Part 3 – Report of the Audit Committee

REPORT OF THE WESTERN CAPE PROVINCIAL GOVERNMENT AUDIT COMMITTEE ON THE DEPARTMENT OF EDUCATION (VOTE 5) FOR THE FINANCIAL YEAR ENDING 31 MARCH 2009.

1. Introduction

The Audit Committee is pleased to present its report for the above-mentioned financial year ending 31 March 2009.

2. Audit Committee Members and Attendance

The Audit Committee consists of the members listed below. It is required to meet a minimum of FOUR times per annum as per its approved Terms of Reference. During the current year, SIX meetings were held:

3. Members for the year	Number of Meetings Attended
Mr RG Nicholls (Chairperson – contract expired 31 July 2009).	6
Dr L Kathan	6
Ms B Daries	6
Ms P White	6
Mr L Mdunyelwa (Appointed committee member on 1 October 2008 and has subsequently been appointed as the Interim Chairperson since the 1 August 2009).	2

4. Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) a of the Public Finance Management Act, 1999 (Act 1 of 1999) and Treasury Regulation 3.1.13, as required.

The Audit Committee further states that it has adopted the appropriate Terms of Reference as its Audit Committee Charter. The Audit Committee has regulated its affairs and discharged it's responsibilities in compliance with this charter.

5. Effectiveness of Internal Control

In our opinion, based on reports received from the service providers and through the information reported during our Audit Committee meetings, the operational internal control environment contains significant weaknesses, which must be strengthened in the financial year ending March 2010.

The established structure, the Audit Monitoring Team, has not sufficiently dealt with the findings raised by the Auditor-General and supported by the Audit Committee, the Department of Internal Audit and SCOPA. Although this issue has been reported previously, 36% of these items have still not been addressed.

6. Internal Audit

The Internal Audit changed towards the end of the reporting year from an outsourced provider to in-sourced provider. However, as reported during the last three years, Internal Audit has not operated effectively in creating the necessary positive change because it is still totally, inadequately staffed. As a consequence, the approved 2008/2009 Internal Audit Plan could not be implemented in its entirety.

7. The quality of In-Year-Monitoring and monthly/quarterly reports submitted in terms of the PFMA and the Division of Revenue Act

The requirements of the PFMA and the Division of Revenue Act have only been partially met in so far as monthly and quarterly reports are concerned. These reports have not been submitted consistently to the Audit Committee.

8. Risk Management Function

The establishment of a Risk Management function has not progressed in accordance with Treasury Requirements, but has subsequently been planned for the attention of senior management during the new financial year.

9. Evaluation of Financial Statements

The Audit Committee has:

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

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

The Department is congratulated once again, for receiving an unqualified audit opinion from the Auditor-General.

10. Performance Information

The Auditor-General has identified significant issues relating to the core delivery of education such as the following:

- DORA – HIV and AIDS Grant
- DORA – National School Nutrition Programme Grant
- Dinaledi Schools Initiative
- Learner Transport Scheme
- Supply Chain Management

According to the Auditor-General, these items will form part of their audit opinion from the 2010 financial year. The Department has been requested, therefore, to address these items as part of their ongoing correctional processes, failing which this will result in a qualified audit report in 2010.

11. Other areas of concern

The delivery of quality education is hampered by (among other things):

- Inconsistent communication between Head Office, District Offices and schools;
- A lack of clarity of roles and responsibilities between the above-mentioned Head Office, District Offices and schools; and;
- Ineffective internal control mechanisms.

Conclusion

This Audit Committee wishes to reiterate that good corporate governance and effective internal controls, especially in the identified risk management areas, will be prioritised in the new financial year.

As indicated in the previous sub-heading, the core function of the department is an issue needing review and attention, in order to improve the quality of education and levels of performance. Should adequate structures be created, this would contribute significantly to a conducive learning milieu.

MR L MDUNYELWA
INTERIM CHAIRPERSON OF THE WESTERN CAPE
EDUCATION DEPARTMENT AUDIT COMMITTEE
21 AUGUST 2009

THIS ARTICLE SUCCINTLY SUMMARISES OUR AUDIT COMMITTTE FINDINGS RELATED TO SCHOOLS OF THE WESTERN CAPE. THIS FORMS PART OF OUR AUDIT COMMITTEE REPORT FOR MARCH 2009.

ANNEXURE A

Report brands SA schools 'dysfunctional'

MPUMELELO MKHABELA

A HIGH-level panel of education experts has concluded that South African schools are largely "dysfunctional".

In a report, commissioned by former minister of education Naledi Pandor, the Ministerial Committee on a National Education and Evaluation Development Unit found indications of "systematic collapse" in schools. "The committee has received consistent reports from schools about confusion, suspicion, and, at times outrage, about the underlying dysfunctionality of schools," the report says.

"Teachers and principals report about time lost because of absentee teachers, incompetent principals, and under-prepared district officials. The culture of teaching and learning has, for all intents and purposes, disappeared, especially in rural and township schools."

To resolve the problems, the committee, chaired by renowned educationalist Professor Jonathan Jansen, has recommended the promulgation of legislation "as soon as possible" to establish a permanent independent body to conduct monitoring and evaluation at all schools.

"The unit officials must be endowed with legal and political authority to enter classrooms for purposes of monitoring and evaluation," the report says.

The report indicates that while teachers are often singled out, district and provincial authorities are also to blame for failing schools.

The committee's attention was also drawn to the plethora of policies that require teachers to toil away at endless paperwork, taking the emphasis away from the classroom.

The report has been published for public comment.

Part 4 – Annual Financial Statements

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Report by the Accounting Officer to the Executive Authority and Provincial Legislature of the Republic of South Africa

1. General review of the state of financial affairs

The year under review has been a challenging one, given the outcome of the National Senior Certificate results of the first cohort of Grade 12 learners to write exams under the National Curriculum Statement. Although these results were slightly below those achieved the previous year, the results for the province were still the highest in the country. Through its National Learner Attainment Strategy the department gave special attention to those high schools that obtained a pass rate of below 60% in the previous year. It should be stated that more than 50% of the schools in the programme improved their results above 60%. However, some new schools entered the programme.

The literacy and numeracy levels continued to receive focused attention, with awards for those primary schools which performed well under adverse conditions.

The ECD sector remains high on the priority list, and infrastructure and related services were emphasised. The department is still committed to increasing the intake of learners to ensure universal rollout of Grade R.
The FET colleges completed their capital outlay under the Recapitalisation Grant, with three years of capitalisation. The capping of fees for NC(V) courses remains a challenge for the colleges, as they phase out the NAT ED courses.

The department has managed to spend 99.85% of the adjusted budget. The target set by Provincial Treasury is that departments should not under- or over-spend by more than 1%. The statement of performance reflects an under-expenditure of R13,6 million.

The reasons for under-spending include the following.

- Infrastructure under-spending was due to commitment to capital projects which, due to land acquisition challenges, could not be completed.
- WCED did not manage to reach certain targets. In some areas expenditure was slightly below what was planned.
- Where possible the department did institute preventative action by implementing proper planning, doing scenario analysis of challenges and adapting project plans accordingly.

Virement:

Provincial Treasury approved the following virements between main divisions in the Vote:

Shifting of R798 000 from programme 1 to programme 4 due to payout of arrear OSD, backdated from January 2008.

Shifting of R15 096 000 from programme 1 to programme 5 due to accumulated leave paid out to CS educators transferred to colleges in terms of the FET Act, No. 16 of 2006, as well as for staff who opted to exit the system.

Shifting of R2 353 000 from programme 1 to programme 5 due to accumulated leave paid out to CS educators transferred to colleges in terms of the FET Act, No. 16 of 2006, as well as for staff who opted to exit the system.

Shifting of R3 273 000 from programme 1 to programme 5 due to additional funds being made available to FET colleges due to the implementation of NC(V).

Shifting of R788 000 from programme 1 to programme 7 due to growth in number of learners who are subsidised in Grade R schools.

Shifting of R4 287 000 from programme 3 to programme 2, R292 000 from programme 1 to programme 2, R1 049 000 from programme 6 to programme 2 and R6 181 000 from programme 8 to programme 2. These shifts are all due to over-expenditure for goods and services, which resulted from the establishment of a new district office and the refurbishment thereof as well as compensation of employees.

2. Service rendered by the department

2.1 Revenue Policy

The department charges fees for examination related services, such as marking of scripts, requests for copy of senior certificate, for which tariffs are determined by the National Department of Education.

The department renders a reprographic and printing service to other government departments in the province at a nominal fee charge.

2.2 Free Services

The department does not render any free service which could otherwise have yielded significant revenue.

2.3 Inventories

The inventory that existed at year-end consisted of work-in-progress related to construction contracts. Work-in-progress is defined as those construction contracts for which services have been rendered, but for which there are retention funds that have still to be paid, as agreed to with the supplier in terms of contractual obligations. The amount for WIP is R125,586 million for the year under review.

3. Capacity constraints

Although the department achieves the majority of its targets, certain deficiencies remain. The establishment of circuit teams at district level to provide improved support has been welcomed by schools generally. The department believes that these circuit teams will address some of the challenges schools experience.

Schools are facing challenges in finding appropriately skilled and properly qualified staff for certain subjects. Subjects such as Mathematics and Science are facing critical shortages. The department does have a bursary scheme that partially addresses the challenge. However, the National Department of Education is also investigating possible solutions.

The vacant posts in Head Office, especially in the transversal disciplines such as Human Resources Management, Supply Chain Management and Financial Accounting, remain a challenge. The department is filling critical posts on an ongoing basis.

4. Utilisation of donor funds

The department did not receive any significant donor funds.

5. Trading entities and public entities

The department does not have any entities that qualify as such and falls under the PFMA act.

6. Organisations to whom transfer payments have been made

A list of the entities to which transfer payments are being made is reported in Annexure 1C of the annual financial statements. The department effects transfer payments to various educational institutions.

Transfer payments are made to educational institutions in terms of the relevant act of Parliament that governs them. For example, transfer payments are made to public ordinary schools for norms and standards, as set out in terms of the South African Schools Act. Please refer to Annexure 1C for a more detailed explanation for each type of education institution.

The department strictly applies Sec 38(i)(j) of the PFMA, where education institutions that receive transfer payments have to prove that they are spending the funds for the intended purpose. The relevant institutions have to declare and sign a certificate to that effect before the next transfer payment is effected. Then, in terms of the relevant act pertaining to the education institutions, they are also responsible for submitting their audited financial statements by a due date for review and compliance. This process is being monitored on an ongoing basis.

