Transfers</b>							
Bergman HL	-	-	-	-	-	-	10
Bhunu GM	-	-	-	-	-	-	1
Dijwe Y	-	-	-	-	-	-	3
Fortuin K	2	-	-	2	2	100%	15
Kapanda KM	-	-	-	-	-	-	5
Makhonofane RME	-	-	-	-	-	-	1
Masike RP	-	-	-	-	-	-	23
Mathane JE	-	-	-	-	-	-	6
Mokwena MF	-	-	-	-	-	-	5
Mzambo NM	-	-	-	-	-	-	23
Schoeman A	-	-	-	-	-	-	94
Sei TW	-	-	-	-	-	-	4
Senye RM	-	-	-	-	-	-	18
Clear Debt – TSS Jama	-	-	-	-	-	-	(13)
Other	-	-	-	-	-	-	(11)
B De Vos	5	-	-	5	5	100%	-
F Louw	20	-	-	20	20	100%	-
UN Harding	2	-	-	2	2	100%	-
Van Gensen LH	11	-	-	11	11	100%	-
Montwedi MP	1	-	-	1	1	100%	-
Maarman T	-	-	-	-	(22)	-	-
Makatong F	15	-	-	15	15	100%	-
Mocumi FT	6	-	-	6	6	100%	-
Moilwa S	5	-	-	5	5	100%	-
Senkge NM	5	-	-	5	5	100%	-
Tshisa NT	5	-	-	5	5	100%	-
<b>Total</b>	<b>77</b>	<b>-</b>	<b>-</b>	<b>77</b>	<b>55</b>	<b>-</b>	<b>184</b>

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

**ANNEXURE 1J**  
**STATEMENT OF AID ASSISTANCE RECEIVED**

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDI- TURE R'000	CLOSING BALANCE R'000
<b>Received in cash</b>					
European Donor	Employment Creation Fund KIDJA	395	1,471	1,790	76
<b>TOTAL</b>		<b>395</b>	<b>1,471</b>	<b>1,790</b>	<b>76</b>

**ANNEXURE 1K**  
**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE**

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2013/14	2012/13
	R'000	R'000
<b>Paid in cash</b>		
Bonteko Mine Disaster in Namaqualand	-	5
<b>TOTAL</b>	<b>-</b>	<b>5</b>

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

**ANNEXURE 2A  
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES**

Name of Public Entity	State Entity's PFMA Schedule type (state year end if not 31 March)	% Held 13/14	% Held 12/13	Number of shares held		Cost of investment R'000		Net Asset value of investment R'000		Profit/(Loss) for the year R'000		Losses guaranteed Yes/No
				2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	
National/Provincial Public Entity												
Wavelength 101 (Pty) Ltd	N/A	70%	70%	70	70	3,800	3,800	-	-	-	-	Yes
<b>TOTAL</b>		-	-	<b>70</b>	<b>70</b>	<b>3,800</b>	<b>3,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

The Department acquired a 70% shareholding in this corrugated iron manufacturing company in 2003/04 financial year at a cost price of R3 800 000, representing 70 shares. Please refer to Note 11 for the cost price of this investment.

During the 2008/09 financial year a re-valuation of this investment was performed by the Department, which resulted in the investment being impaired to Rzero in the 2008/09 financial year. Subsequent to the re-valuation, this company has been dormant. Please refer to Note 28 for the impairment of this investment. Also refer to Annexure 2B for more information on this investment.

During the 2008/09 financial year a re-valuation of this investment was performed by the Department, which resulted in the investment being impaired to Rzero in the 2008/09 financial year. Subsequent to the re-valuation, this company has been dormant. Please refer to Note 28 for the impairment of this investment. Also refer to Annexure 2B for more information on this investment.

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

**ANNEXURE 2B  
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)**

Name of Public Entity	Nature of business	Cost of investment R'000		Net Asset value of Investment R'000		Amounts owing to Entities R'000		Amounts owing by Entities R'000	
		2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13
Controlled entities									
Wavelength 101 (Pty) Ltd	Steel Project – Roof sheeting	3,800	3,800	-	-	-	-	-	-
<b>TOTAL</b>		<b>3,800</b>	<b>3,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Department acquired 70% shareholding in this corrugated iron manufacturing company in 2003/04 year at a cost price of R3 800 000, representing 70 shares (see Note 11) for the cost price of the investment.