7. Public private partnerships (PPP)

The department has not entered into any such arrangement.

8. Corporate governance arrangements

Current Treasury Regulations determine the establishment of a risk-based approach to an Internal Audit. This approach is consistent with the King II report.

A risk-based approach requires coverage of all significant risks, but is not limited to focusing on operational and strategic risks.

Currently Provincial Treasury conducts the function of internal audit with the assistance of an outside service provider, Sihluma Sonke Consortium. During the course of the financial year, this function was decentralised to the department.

The department has an Audit Committee, which consists of independent members. It is currently in its fifth year of operation. The committee meets regularly and engages constantly with management. The internal audit function reports directly to the Audit Committee.

The department has a Risk Assessment Unit. One of the main functions is to development a Risk Management Policy in line with Provincial Treasury Risk Management Policy framework. The department established an Enterprise Risk Management Committee, headed by the Superintendent-General. This committee will focus on management of strategic risks for the department. The operational risks are being monitored by the Audit Monitoring Team, which will provide a report to the Enterprise Risk Management Committee.

Annually, senior management members complete and submit a declaration of 'No conflict of Interest'. All bid committee members and all staff in Supply Chain Management also have to declare any conflict of interest.

The safety of learners and educators at schools is a major challenge and the department has formed a partnership with other relevant provincial departments to deal with the issue. The department does have a directorate dedicated to dealing with school safety and drug-related matters.

9. Discontinued activities/activities to be discontinued

None.

10. New/proposed activities

None.

11. Asset management

The department has achieved all the milestones, as set out in terms of the Asset Management reforms. The asset verification process is undertaken bi-annually to ensure continuous improvement. All assets have thus been captured on the asset register and the state/condition of each asset has been recorded.

12. Events after the reporting date

None.

13. Performance information

Performance information is recorded on a quarterly basis and submitted to Provincial Treasury. Certain performance information is not available and the department is in the process of identifying appropriate systems and procedures to record the relevant information. The department is piloting an electronic Human Capital Leave Management System (HC-LMS) for capturing of attendance registers. The system is aimed at assisting with the tracking of absenteeism at schools to enable the department to institute measures improve attendance.

14. SCOPA resolutions

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
Resolution 1: Audit report 2004 Paragraph 5.4(ii)	Unauthorised expenditure: Expenditure on the literacy programme 1991/92 – R21.949 million and over-expenditure on the vote of former Administration: House of Representatives 1995/96 – R10.707million	The Western Cape Inherited Debt Relief Act, 2009 (No. 7 of 2009) was passed on 21 April 2009. Provincial Treasury will provide guidance as to how both departments' (15 & 70) books must be cleared. The balance will be cleared in the 2009/10 financial year.
3. Education	Matters of Governance (page 7, par 12) ▪ Management should enforce stricter controls over the supporting documents of the department. Management should develop a plan to ensure compliance with the implemented controls. ▪ Information sharing between DTPW and WCED is not adequate. The WCED should also ensure that information is shared timeously and that both departments are held accountable in ensuring the information is readily available for audit purposes.	Your recommendations have been noted and will be implemented.

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
6. Transversal Matters	Audit Committees The Committee wishes to recommend that regular meetings be held with management of the Departments as per Audit Committee Charter and that they brief the Committee on the effectiveness of internal control in the Departments on a quarterly basis.	Your recommendations have been noted and will be implemented.
	Information Technology All Departments should escalate this matter to the highest level of priority for action and the Department of the Premier should take the lead to prevent a collapse of the IT systems.	Your recommendations have been noted and will be implemented.
	Performance Information Management policies and procedures, including monitoring processes, should be put in place to govern the process of ensuring that the objectives per the strategic plan are aligned to be consistent with the objectives per the budget and annual report. Departments must also brief the Committee regarding the status and correctness of their performance agreements on a quarterly basis.	Your recommendations have been noted and will be implemented.

15. Prior modifications to audit reports

The Audit Monitoring Team (AMT) ensured that corrective actions in respect of the Auditor General's recommendations were implemented and provided assistance and guidance to the managers regarding the implementation.

The AMT successfully assisted managers to address the 37 matters listed under Annexure A and B of the Auditor General's management report of 2007-08. The AMT achieved this by tasking the relevant Chief Directors to compile action plans for implementation, and monitoring the progress on a monthly basis.

The department has developed a strategy to deal with the concerns raised around the qualifications of educators and the related subjects they teach. A Qualification Database (QDB) system is being developed for the uploading of teacher qualifications. The system will be rolled out by end of the 2009/10 financial year.

16. Exemptions and deviations received from the National Treasury

None.

17. Other: Transactions from previous dispensation (Mopping up)

The former Western Cape Provincial Administration and the former House of Representatives inherited old balances from the previous political dispensation that originated prior to the 1994/1995 financial year. The Western Cape Inherited Debt Relief Act, Act No. 7 of 2009 was assented to on 24 April 2009 to authorise the discharge of certain debts of the former Cape Provincial Administration and the former House of Representatives, which were devolved upon the Western Cape Province in terms of the Constitution of the Republic of South Africa, 1993, and are still outstanding; to make arrangements for the settling of accounts in relation to the debts; and to provide for matters incidental thereto.

Since the Debt Relief Act was passed in the 2009/10 financial year, the transactions for the previous dispensation which are currently reflected in the books of account will be addressed in the 2009/10 financial year. To this end, a provision of R818 285.43 has been disclosed in the attached annual financial statements to reveal the Department's intention of writing-off the net balance in the mopping up account during the 2009/10 financial year.

18. Infrastructure matters: Magqwaka case

The following is the true reflection of the meeting as confirmed by the Provincial Accountant General on 17 July 2009 per e-mail:

The report, commissioned by the Head of the Department of Transport and Public Works, from an independent advisor expressed views with regard to alleged fruitless and wasteful expenditure on infrastructure projects, namely Western Cape Nurses College, Valkenberg High Care Nurses Admission Unit and schools. The recommendations made by the advisor relating to business processes and controls have been addressed, final accounts have been compiled and the State Attorney has been mandated to recall guarantees. The process forward is to recover any fruitless and wasteful expenditure and to consider the write-off of any irrecoverable fruitless and wasteful expenditure. It was agreed with the Provincial Accountant-General on 16 July 2009, that the transactions will only be recorded in the books of account once the irrecoverable amount is quantified. It was further confirmed that any write-off will be recorded in the books of account of the client department as the provisions for infrastructure delivery in terms of the Division of Revenue Act is vested in the votes of the client departments, namely Health and Education. Notwithstanding the aforementioned, the accounting treatment for fruitless and wasteful expenditure and losses that may arise will be provided by the Provincial Accountant General

19. Approval

The Annual Financial Statements set out on pages 11 to 60 have been approved by the Accounting Officer.

……
RB SWARTZ
SUPERINTENDENT-GENERAL
DATE: 31 MAY 2009

AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF VOTE NO. 5: WESTERN CAPE EDUCATION DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2009

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Western Cape Education Department which comprise the appropriation statement, statement of financial position as at 31 March 2009, and the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 11 to 60.

The 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 basis of accounting determined by National Treasury, as set out in accounting policy note 1.1 and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act, 2008 (Act No. 2 of 2008) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and section 40(2) of the PFMA, my responsibility is to express an opinion on these financial statements based on my audit.

4. I conducted my audit in accordance with the International Standards on Auditing read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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.

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

Opinion

7. In my opinion the financial statements present fairly, in all material respects, the financial position of the Western Cape Education Department as at 31 March 2009 and its financial performance and its cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by National Treasury, as set out in accounting policy note 1.1 and in the manner required by the PFMA and DoRA.

Emphasis of matter

8. Without qualifying my opinion, I draw attention to the following matters:

Basis of accounting

9. The department's policy is to prepare financial statements on a modified cash basis of accounting, as set out in accounting policy note 1.1 to the financial statements.

Infrastructure projects

10. With reference to paragraph 18 of the accounting officer's report, the department may have to account for write-offs in terms of alleged fruitless and wasteful expenditure relating to infrastructure projects. The ultimate outcome of the matter cannot currently be determined, and no provision for any fruitless and wasteful expenditure that may result has been made in the financial statements.

Other matters

11. I draw attention to the following matters that relates to my responsibility in the audit of the financial statements:

Governance framework

12. The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and are reflected in the key governance responsibilities addressed below:

Key governance responsibilities

13. The PFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.		■
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.		■
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.	■	
Timeliness of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines [section 40 of the PFMA].	■	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	■	
Development and compliance with risk management, effective internal control and governance practices			
6.	Audit committee		
	• The department had an audit committee in operation throughout the financial year.	■	
	• The audit committee operates in accordance with approved, written terms of reference.	■	
	• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.	■	
7.	Internal audit		
	• The department had an internal audit function in operation throughout the financial year.	■	
	• The internal audit function operates in terms of an approved internal audit plan.	■	
	• The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.	■	
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	■	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	■	

No.	Matter	Y	N
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	■	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 3.2.	■	
12.	Powers and duties have been assigned, as set out in section 44 of the PFMA.	■	
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.	■	
14.	SCOPA resolutions have been substantially implemented.		■
Issues relating to the reporting of performance information			
15.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.	■	
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.	■	
17.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the WCED against its mandate, predetermined objectives, outputs, indicators and targets [Treasury Regulations 5.1, 5.2 and 6.1].	■	
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	■	

14. Significant delays were experienced in providing expected information and documentation, per the agreed time frames. This is indicative of a situation where there is a lack of ongoing monitoring and supervision as well as a lack of effective control activities surrounding the availability of expected information. The areas of good practices that need to be strengthened to improve this in future years related to the lack of a clear trail of supporting documentation that is easily available.

15. A material misstatement was made in the financial statements submitted for audit purposes. This is indicative of a situation where there is a lack of ongoing monitoring and supervision not undertaken to enable management to determine whether internal control over financial reporting is present and functioning as the schedules supporting disclosure information for commitments was not verified against source documentation.

Late finalisation of the audit report

16. In terms of section 40(2) of the PFMA I am required to submit my report to the accounting officer within two months of the receipt of the financial statements. In the interest of improving accountability and finalising internal processes to ensure high quality standards of reporting are maintained, the finalisation of this report was delayed.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on performance information

17. I have reviewed the performance information as set out in part 2 on pages 1 to 100.

The accounting officer's responsibility for the performance information

18. The accounting officer has additional responsibilities as required by section 40(3)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the department.

The Auditor-General's responsibility

19. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*.

20. In terms of the foregoing my engagement included performing procedures of a review nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

21. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the findings reported below.

Findings on performance information

Reported performance information not reliable

Lack of source documentation

22. Sufficient appropriate evidence in relation to PM206 "Expenditure on maintenance as a percentage of the value of school infrastructure" for the valuation of R15 052 800 000 (R15 billion) for the replacement value of all immovable school infrastructure made by the quantity surveyors could not be provided.

OTHER REPORTS

Performance audits

23. At the time of the audit a performance audit of the department's infrastructure delivery process was in progress. The performance audit focused on the following key elements of the infrastructure delivery process:

    - Demand management
    - Acquisition management
    - Project management and information
    - Commissioning and utilisation

    It is anticipated that the report will be tabled by 30 November 2009.

20. A peformance audit was conducted at the department of entities that are connected with government employees and doing business with this and other departments of the Western Cape Provincial Government. This report was issued in August 2008 and tabled in June 2009.

APPRECIATION

21. The assistance rendered by the staff of the Western Cape Education Department during the audit is sincerely appreciated.

Auditor - General

Cape Town
26 August 2009

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Appropriation Statement
for the year ended 31 March 2009

Appropriation per Programme									
	2008/09							2007/08	
Programme	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	366,044	(15,648)	(22,600)	327,796	327,796	-	100.0	324,340	324,293
Transfers and subsidies	31,773	3,068	-	34,841	34,841	-	100.0	25,775	25,775
Payment for capital assets	18,312	12,580	-	30,892	30,892	-	100.0	11,355	11,355
2. Public ordinary school education									
Current payment	6,755,647	15,209	11,809	6,782,665	6,779,687	2,978	100.0	5,649,190	5,625,189
Transfers and subsidies	471,029	(17,134)	-	453,895	454,904	(1,009)	100.2	455,644	455,517
Payment for capital assets	185,538	1,925	-	187,463	175,944	11,519	93.9	166,802	141,277
3. Independent school subsidies									
Transfers and subsidies	48,406	-	(4,287)	44,119	44,119	-	100.0	39,712	39,713
4. Public special school education									
Current payment	417,001	(2,836)	798	414,963	414,963	-	100.0	354,586	354,586
Transfers and subsidies	92,591	2,836	-	95,427	95,427	-	100.0	79,739	79,739
5. Further education and training									
Current payment	185,754	-	15,096	200,850	200,850	-	100.0	169,051	169,049
Transfers and subsidies	160,715	-	5,626	166,341	166,340	1	100.0	148,179	148,179
6. Adult basic education and training									
Current payment	5,464	-	(661)	4,803	4,803	-	100.0	6,821	6,585
Transfers and subsidies	22,423	-	(388)	22,035	22,035	-	100.0	19,235	19,236
7. Early childhood development									
Current payment	95,326	(27,611)	-	67,715	67,715	-	100.0	99,794	99,794
Transfers and subsidies	132,635	27,611	788	161,034	161,033	1	100.0	65,010	42,465
8. Auxiliary and associated services									
Current payment	109,974	2,608	-	112,582	112,552	30	100.0	100,572	88,070
Transfers and subsidies	107,366	(2,763)	(6,181)	98,422	98,422	-	100.0	106,891	106,892
Payment for capital assets	90	155	-	245	155	90	63.3	36	36
Total	9,206,088	-	-	9,206,088	9,192,478	13,610	99.9	7,822,732	7,737,750
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				-				4,637	
Actual amounts per Statement of Financial Performance (Total Revenue)				9,206,088				7,827,369	
Actual amounts per Statement of Financial Performance Expenditure					9,192,478				7,737,750

Appropriation Statement
for the year ended 31 March 2009

Appropriation per Economic classification									
Economic classification	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	7,046,663	27,783	15,244	7,089,690	7,089,690	-	100.0	5,919,572	5,904,035
Goods and services	885,190	(58,370)	(10,802)	816,018	813,020	2,998	99.6	769,512	748,261
Financial transactions in assets and liabilities	3,357	2,300	-	5,657	5,657	-	100.0	15,270	15,270
Transfers & subsidies							-		
Provinces & municipalities	-	-	-	-	-	-	-	1	1
Departmental agencies & accounts	4,258	(3)	-	4,255	4,255	-	100.0	3,944	3,944
Non-profit institutions	1,011,469	12,433	(7,715)	1,016,187	1,017,195	(1,008)	100.1	884,157	862,037
Households	51,211	1,190	3,273	55,674	55,673	1	100.0	52,083	51,534
Payment for capital assets									
Buildings & other fixed structures	179,367	(8,693)	-	170,674	162,455	8,219	95.2	165,634	140,109
Machinery & equipment	24,549	12,708	-	37,257	33,857	3,400	90.9	12,428	12,428
Software & other intangible assets	24	10,652	-	10,676	10,676	-	100.0	131	131
Total	9,206,088	-	-	9,206,088	9,192,478	13,610	99.9	7,822,732	7,737,750

Appropriation Statement
for the year ended 31 March 2009

Detail per programme 1 – Administration
for the year ended 31 March 2009

Programme per subprogramme	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Office of the MEC									
Current payment	3,805	(21)	(283)	3,501	3,501	-	100.0	3,828	3,829
Transfers and subsidies	-	12	-	12	12	-	100.0	-	-
Payment for capital assets	-	9	-	9	9	-	100.0	-	-
1.2 Corporate services									
Current payment	190,769	(3,730)	(11,717)	175,322	175,322	-	100.0	170,263	170,261
Transfers and subsidies	16,819	2,458	-	19,277	19,277	-	100.0	9,233	9,233
Payment for capital assets	12,532	7,128	-	19,660	19,660	-	100.0	7,157	7,158
1.3 Education Management									
Current payment	130,261	(926)	(7,815)	121,520	121,520	-	100.0	123,085	123,084
Transfers and subsidies	14,954	(6,795)	-	8,159	8,159	-	100.0	16,030	16,030
Payment for capital assets	5,780	925	-	6,705	6,705	-	100.0	3,693	3,692
1.4 Human resource development									
Current payment	16,201	855	-	17,056	17,056	-	100.0	12,183	12,137
Transfers and subsidies	-	16	-	16	16	-	100.0	10	10
Payment for capital assets	-	6	-	6	6	-	100.0	21	21
1.5 Education management information systems (Emis)									
Current payment	25,008	(11,826)	(2,785)	10,397	10,397	-	100.0	14,981	14,982
Transfers and subsidies	-	7,377	-	7,377	7,377	-	100.0	502	502
Payment for capital assets	-	4,512	-	4,512	4,512	-	100.0	484	484
Total	416,129	-	(22,600)	393,529	393,529	-	100.0	361,470	361,423

Programme 1 – Per Economic classification	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expendi-ture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	191 714	726	-	192 440	192 440	-	100.0	170 919	170 919
Goods and services	170 973	(18 672)	(22 600)	129 701	129 701	-	100.0	138 151	138 104
Financial transactions in assets and liabilities	3 357	2 300	-	5 657	5 657	-	100.0	15 270	15 270
Transfers & subsidies									
Non-profit institutions	28 489	2 570	-	31 059	31 059	-	100.0	18 724	18 724
Households	3 284	498	-	3 782	3 782	-	100.0	7 051	7 051
Payment for capital assets									
Machinery & equipment	18 288	3 726	-	22 014	22 014	-	100.0	11 224	11 224
Software & other intangible assets	24	8 852	-	8 876	8 876	-	100.0	131	131
Total	416 129	-	(22 600)	393 529	393 529	-	100.0	361 470	361 423

Appropriation Statement
for the year ended 31 March 2009

Detail per programme 2 – Public ordinary school education
for the year ended 31 March 2009

Programme per subprogramme	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Public Primary schools									
Current payment	3,794,659	(59,614)	-	3,735,045	3,734,042	1,003	100.0	3,173,954	3,166,584
Transfers and subsidies	286,081	(2,128)	-	283,953	283,953	-	100.0	241,825	262,150
Payment for capital assets	107,127	(31,387)	-	75,740	67,521	8,219	89.1	99,359	74,368
2.2 Public Secondary schools									
Current payment	2,562,969	50,322	-	2,613,291	2,613,291	-	100.0	2,189,102	2,189,103
Transfers and subsidies	183,971	(22,192)	-	161,779	162,788	(1,009)	100.6	193,975	173,523
Payment for capital assets	71,418	26,513	-	97,931	97,931	-	100.0	65,885	65,885
2.3 Professional services									
Current payment	277,847	36,900	11,809	326,556	326,556	-	100.0	207,942	196,241
Transfers and subsidies	825	1,553	-	2,378	2,378	-	100.0	19,652	19,652
Payment for capital assets	3,493	6,681	-	10,174	10,174	-	100.0	1,472	948
2.4 Human resource development									
Current payment	37,063	(6,788)	-	30,275	30,275	-	100.0	25,363	20,431
Transfers and subsidies	-	22	-	22	22	-	100.0	7	7
Payment for capital assets	200	118	-	318	318	-	100.0	16	16
2.5 National school nutrition programme									
Current payment	83,109	(5,611)	-	77,498	75,523	1,975	97.5	52,829	52,830
Transfers and subsidies	152	5,611	-	5,763	5,763	-	100.0	185	185
Payment for capital assets	3,300	-	-	3,300	-	3,300	-	70	60
Total	7 412 214	-	11 809	7 424 023	7 410 535	13 488	99.8	6,271,636	6,221,983

Programme 2 Per Economic classification	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	6,147,740	16,676	11	6,164,427	6,164,427	-	100.0	5,106,780	5,091,264
Goods and services	607,907	(1,478)	11,798	618,227	615,259	2,968	99.5	542,410	533,925
Transfers & subsidies									
Provinces & municipalities	-	-	-	-	-	-	-	1	1
Non-profit institutions	454,927	(19,757)	-	435,170	436,179	(1,009)	100.2	440,655	440,655
Households	16,102	2,625	-	18,727	18,727	-	100.0	14,988	14,861
Payment for capital assets									
Buildings & other fixed structures	179,367	(8,693)	-	170,674	162,455	8,219	95.2	165,634	140,109
Machinery & equipment	6,171	8,827	-	14,998	11,688	3,310	77.9	1,168	1,168
Software and other intangible assets	-	1,800	-	1,800	1,800	-	100.0	-	-
Total	7,412,214	-	11,809	7,424,023	7,410,535	13,488	99.8	6,271,636	6,221,983