During 2008/09 financial year a re-evaluation of this investment was performed by the Department which resulted in the investment being impaired to Zero. Subsequent to the re-valuation, this company has been dormant (refer Note 28 and Annexure 2A for more information)w

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

**ANNEXURE 3B**  
**STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2014**

Nature of Liability	Opening Balance 1 April 2013 R'000	Liabilities incurred during the year R'000	Liabilities paid/ cancelled/ reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2014 R'000
<b>Claims against the department</b>					
SAPS	1	-	-	-	1
Ngxazana – Liquor Board	200	-	-	-	200
Adv Babuseng	106	-	-	-	106
Gaborone TB	338	-	(338)	-	-
Jama Sparks	100	-	-	-	100
<b>TOTAL</b>	<b>745</b>	<b>-</b>	<b>(338)</b>	<b>-</b>	<b>407</b>

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

**ANNEXURE 4**  
**CLAIMES RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Department</b>						
Environment and Nature Conservation	-	59	-	-	-	59
Sport, Arts & Culture	-	-	100	100	100	100
Department of Transport, Safety and Liaison	266	-	-	-	266	-
Premier's Office	-	-	126	126	126	126
Transport, Public Works	-	19	-	-	-	19
Provincial Treasury	-	25	-	-	-	25
Department of Roads and Public Works	70	-	-	-	70	-
COGHSTA	266	-	-	-	266	-
<b>Sub-Total</b>	<b>602</b>	<b>103</b>	<b>226</b>	<b>226</b>	<b>828</b>	<b>329</b>
<b>Other Government Entities</b>						
Northern Cape Gambling Board – Annual Renewal of Licences	205	-	-	-	205	-
<b>Sub- Total</b>	<b>205</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>205</b>	<b>-</b>
<b>TOTAL</b>	<b>807</b>	<b>103</b>	<b>226</b>	<b>226</b>	<b>1,033</b>	<b>329</b>

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

**ANNEXURE 5**  
**INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>						
<b>Current</b>						
Department of Justice	4	14	-	-	4	14
Department Economic Development GP	-	23	-	-	-	23
Department of Sports, Arts & Culture	-	-	45	45	45	45
Office of the Premier	313	-	-	-	313	-
Department of Justice	29	-	-	-	29	-
<b>Subtotal</b>	<b>346</b>	<b>37</b>	<b>45</b>	<b>45</b>	<b>391</b>	<b>82</b>
<b>OTHER GOVERNMENT ENTITY</b>						
<b>Current</b>						
Northern Cape Gambling Board – Probity Fees	23	-	-	-	23	-
<b>Subtotal</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23</b>	<b>-</b>
<b>Total</b>	<b>369</b>	<b>37</b>	<b>45</b>	<b>45</b>	<b>414</b>	<b>82</b>

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

**ANNEXURE 6**  
**INVENTORY**

Inventory	Note	Quantity	2013/14	Quantity	2012/13
			R'000		R'000
Opening balance		64	2	777	32
Add: Additions/Purchases - Cash		-	-	2,114	1,189
(Less): Issues		(64)	(2)	-	-
Add/(Less): Adjustments		-	-	(2,827)	(1,219)
<b>Closing balance</b>		<b>-</b>	<b>-</b>	<b>64</b>	<b>2</b>

All expenditures related to inventory in the previous year expenses are re-classified as consumable in terms SCoA allocations this 2013/14 financial year.



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

**ANNEXURE 8A****INTER-ENTITY ADVANCES PAID (note 14)**

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
<b>OTHER INSTITUTIONS</b>						
Anlar Building Beleging for Consumer Court	75	-	-	-	75	-
Sol Plaatje Municipality (Refundable Deposit)	56	56	-	-	56	56
<b>Total</b>	<b>131</b>	<b>56</b>	<b>-</b>	<b>-</b>	<b>131</b>	<b>56</b>