Appropriation Statement
for the year ended 31 March 2009

Detail per programme 3 – Independent school subsidies
for the year ended 31 March 2009

Details per sub-programme	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Primary Phase									
Transfers and subsidies	23,909	(122)	(4,287)	19,500	19,500	-	100.0	19,043	19,042
3.2 Secondary Phase									
Transfers and subsidies	24,497	122	-	24,619	24,619	-	100.0	20,669	20,671
Total	48,406	-	(4,287)	44,119	44,119	-	100.0	39,712	39,713

Programme 3 Per Economic classification	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expendi-ture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers & subsidies									
Non-profit institutions	48,406	-	(4,287)	44,119	44,119	-	100.0	39,712	39,713
Total	48,406	-	(4,287)	44,119	44,119	-	100.0	39,712	39,713

Appropriation Statement
for the year ended 31 March 2009

Detail per programme 4 – Public special school education
for the year ended 31 March 2009

Details per sub-programme	2008/09							2007/08	
	Adjusted Appro-priation R'000	Shifting of Funds R'000	Virement R'000	Final Appro-priation R'000	Actual Expen-diture R'000	Variance R'000	Expendi-ture as % of final appro-priation %	Final Appro-priation R'000	Actual Expen-diture R'000
4.1 Schools									
Current payment	417,001	(2,836)	798	414,963	414,963	-	100.0	354,540	354,540
Transfers and subsidies	92,589	2,838	-	95,427	95,427	-	100.0	79,739	79,739
4.2 Professional Services									
Current payment	-	-	-	-	-	-	-	46	46
Transfers and subsidies	1	(1)	-	-	-	-	-	-	-
4.3 Human Resource Development									
Transfers and subsidies	1	(1)	-	-	-	-	-	-	-
Total	509,592	-	798	510,390	510,390	-	100.0	434,325	434,325

Programme 4 Per Economic classification	2008/09							2007/08	
	Adjusted Appro-priation R'000	Shifting of Funds R'000	Virement R'000	Final Appro-priation R'000	Actual Expen-diture R'000	Variance R'000	Expen-diture as % of final appro-priation %	Final Appro-priation R'000	Actual Expen-diture R'000
Current payments									
Compensation of employees	410,134	158	798	411,090	411,090	-	100.0	349,223	349,223
Goods and services	6,867	(2,994)	-	3,873	3,873	-	100.0	5,363	5,363
Transfers & subsidies									
Non-profit institutions	91,518	2,401	-	93,919	93,919	-	100.0	79,019	79,019
Households	1,073	435	-	1,508	1,508	-	100.0	720	720
Total	509,592	-	798	510,390	510,390	-	100.0	434,325	434,325

WESTERN CAPE EDUCATION DEPARTMENT
VOTE 5

Appropriation Statement
for the year ended 31 March 2009

Detail per programme 5 – Further education and training colleges
for the year ended 31 March 2009

Details per sub-programme	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Public Institutions									
Current payment	185,754	-	15,096	200,850	200,850	-	100.0	169,051	169,049
Transfers and subsidies	83,408	2	5,626	89,036	89,035	1	100.0	68,177	68,179
5.2 Professional Services									
Transfers and subsidies	1	(1)	-	-	-	-	-	1	-
5.3 Human Resource Development									
Transfers and subsidies	1	(1)	-	-	-	-	-	1	-
5.4 Conditional Grant									
Transfers and subsidies	77,305	-	-	77,305	77,305	-	100.0	80,000	80,000
Total	346,469	-	20,722	367,191	367,190	1	100.0	17,230	317,228

Programme 5 Per Economic classification	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	185,754	-	15,096	200,850	200,850	-	100.0	169,051	169,049
Transfers & subsidies									
Non-profit institutions	133,054	-	2,353	135,407	135,407	-	100.0	121,366	121,366
Households	27,661	-	3,273	30,934	30,933	1	100.0	26,813	26,813
Total	346,469	-	20,722	367,191	367,190	1	100.0	317,230	317,228

WESTERN CAPE EDUCATION DEPARTMENT
VOTE 5

Appropriation Statement
for the year ended 31 March 2009

Detail per programme 6 – Adult basic education and training
for the year ended 31 March 2009

Details per sub-programme	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Subsidies to Private Centres									
Current payment	5,464	-	(661)	4,803	4,803	-	100.0	6,821	6,585
Transfers and subsidies	22,421	-	(386)	22,035	22,035	-	100.0	19,233	19,236
6.2 Professional Services									
Transfers and subsidies	1	-	(1)	-	-	-	-	1	-
6.3 Human Resource Development									
Transfers and subsidies	1	-	(1)	-	-	-	-	1	-
Total	27,887	-	(1,049)	26,838	26,838	-	100.0	26,056	25,821

Programme 6 Per Economic classification	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	5,172	(24)	(661)	4,487	4,487	-	100.0	6,543	6,524
Goods and services	292	24	-	316	316	-	100.0	278	61
Transfers & subsidies									
Non-profit institutions	22,423	(15)	(388)	22,020	22,020	-	100.0	19,230	19,231
Households	-	15	-	15	15	-	100.0	5	5
Total	27,887	-	(1,049)	26,838	26,838	-	100.0	26,056	25,821

WESTERN CAPE EDUCATION DEPARTMENT
VOTE 5

Appropriation Statement
for the year ended 31 March 2009

Detail per programme 7 – Early childhood development
for the year ended 31 March 2009

Details per sub-programme	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
7.1 Grade R In Public Schools									
Current payment	69,428	(14,011)	-	55,417	55,417	-	100.0	46,517	46,519
Transfers and subsidies	71,320	9,821	788	81,929	81,928	1	100.0	23,863	23,863
7.2 Grade R In Community Centres									
Current payment	9	4	-	13	13	-	100.0	10,797	10,797
Transfers and subsidies	27,581	6,874	-	34,455	34,455	-	100.0	41,146	18,602
7.3 Professional Services									
Transfers and subsidies	1	(1)	-	-	-	-	-	1	-
7.4 Human Resource Development									
Current payment	25,889	(13,604)	-	12,285	12,285	-	100.0	42,480	42,478
Transfers and subsidies	33,733	10,917	-	44,650	44,650	-	100.0	-	-
Total	227,961	-	788	228,749	228,748	1	100.0	164,804	142,259

Programme 7 Per Economic classification	2008/09							2007/08	
	Adjusted Appropria tion	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	56,456	(3,254)	-	53,202	53,202	-	100.0	69,649	69,649
Goods and services	38,870	(24,357)	-	14,513	14,513	-	100.0	30,145	30,145
Transfers & subsidies									
Non-profit institutions	131,511	28,597	788	160,896	160,895	1	100.0	64,431	42,309
Households	1,124	(986)	-	138	138	-	100.0	579	156
Total	227,961	-	788	228,749	228,748	1	100.0	164,804	142,259

Appropriation Statement
for the year ended 31 March 2009

Detail per programme 8 – Auxiliary and associated services
for the year ended 31 March 2009

Details per sub-programme	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
8.1 Payments to Seta									
Transfers and subsidies	4,258	(3)	-	4,255	4,255	-	100.0	3,944	3,944
8.2 Conditional Grant Projects									
Current payment	13,757	-	-	13,757	13,727	30	99.8	13,011	13,001
Payment for capital assets	90	-	-	90	-	90	-	-	-
8.3 External Examinations									
Current payment	80,717	6,897	-	87,614	87,614	-	100.0	71,107	64,388
Transfers and subsidies	62	34	-	96	96	-	100.0	18	18
Payment for capital assets	-	155	-	155	155	-	100.0	36	36
8.4 Teacher Training									
Transfers and subsidies	1,905	(1,905)	-	-	-	-	-	1,909	1,909
8.5 iKapa Elihlumayo									
Current payment	15,500	(4,289)	-	11,211	11,211	-	100.0	16,454	10,681
Transfers and subsidies	101,141	(889)	(6,181)	94,071	94,071	-	100.0	101,020	101,021
Total	217,430	-	(6,181)	211,249	211,129	120	99.9	207,499	194,998

Programme 8 Per Economic classification	2008/09							2007/08	
	Adjusted Appro-priation	Shifting of Funds	Virement	Final Appro-priation	Actual Expen-diture	Variance	Expen-diture as % of final appro-priation	Final Appro-priation	Actual Expen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	49,693	13,501	-	63,194	63,194	-	100.0	47,407	47,407
Goods and services	60,281	(10,893)	-	49,388	49,358	30	99.9	53,165	40,663
Transfers & subsidies									
Departmental agencies & accounts	4,258	(3)	-	4,255	4,255	-	100.0	3,944	3,944
Non-profit institutions	101,141	(1,363)	(6,181)	93,597	93,597	-	100.0	101,020	101,020
Households	1,967	(1,397)	-	570	570	-	100.0	1,927	1,928
Payment for capital assets									
Machinery & equipment	90	155	-	245	155	90	63.3	36	36
Total	217,430	-	(6,181)	211,249	211,129	120	99.9	207,499	194,998

Notes to the appropriation statement
for the year ended 31 March 2009

1. **Detail of transfers and subsidies as per Appropriation Act (after Virement):**
Detail of these transactions can be viewed in note 6 to Transfers and subsidies and Annexure 1 (A-F) 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 financial transactions in assets and liabilities**
Detail of these transactions per programme can be viewed in note 5 to financial transactions in assets and liabilities to the Annual Financial Statements.

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

4.1 **Per programme:**

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'0001	R'000	R'000	R'000
Administration	393,529	393,529	-	-
Public ordinary school education	7,424,023	7,410,535	13,488	0.0
Independent school subsidies	44,119	44,119	-	-
Public special school education	510,390	510,390	-	-
Further education and training	367,191	367,190	1	0.0
Adult basic education and training	26,838	26,838	-	-
Early childhood development	228,749	228,748	1	0.0
Auxiliary and associated services	211,249	211,129	120	0.0

No material variances.

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	7,089,690	7,089,690	-	-
Goods and services	816,018	813,020	2,998	0
Financial transactions in assets and liabilities	5,657	5,657	-	-
Transfers and subsidies				-
Departmental agencies and accounts	4,255	4,255	-	-
Non-profit institutions	1,016,187	1,017,195	(1,008)	0
Households	55,674	55,673	1	0
Payments for capital assets				-
Buildings and other fixed structures	170,674	162,455	8,219	5
Machinery and equipment	37,257	33,857	3,400	9
Software and other intangible assets	10,676	10,676	-	-

WESTERN CAPE EDUCATION DEPARTMENT
VOTE 5

Statement of Financial Performance
for the year ended 31 March 2009

	Note	2008/09 R'000	2007/08 R'000
REVENUE			
Annual appropriation	1	9,206,088	7,822,732
Departmental revenue	2	-	4,637
TOTAL REVENUE		9,206,088	7,827,369
EXPENDITURE			
Current expenditure			
Compensation of employees	3	7,089,690	5,904,035
Goods and services	4	813,020	748,261
Financial transactions in assets and liabilities	5	5,657	15,270
Total current expenditure		7,908,367	6,667,566
Transfers and subsidies		1,077,123	917,516
Transfers and subsidies	6	1,077,123	917,516
Expenditure for capital assets			
Tangible capital assets	7	196,312	152,537
Software and other intangible assets	7	10,676	131
Total expenditure for capital assets		206,988	152,668
TOTAL EXPENDITURE		9,192,478	7,737,750
SURPLUS FOR THE YEAR		13,610	89,619
Reconciliation of Net Surplus for the year			
Voted Funds		13,610	84,982
Departmental revenue	2	-	4,637
SURPLUS FOR THE YEAR		13,610	89,619

WESTERN CAPE EDUCATION DEPARTMENT
VOTE 5

Statement of Financial Position at 31 March 2009

	Note	2008/09 R'000	2007/08 R'000
ASSETS			
Current Assets		92,052	190,683
Cash and cash equivalents	9	17,220	117,106
Prepayments and advances	11	53	1,481
Receivables	12	74,779	72,096
Non-Current Assets		13,324	12,008
Investments	13	12,506	11,190
Other financial assets	10	818	818
TOTAL ASSETS		105,376	202,691
		-	
LIABILITIES			
Current Liabilities		55,324	156,060
Voted funds to be surrendered to the Revenue Fund	14	13,657	84,982
Departmental revenue to be surrendered to the Revenue Fund	15	6,194	3,351
Bank overdraft	16	5,491	52,421
Payables	17	29,982	15,306
TOTAL LIABILITIES		55,324	156,060
NET ASSETS		50,052	46,631
Represented by:			
Capitalisation reserve		12,506	11,191
Recoverable revenue		37,546	35,440
TOTAL		50,052	46,631

Statement of Changes in Net Assets
for the year ended 31 March 2009

	Note	2008/09	2007/08
		R'000	R'000
Capitalisation Reserves			
Opening balance		11,191	10,301
Movement in Operational Funds		1,315	890
Closing balance		12,506	11,191
Recoverable revenue			
Opening balance		35,440	36,435
Transfers		2,106	(995)
Debts recovered (included in departmental receipts)		-	(995)
Debts raised		2,106	-
Closing balance		37,546	35,440
Total		50,052	46,631

Cash Flow Statement
for the year ended 31 March 2009

	Note	2008/09 R'000	2007/08 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		9,228,633	7,854,124
Annual appropriated funds received	1.1	9,206,088	7,822,732
Departmental revenue received	2	22,545	31,392
Net decrease in working capital		13,421	(24,515)
Surrendered to Revenue Fund		(104,637)	(223,340)
Current payments		(7,908,367)	(6,667,566)
Transfers and subsidies paid		(1,077,123)	(917,516)
Net cash flow available from operating activities	18	151,927	21,187
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7.1	(206,988)	(152,668)
(Increase) in investments		(1,316)	(1,000)
Net cash flows from investing activities		(208,304)	(153,668)
Increase in net assets		3,421	(105)
Net cash flows from financing activities		3,421	(105)
Net (decrease) in cash and cash equivalents		(52,956)	(132,586)
Cash and cash equivalents at beginning of period		64,685	197,271
Cash and cash equivalents at end of period	19	11,729	64,685

Accounting Policies
for the year ended 31 March 2009

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 2 of 2006.

1. Presentation of the Financial Statements

1.1 Basis of preparation

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

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

1.5 Comparative figures - Appropriation Statement

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

2. Revenue

2.1 Appropriated funds

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

Total appropriated funds are presented in the Statement of Financial Performance.

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

2.2 Statutory Appropriation

Statutory appropriations are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the statutory appropriations made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total statutory appropriations are presented in the Statement of Financial Performance.

Unexpended statutory appropriations are surrendered to the Provincial Revenue Fund. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

2.3 Departmental revenue

All departmental revenue is paid into the Provincial Revenue Fund when received, unless otherwise stated. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

2.3.1 Tax revenue

Tax revenue consists of all compulsory unrequited amounts collected by the department in accordance with laws and or regulations (excluding fines, penalties & forfeits).

Tax receipts are recognised in the Statement of Financial Performance when received.

2.3.2 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the Statement of Financial Performance when the cash is received.

2.3.3 Fines, penalties & forfeits

Fines, penalties & forfeits are compulsory unrequited amounts which were imposed by a court or quasi-judicial body and collected by the department. Revenue arising from fines, penalties and forfeits is recognised in the Statement of Financial Performance when the cash is received.

2.3.4 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the Statement of Financial Performance when the cash is received.

2.3.5 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the Statement of Financial Performance when the cash is received.

2.3.6 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the Statement of Financial Performance on receipt of the funds.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the Statement of Financial Performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

Forex gains are recognised on payment of funds.

2.3.7 Transfers received (including gifts, donations and sponsorships)

All cash gifts, donations and sponsorships are paid into the Provincial Revenue Fund and recorded as revenue in the Statement of Financial Performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in an annexure to the financial statements.

2.4 Direct Exchequer receipts

All direct exchequer receipts are recognised in the Statement of Financial Performance when the cash is received.

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

2.5 Aid assistance

Local and foreign aid assistance is recognised as revenue when notification of the assistance is received from the National Treasury or when the department directly receives the cash from the donor(s).

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the annual financial statements.

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the Statement of Financial Performance. The value of the assistance expensed prior to the receipt of the funds is recognised as a receivable in the Statement of Financial Position.

Inappropriately expensed amounts using local and foreign aid assistance and any unutilised amounts are recognised as payables in the Statement of Financial Position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as current or capital expenditure in the Statement of Financial Performance.

Inappropriately expensed amounts using CARA funds and any unutilised amounts are recognised as payables in the Statement of Financial Position.

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

Salaries and wages comprise payments to employees (including leave entitlements, thirteenth cheques and performance bonuses). Salaries and wages are recognised as an expense in the Statement of Financial Performance when final authorisation for payment is effected on the system (by no later than 31 March of each year). Capitalised compensation forms part of the expenditure for capital assets in the Statement of Financial Performance[1].

All other payments are classified as current expense.

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

3.1.2 Post retirement benefits

The department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions.

Employer contributions (i.e. social contributions) to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the Provincial Revenue Fund and not in the financial statements of the employer department.

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

3.1.3 Termination benefits

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

3.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or Position.

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[1] This accounting policy is only relevant where the department elects to capitalise the compensation paid to employees involved on capital projects.

Accounting Policies
for the year ended 31 March 2009

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used for a capital project or an asset of R5,000 or more is purchased. All assets costing less than R5,000 will also be reflected under goods and services.

3.3 Interest and rent on land

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

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

Forex losses are recognised on payment of funds.

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

3.5 Transfers and subsidies

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

3.6 Unauthorised expenditure

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

Unauthorised expenditure approved with funding is recognised in the Statement of Financial Performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the Statement of Financial Performance on the date of approval.

3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

3.8 Irregular expenditure

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

3.9 Expenditure for capital assets

Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

4. Assets

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Financial Position at cost.

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

4.2 Other financial assets

Other financial assets are carried in the Statement of Financial Position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the Statement of Financial Position when the payments are made.

Pre-payments and advances outstanding at the end of the year are carried in the Statement of Financial Position at cost.

4.4 Receivables

Receivables included in the Statement of Financial Position arise from cash payments made that are recoverable from another party.

Receivables outstanding at year-end are carried in the Statement of Financial Position at cost plus any accrued interest.

4.5 Investments

Capitalised investments are shown at cost in the Statement of Financial Position. Any cash flows such as dividends received or proceeds from the sale of the investment are recognised in the Statement of Financial Performance when the cash is received.

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

4.6 Loans

Loans are recognised in the Statement of Financial Position at the nominal amount when cash is paid to the beneficiary. Loan balances are reduced when cash repayments are received from the beneficiary. Amounts that are potentially irrecoverable are included in the disclosure notes.

Loans that are outstanding at year-end are carried in the Statement of Financial Position at cost.

4.7 Inventory

Inventories purchased during the financial year are disclosed at cost in the notes.

4.8 Capital assets

4.8.1 Movable assets

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

Subsequent expenditure of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset" and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current "goods and services" in the Statement of Financial Performance.

4.8.2 Immovable assets

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

Work-in-progress of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset". On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial department of public works.

Repairs and maintenance is expensed as current "goods and services" in the Statement of Financial Performance.

5. Liabilities

5.1 Voted funds to be surrendered to the Revenue Fund

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

5.2 Departmental revenue to be surrendered to the Revenue Fund

Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position at cost.

Accounting Policies
for the year ended 31 March 2009

5.3 Direct Exchequer receipts to be surrendered to the Revenue Fund

All direct exchequer fund receipts are recognised in the Statement of Financial Performance when the cash is received.

Amounts received must be surrendered to the relevant revenue fund on receipt thereof. Any amount not surrendered at year end is reflected as a current payable in the Statement of Financial Position.

5.4 Bank overdraft

The bank overdraft is carried in the Statement of Financial Position at cost.

5.5 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are recognised at historical cost in the Statement of Financial Position.

5.6 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements.

5.7 Commitments

Commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance but are included in the disclosure notes.

5.8 Accruals

Accruals are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance but are included in the disclosure notes.

5.9 Employee benefits

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

5.10 Lease commitments

Finance leases

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

Operating leases

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

6. Net Assets

6.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the Statement of Financial Position for the first time in the current reporting period. Amounts are transferred to the Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

6.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year.

7. Related party transactions

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

8. Key management personnel

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

9. Public private partnerships

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

1. Annual Appropriation

1.1 Annual Appropriation

Programmes	Final Appropriation 2008/09 R'000	Actual Funds Received 2008/09 R'000	Funds not requested/not received 2008/09 R'000	Appropriation Received 2007/08 R'000
Administration	393,529	416,129	(22,600)	361,470
Public Ordinary School Education	7,424,023	7,412,214	11,809	6,271,636
Independent School Subsidies	44,119	48,406	(4,287)	39,712
Public Special School Education	510,390	509,592	798	434,325
Further Education and Training	367,191	346,469	20,722	317,230
Adult Basic Education and Training	26,838	27,887	(1,049)	26,056
Early Childhood Development	228,749	227,961	788	164,804
Auxiliary and Associated Services	211,249	217,430	(6,181)	207,499
Total	9,206,088	9,206,088	-	7,822,732

1.2 Conditional grants**

	Note	2008/09 R'000	2007/08 R'000
Total grants received	Annex-ure 1A	298,188	226,358

(** It should be noted that the Conditional grants are included in the amounts per the Final Appropriation in Note 1.1)

2. Departmental Revenue

	Note	2008/09 R'000	2007/08 R'000
Sales of goods and services other than capital assets	2.1	8,297	9,048
Fines, penalties and forfeits	2.2	382	361
Interest, dividends and rent on land	2.3	1,227	1,524
Financial transactions in assets and liabilities	2.4	12,639	20,459
Total revenue collected		22,545	31,392
Less: Own revenue included in appropriation	15	22,545	26,755
Departmental revenue collected		-	4,637

2.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department	8,297	9,048
Sales by market establishment	8,297	9,048
Total	8,297	9,048

2.2 Fines, penalties and forfeits

Fines	382	361
Total	382	361

		Note	2008/09 R'000	2007/08 R'000
2.3	Interest, dividends and rent on land			
	Interest		1,227	1,524
	Total		1,227	1,524
2.4	Financial transactions in assets and liabilities			
	Stale cheques written back		(28)	(189)
	Other Receipts including Recoverable Revenue		12,667	20,648
	Total		12,639	20,459
3.	Compensation of employees			
3.1	Salaries and wages			
	Basic salary		5,308,791	4,467,496
	Performance award		11,224	11,011
	Service Based		22,570	7,432
	Compensative/circumstantial		75,403	50,366
	Periodic payments		12,705	4,305
	Other non-pensionable allowances		746,654	571,682
	Total		6,177,347	5,112,292
3.2	Social Contributions			
	Employer contributions			
	Pension		592,975	506,676
	Medical		317,019	283,205
	Bargaining council		454	442
	Official unions and associations		1,895	1,420
	Total		912,343	791,743
	Total compensation of employees		7,089,690	5,904,035
	Average number of employees		39,949	39,618

Notes to the Annual Financial Statements
for the year ended 31 March 2009

		Note	2008/09 R'000	2007/08 R'000
4.	Goods and services			
	Administrative fees		932	670
	Advertising		11,909	11,760
	Assets less than R5,000	4.1	22,062	20,668
	Bursaries (employees)		17,924	9,204
	Communication		11,305	10,838
	Computer services	4.2	16,565	12,866
	Consultants, contractors and agency/outsourced services	4.3	56,146	70,413
	Entertainment		226	197
	Audit cost – external	4.4	7,842	5,580
	Inventory	4.5	327,801	321,377
	Maintenance, repairs and running costs		-	-
	Operating leases		6,293	8,428
	Owned and leasehold property expenditure	4.6	120,519	90,766
	Transport provided as part of the departmental activities		113,101	107,411
	Travel and subsistence	4.7	58,553	44,179
	Venues and facilities		20,689	19,802
	Training and staff development		19,441	10,904
	Other operating expenditure	4.8	1,712	3,198
	Total		813,020	748,261

4.1	Assets less than R5,000			
	Tangible assets		21,611	20,122
	Machinery and equipment		21,611	20,122
	Intangible assets		451	546
	Total		22,062	20,668

4.2	Computer services			
	SITA computer services		13,939	12,748
	External computer service providers		2,626	118
	Total		16,565	12,866

		Note	2008/09 R'000	2007/08 R'000
4.3	**Consultants, contractors and agency/outsourced services**			
	Business and advisory services		11,519	62,391
	Infrastructure and planning		1,673	-
	Legal costs		4,303	2,372
	Contractors		6,615	5,691
	Agency and support/outsourced services		32,036	(41)
	Total		**56,146**	**70,413**
4.4	**Audit cost – external**			
	Regularity audits		6,437	4,013
	Performance audits		1,315	1,077
	Other audits		90	490
	Total		**7,842**	**5,580**
4.5	**Inventory**			
	Learning and teaching support material		222,114	239,867
	Food and food supplies		72,668	49,642
	Other consumable materials		567	408
	Stationery and printing		32,452	31,460
	Total		**327,801**	**321,377**
4.6	**Owned and leasehold property expenditure**			
	Municipal services		12,179	13,535
	Other		108,340	77,231
	Total		**120,519**	**90,766**
4.7	**Travel and subsistence**			
	Local		57,478	42,536
	Foreign		1,075	1,643
	Total		**58,553**	**44,179**
4.8	**Other operating expenditure**			
	Professional bodies, membership and subscription fees		37	1,330
	Resettlement costs		1,463	1,824
	Other		212	44
	Total		**1,712**	**3,198**

		Note	2008/09 R'000	2007/08 R'000
5.	**Financial Transactions in Assets and Liabilities**			
	Material losses through criminal conduct		322	385
	Other material losses	5.1	322	385
	Other material losses written off	5.2	501	184
	Debts written off	5.3	4,834	14,701
	Total		5,657	15,270

5.1	**Other material losses**		
	Nature of other material losses		
	Incident / **Disciplinary Steps taken/ Criminal proceedings**		
	GG-accidents	322	385
	Total	322	385

5.2	**Other material losses written off**		
	Nature of losses		
	Claims against the state	-	103
	Fruitless & wasteful expenditure	-	81
	Other	501	-
	Total	501	184

5.3	**Debts written off**		
	Nature of debts written off		
	Debts written off relating to irregular expenditure	1,705	-
	Employee tax	206	5,551
	State guarantees	103	16
	Salary overpayments	593	590
	Bursaries	1,225	227
	Interest on debts	941	267
	Other	61	1,817
	Trading account loss 1996/97	-	1,536
	Claims recoverable	-	4,697
	Total	4,834	14,701

		Note	2008/09 R'000	2007/08 R'000
6.	Transfers and subsidies			
	Provinces and municipalities		-	1
	Departmental agencies and accounts	Annex 1B	4,255	3,944
	Non-profit institutions	Annex 1C	1,017,195	862,037
	Households	Annex 1D	55,673	51,534
	Total		1,077,123	917,516
7.	Expenditure for capital assets			
	Tangible assets		196,312	152,537
	Buildings and other fixed structures	31.1	162,455	140,109
	Machinery and equipment	29.1	33,857	12,428
	Software and other intangible assets		10,676	131
	Capitalised development costs	30.1	8,149	-
	Computer software	30.1	2,527	131
	Total		206,988	152,668

7.1 Analysis of funds utilised to acquire capital assets - 2008/09

	Voted Funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	196,312	-	196,312
Buildings and other fixed structures	162,455	-	162,455
Machinery and equipment	33,857	-	33,857
Software and other intangible assets	10,676	-	10,676
Capitalised development costs	8,149	-	8,149
Computer software	2,527	-	2,527
Total	206,988	-	206,988

7.2 Analysis of funds utilised to acquire capital assets - 2007/08

	Voted Funds	Aid assistance	Total
	R'000	R'000	R'000
Total assets acquired	152,668	-	152,668

		Note	2008/09 R'000	2007/08 R'000
8.	Fruitless and wasteful expenditure			
8.1	Reconciliation of fruitless and wasteful expenditure			
	Opening balance		-	708
	Add: Fruitless and wasteful expenditure - current year			47
	Current expenditure			47
	Less: Amounts condoned		-	(674)
	Current		-	(674)
	Less: Amounts transferred to receivables for recovery		-	(81)
	Fruitless and wasteful expenditure awaiting condonement		-	-

		2008/09 R'000	2007/08 R'000
9.	Cash and Cash Equivalents		
	Cash with commercial banks (Local)	17,220	117,106
	Total	17,220	117,106
10.	Other Financial Assets		
	Non-Current		
	Local		
	Ex Departments: Mopping-up	818	818
	Total Non-Current other financial assets	818	818
11.	Prepayments and Advances		
	Travel and subsistence	53	362
	Advances paid to other entities	-	1,119
	Total	53	1,481

			2008/09				
			Less than one year	One to three years	Older than three years	Total	Total
		Note	R'000	R'000	R'000	R'000	R'000
12.	Receivables						
	Claims recoverable	12.1	4,334	133	-	4,467	1,883
	Staff debt	12.2	5,794	9,328	4,880	20,002	17,178
	Other debtors	12.3	6,614	12,041	31,655	50,310	53,035
	Total		16,742	21,502	36,535	74,779	72,096

		Note	2008/09 R'000	2007/08 R'000
12.1	Claims recoverable			
	National departments		57	1,883
	Provincial departments		2,514	-
	Public entities		1,895	-
	Local governments		1	-
	Total		4,467	1,883
12.2	Staff debt			
	Salary overpayments		3,738	7,043
	Debt account		16,177	10,048
	Irregular expenditure: dept vote		87	87
	Total		20,002	17,178
12.3	Other debtors			
	Breach of contract		17,065	20,820
	Ex employees		25,091	17,259
	State guarantees		1,085	1,202
	Criminal acts		1,913	2,020
	Miscellaneous		2,106	2,805
	Clearing accounts		3,050	8,929
	Total		50,310	53,035
13.	Investments			
	Non-Current			
	Shares and other equity			
	Sir David Harris Trust		4	6
	JL Bisset Fund		373	341
	Graham Civil Service Bursary Fund		44	43
	Royal Reception Fund		34	34
	School Building Fund		12,051	10,766
	Total non-current		12,506	11,190
	Analysis of non current investments			
	Opening balance		11,190	10,190
	Additions in cash		1,316	1,000
	Disposals for cash		-	-
	Non-cash movements		-	-
	Closing balance		12,506	11,190

		Note	2008/09 R'000	2007/08 R'000
14.	**Voted Funds to be Surrendered to the Revenue Fund**			
	Opening balance		84,982	195,513
	Transfer from statement of financial performance		13,610	84,982
	Paid during the year		(84,935)	(195,513)
	Closing balance		13,657	84,982
15.	**Departmental revenue to be surrendered to the Revenue Fund**			
	Opening balance		3,351	(214)
	Transfer from Statement of Financial Performance		-	4,637
	Own revenue included in appropriation		22,545	26,755
	Paid during the year		(19,702)	(27,827)
	Closing balance		6,194	3,351
16.	**Bank Overdraft**			
	Consolidated Paymaster General Account		5,491	52,421
	Total		5,491	52,421
17.	**Payables - current**			
	Clearing accounts	17.1	29,958	13,466
	Other payables	17.2	24	1,840
	Total		29,982	15,306

Notes to the Annual Financial Statements
for the year ended 31 March 2009

		Note	2008/09 R'000	2007/08 R'000
17.1	Clearing accounts			
	Disallowance miscellaneous		-	480
	Sal: ACB recalls		1,974	7,570
	Sal: income tax		119	1,959
	Sal: pension fund		468	756
	Salary reversal control		812	596
	Salary: medical aid		26,480	2,105
	Other deduction accounts		105	-
	Total		29,958	13,466
17.2	Other payables			
	Housing loan guarantees		-	1,265
	Miscellaneous		24	575
	Total		24	1,840
18.	Net cash flow available from operating activities			
	Net surplus as per Statement of Financial Performance		13,610	89,619
	Add back non cash/cash movements not deemed operating activities		138,317	(68,432)
	(Increase) in receivables – current		(2,683)	2,235
	Increase in prepayments and advances		1,428	(1,051)
	Decrease in other current assets		-	708
	Increase in payables – current		14,676	(26,407)
	Expenditure on capital assets		206,988	152,668
	Surrenders to Revenue Fund		(104,637)	(223,340)
	Own revenue included in appropriation		22,545	-
	Other non-cash items		-	26,755
	Net cash flow generated by operating activities		151,927	21,187
19.	Reconciliation of cash and cash equivalents for cash flow purposes			
	Consolidated Paymaster General account		(5,491)	(52,421)
	Cash with commercial banks (Local)		17,220	117,106
	Total		11,729	64,685

Disclosure notes to the Annual Financial Statements
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			Note	2008/09 R'000	2007/08 R'000
20.	Contingent liabilities				
	Liable to	Nature			
	Housing loan guarantees	Employees	Annex 2A	2,671	7,322
	Claims against the department		Annex 2B	45,279	25,836
	Other departments (interdepart-mental unconfirmed balances)		Annex 4	4,926	4,254
	Total			52,876	37,412

21.	Commitments		
	Current expenditure		
	Approved and contracted	220,166	280,511
	Approved but not yet contracted	-	42,931
		220,166	323,442
	Capital Expenditure		
	Approved and contracted	148,098	64,275
	Approved but not yet contracted	72,516	119,672
		220,614	183,947
	Total Commitments	440,780	507,389

22.	Accruals				
	Listed by economic classification	30 Days	30+ Days	Total	Total
	Compensation of employees	906	776	1,682	41,269
	Goods and services	75,495	12,334	87,829	12,177
	Transfers and subsidies	11,769	10,759	22,528	924
	Buildings and other fixed structures	3,006	1,931	4,937	824
	Total	91,176	25,800	116,976	55,194

	Note	2008/09 R'000	2007/08 R'000
Listed by programme level			
Programme 1		26,780	11,266
Programme 2		72,157	40,415
Programme 4		1,902	2,117
Programme 5		117	28
Programme 6		126	5
Programme 7		8,800	336
Programme 8		6,419	1,027
Programme 3		675	-
Total		116,976	55,194
Confirmed balances with departments	Annex 4	481	1,393
Total		481	1,393

23. Employee benefits

Leave entitlement	79,450	78,763
Thirteenth cheque	205,248	178,109
Performance awards	-	99
Capped leave commitments	857,540	815,692
Total	1,142,238	1,072,663

24. Lease commitments

24.1 Operating leases expenditure	Land R'000	Buildings & other fixed structures R'000	Machinery and equipment R'000	Total R'000
2008/09				
Not later than 1 year	-	-	1,369	1,369
Later than 1 year and not later than 5 years	-	-	778	778
Total lease commitments	-	-	2,147	2,147
2007/08				
Not later than 1 year	-	-	1,185	1,185
Later than 1 year and not later than 5 years	-	-	272	272
Total lease commitments	-	-	1,457	1,457

		Note	2008/09 R'000	2007/08 R'000

		Land	Buildings & other fixed structures	Machinery and equipment	Total
24.2	Finance leases expenditure	R'000	R'000	R'000	R'000
	Not later than 1 year	-	-	348	348
	Later than 1 year and not later than 5 years	-	-	172	172
	Total lease commitments	-	-	520	520
	Total present value of lease liabilities	-	-	520	520
	2007/08				
	Not later than 1 year	-	-	11	11
	Total lease commitments	-	-	11	11
	Total present value of lease liabilities	-	-	11	11

25.	Irregular expenditure		
25.1	Reconciliation of irregular expenditure		
	Opening balance	5,199	4,612
	Add: Irregular expenditure - relating to prior year	78	-
	Add: Irregular expenditure - relating to current year	256	3,490
	Less: Amounts condoned	(1,449)	(2,903)
	Less: Amounts not recoverable (not condoned)	(1,705)	-
	Irregular expenditure awaiting condonation	2,379	5,199
	Analysis of awaiting condonation per age classification		
	Current year	78	3,313
	Prior years	2,301	1,886
	Total	2,379	5,199

			2008/09 R'000
25.2	Details of irregular expenditure - current year		
	Incident	Disciplinary steps taken/criminal proceedings	
	Cape Peninsula University of Technology		210
	Audit fees paid to Dr LG Kathan		46
			256

Disclosure notes to the Annual Financial Statements
for the year ended 31 March 2009

	Note	2008/09 R'000	2007/08 R'000

		2008/09 R'000
25.3	Details of irregular expenditure - condoned	
Incident	Disciplinary steps taken/ criminal proceedings	
T/A ODA		1,190
Cape Peninsula University of Technology		210
Audit Fees paid to Dr LG Kathan		46
VLS 05012 Kobus Kruger Vervoer (not valid irregular expenditure)		3
		1,449

25.4	Details of irregular expenditure not recoverable (not condoned)	
Incident	Not condoned by (condoning authority)	
VLS 04989, 05008, 05010, 05011, 05017, 05018: Learner Transport Schemes		1,705
		1,705

26. Related party transactions

1. In terms of the definition for related parties, public ordinary schools are regarded as a related party and the transactions thereto are disclosed under Annexure 1C
2. During the year the department received services from the following related parties that are related to the department as indicated:

2.1 The Western Cape Department of Transport and Public Works
The department occupied a building operated by the Western Cape Department of Transport and Public Works free of charge.

2.2 The Western Cape Department of the Premier
The department used IT related infrastructure provided by the Western Cape Department of the Premier free of charge.

	No. of indivi-duals	2008/09 R'000	2007/08 R'000
27. Key management personnel		-	-
Political office bearers (MEC for Education)	1	943	844
Officials:	-	-	-
Level 15 to 16	6	5,715	4,605
Level 14 (incl CFO if at a lower level)	9	5,738	3,924
Family members of key management personnel	12	2,819	2,122
Total		15,215	11,495

	Note	2008/09 R'000	2007/08 R'000
28. Provisions			
Potential irrecoverable debts			
Staff debtors		4,880	4,018
Other debtors		31,655	30,489
Ex departments inherited debt		818	-
Total		37,353	34,507

29. Movable Tangible Capital Assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2009

	Opening balance R'000	Curr year adjust-ments to prior year balances R'000	Additions R'000	Disposals R'000	Closing balance R'000
Machinery and Equipment	44,892	(38)	33,880	25,895	52,839
Transport assets	13	-	7,080	7,080	13
Computer equipment	35,037	(19)	10,038	4,316	40,740
Furniture and office equipment	9,842	(19)	16,762	14,499	12,086
Total movable tangible capital assets	44,892	(38)	33,880	25,895	52,839

29.1 Additions

Additions to movable tangible capital assets per asset register for the year ended 31 March 2009

	Cash R'000	Non-cash R'000	(Capital work-in-progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
Machinery and Equipment	33,857	23	-	-	33,880
Transport assets	7,080	-	-	-	7,080
Computer equipment	10,015	23	-	-	10,038
Furniture and office equipment	16,762	-	-	-	16,762
Total additions to movable tangible capital assets	33,857	23	-	-	33,880

	Note	2008/09 R'000	2007/08 R'000

29.2 Disposals

Disposals of movable tangible capital assets per asset register for the year ended 31 March 2009

	Sold for cash R'000	Transfer out or destroyed or scrapped R'000	Total disposals R'000		Cash received Actual R'000
Machinery and Equipment	3,539	22,356	25,895		62
Transport assets	-	7,080	7,080		-
Computer equipment	3,539	777	4,316		62
Furniture and office equipment	-	14,499	14,499		-
Total disposal of movable tangible capital assets	3,539	22,356	25,895	-	62

29.3 Movement for 2007/08

Movement in movable tangible capital assets per asset register for the year ended 31 March 2008

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Machinery and Equipment	35,178	12,586	2,872	44,892
Transport assets	13	478	478	13
Computer equipment	26,588	10,818	2,369	35,037
Furniture and office equipment	8,577	1,290	25	9,842
Total movable tangible capital assets	35,178	12,586	2,872	44,892

29.4 Minor assets

Minor assets of the department for 31 March 2009

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Minor Assets	408	-	21,564	-	21,972
TOTAL	408	-	21,564	-	21,972

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets	23	-	39,377	-	39,400
TOTAL	23	-	39,377	-	39,400

	Note	2008/09 R'000	2007/08 R'000

30. Intangible Capital Assets

Movement in intangible capital assets per asset register for the year ended 31 March 2009

	Opening balance R'000	Curr year adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing balance R'000
Computer software	290	-	2,527	-	2,817
Total intangible capital assets	290	-	2,527	-	2,817

30.1 Additions

Additions to intangible capital assets per asset register for the year ended 31 March 2009

	Cash R'000	Non-cash R'000	(Development work-in-progress current costs) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
Capitalised development costs	8,149	-	(8,149)	-	-
Computer software	2,527	-	-	-	2,527
Total additions to intangible capital assets	10,676	-	(8,149)	-	2,527

30.2 Movement for 2007/08

Movement in intangible capital assets per asset register for the year ended 31 March 2008

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Computer software	159	131	-	290
Total	159	131	-	290

	Note	2008/09 R'000	2007/08 R'000

31. Immovable Tangible Capital Assets

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2009

	Opening balance R'000	Curr year adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing balance R'000
Buildings and other fixed structures	-	-	352,577	352,577	-
Non-residential buildings	-	-	352,577	352,577	-
Total immovable tangible assets	-	-	352,577	352,577	-

31.1 Additions

Additions to immovable tangible capital assets per asset register for the year ended 31 March 2009

	Cash R'000	Non-cash R'000	(Capital work-in-progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
Buildings and other fixed structures	162,455	315,708	(125,586)	-	352,577
Non-residential buildings	162,455	315,708	(125,586)	-	352,577
Total additions to immovable tangible capital assets	162,455	315,708	(125,586)	-	352,577

31.2 Disposals

Disposals of immovable tangible capital assets per asset register for the year ended 31 March 2009

	Sold for cash R'000	Transfer out or destroyed or scrapped R'000	Total disposals R'000	Cash received Actual R'000
Buildings and other fixed structures	-	352,577	352,577	-
Non-residential buildings	-	352,577	352,577	-
	-			
	-			
Total disposal of immovable tangible capital assets	-	352,577	352,577	-

	Note	2008/09 R'000	2007/08 R'000

31.3 Movement for 2007/08

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2008

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Buildings and other fixed structures	-	40,785	40,785	-
Non-residential buildings	-	40,785	40,785	-
Total tangible capital assets	-	40,785	40,785	-

Annexures to the Annual Financial Statements
for the year ended 31 March 2009

Annexure 1A
Statement of conditional grants received

Conditional Grants	Grant Allocation					Spent			2007/08	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DoRA Adjust-ments	Other Adjust-ments	Total Available	Amount received by department	Amount spent by department	% of available funds spent by department	Division of Revenue Act	Amount spent by depart-ments
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
HIV/AIDS	13,847	-	-	-	13,847	13,847	13,727	99.1	13,011	13,001
National School Nutrition Programme	71,109	-	-	15,452	86,561	86,561	81,301	93.9	53,084	53,075
FET Grant	77,305	-	-	-	77,305	77,305	77,305	100.0	80,000	80,000
Provincial Infrastructure Grant	120,475	-	-	-	120,475	120,475	120,478	100.0	80,263	125,642
	282,736	-	-	15,452	298,188	298,188	292,811		226,358	271,718

Annexure 1B
Statement of transfers to departmental agencies and accounts

Department/ Agency Account	Transfer Allocation				Expenditure		2007/08
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
SETA	4,258	-	-	4,258	4,255	100	3,944
	4,258	-	-	4,258	4,255		3,944

Annexure 1C
Statement of transfers non-profit institutions

Non-profit institutions	Transfer Allocation				Expenditure		2007/08
	Adjusted Appropriation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Public Ordinary Schools	565,557	-	(24,714)	540,843	553,673	102.4	554,399
Independent Schools	48,406	-	(4,287)	44,119	44,119	100.0	39,712
Schools for learners with special education needs	101,518	-	2,401	103,919	95,081	91.5	79,019
Further Education and Training Colleges	175,787	-	2,353	178,140	186,057	104.4	127,366
ABET:Private Centres	22,423	-	(403)	22,020	22,020	100.0	19,230
ECD:Gr-R-Public Schools	70,197	-	29,385	99,582	81,790	82.1	23,718
ECD:Gr-R-Community Centres	27,581	-	-	27,581	34,455	124.9	40,713
Total	1,011,469	-	4,735	1,016,204	1,017,195		884,157

Annexure 1D
Statement of transfers to households

Households	Transfer Allocation				Expenditure		2007/08
	Adjusted Appropriation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Employee Soc Benefits: Injury on duty	1,730	-	(1,730)	-	-		-
Employee Soc Benefits: Leave gratuity	16,944	-	1,778	18,722	18,722	100	21,098
Employee Soc Benefits: Retirement benefit	3,013	-	492	3,505	3,505	100	-
Employee Soc Benefits: Severance package	-	-	2,989	2,989	2,989	100	-
Bursaries (non-employee)	29,415	-	(1,000)	28,415	28,414	100	28,334
Claims against state (cash)	-	-	1,403	1,403	1,403	100	2,072
Act of grace	109	-	(103)	6	6	100	30
Donations & Gifts (cash)	-	-	634	634	634	100	-
Total	51,211	-	4,463	55,674	55,673		51,534

Annexure 1E
Statement of gifts, donations and sponsorships received

Name of organisation	Nature of gift, donation or sponsorship	2008/09	2007/08
		R'000	R'000
Received in cash			
		-	101
		-	44
TOTAL		-	145

Annexure 1F
Statement of gifts, donations and sponsorships made and remissions, refunds and payments made as an act of grace

Nature of Gift, Donation or Sponsorship	2008/09	2007/08
	R'000	R'000
Paid in cash		
Sponsorship of Youth Festival Program 2009	150	80
Subtotal	150	80
Remissions, refunds and payments made as an act of grace		
Reygersdal Primary: Funeral costs: M Snyders	6	30
Subtotal	6	30
Total	156	110

Annexure 2A
Statement of financial guarantees issued as at 31 March 2009 - Local

Guarantor Institution	Guarantee in respect of	Original guaranteed capital amount R'000	Opening balance 1 April 2008 R'000	Guarantees draw downs during the year R'000	Guaranteed repayments/ cancelled/ reduced/ released during the year R'000	Revaluations R'000	Closing balance 31 March 2009 R'000	Guaranteed interest for year ended 31 March 2009 R'000	Realised losses not recoverable i.e. claims paid out R'000
	Housing								
0001 - Standard Bank of S.A. Limited		-	1,194	-	769	-	425	-	-
0003 - Nedbank Limited		-	61	20	61	-	20	-	-
0004 - Firstrand Bank Limited: First Na		-	614	-	218	-	396	-	-
0010 - Nedbank Ltd Incorporating B O E		-	99	-	88	-	11	-	-
0017 - Absa		-	3,099	32	2,653	-	478	-	-
0041 - Old Mutual Finance Limited		-	49	-	-	-	49	-	-
0052 - Peoples Bank Limited (Former FBC)		-	89	-	52	-	37	-	-
0053 - Nedbank Limited Incorporating NB		-	178	-	135	-	43	-	-
0054 - First Rand Bank Ltd (Fnb - Forme)		-	1,563	169	754	-	978	-	-
0055 - Old Mutual Bank Div. Of Nedbank		-	268	-	207	-	61	-	-
0444 - Boe Bank Limited		-	16	-	-	-	16	-	-
0516 - Green Start Home Loans (Pty) Ltd		-	25	65	-	-	90	-	-
0530 - National Housing Finance Corpora		-	67	-	-	-	67	-	-
	Total	-	7,322	286	4,937	-	2,671	-	-

Annexure 2B
Statement of contingent liabilities as at 31 March 2009

Nature of liability	Opening balance 1 April 2008 R'000	Liabilities incurred during the year R'000	Liabilities paid/ cancelled/ reduced during the year R'000	Liabilites recoverable (Provide details hereunder) R'000	Closing balance 31 March 2009 R'000
Claims against the department					
Various	25,836	19,318	200	-	44,954
Owing to the GEPF	-	325	-	-	325
TOTAL	25,836	19,643	200	-	45,279

Annexure 3
Claims recoverable

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
National Department of Education	-	-	-	104	-	104
Northern Cape Education (0067)	67	-	-	-	67	-
Eastern Cape Education Department (EED)	-	-	1,754	14	1,754	14
National Department of Labour (DLB)	-	-	19	214	19	214
ELRC (Electoral Labour Resolution Council)	809	-	459	-	1,268	-
Correctional Services	-	-	38	-	38	-
SADTU (South African Democratic Teachers Union)	-	-	511	463	511	463
CTPA (Cape Teachers Professional Ass.)	-	-	85	41	85	41
Public Allied Workers Union S.A.	-	-	31	-	31	-
WC Dept. Social Services (WSS)	-	-	-	149	-	149
WC Dept. Community Safety (WSL)	2	4	-	-	2	4
Department of Agriculture	20	-	-	-	20	-
Dept. Health (WHW)	40	-	-	-	40	-
Cultural Affairs (WAC)	-	-	149	-	149	-
Dept of the Premier (WAM)	-	2	5	-	5	2
Clanwilliam Secondary (WED)	-	-	160	160	160	160
WC Provincial Treasury (WFE)	-	1	-	-	-	1
NAPTOSA (Nat Admin & Prof Teachers of SA)	-	-	-	99	-	99
WC Dept. of Transport & Public Works	-	-	301	600	301	600
Dept. of Land Affairs (DLA)	-	-	-	23	-	23
NC Dept. of Justice (DJC)	-	9	-	-	-	9
Gauteng Education Department	-	-	17	-	17	-
WC Dept of Local Government (WGA)	-	-	1	-	-	-
Total	938	16	3,530	1,867	4,467	1,883

Annexure 4
Inter-Departmental Payables – Current

Government entity	Confirmed balance		Unconfirmed balance		Total	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	R'000	R'000	R'000	R'000	R'000	R'000
Departments						
Current						
WC Dept of TR&PW	-	21	4,179	4,179	4,179	4,200
National Dept of Justice & Constit Development	-	472	82	-	82	472
WC Dept of Health	2	7	-	-	2	7
WC Prov Treasury	-	819	274	-	274	819
WC Dept of Agriculture	-	22	-	-	-	22
National Dept of Labour	-	-	-	17	-	17
National Dept of Land Affairs	-	-	-	12	-	12
WC Dept of Social Development	-	8	-	-	-	8
National Dept of Education	-	-	3	3	3	3
N Cape Dept of Health	-	-	-	13	-	13
National SAPS	-	-	-	11	-	11
Dept of Home Affairs	9	-	-	9	9	9
Kwazulu Natal Education Dept	-	-	6	10	6	10
WC Dept of Local Gov & Housing	74	44	-	-	74	44
WC Dept of Transport & Public Works	311	-	-	-	311	-
Department of the Premier	-	-	364	-	364	-
Free State Education	52	-	-	-	52	-
NC Education Dept	33	-	-	-	33	-
EC Education Dept	-	-	18	-	18	-
Total	481	1,393	4,926	4,254	5,407	5,647