



KWAZULU-NATAL PROVINCE

AGRICULTURE AND RURAL DEVELOPMENT
REPUBLIC OF SOUTH AFRICA



VOTE NO. 03

ANNUAL REPORT

2019/2020 FINANCIAL YEAR

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PART A
**GENERAL
INFORMATION**



DEPARTMENT GENERAL INFORMATION

PART A: GENERAL INFORMATION

Department's General Information

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LIST OF ABBREVIATIONS / ACRONYMS

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





FOREWORD BY THE MEC

The Department of Agriculture and Rural Development has the pleasure to table its 2019/2020 Annual Report. The Annual Report provides an overview of the Department's service delivery performance and financial statements, together with governance and human resource management information critical for assessment of the state of the organisation for the financial year 2019/2020.

2019/20 financial year will now be recorded in history as the year in which the world suffered from the Corona Virus global pandemic, otherwise known as COVID-19. This pandemic affected the service delivery environment and forced governments all over the world to reassess their business and how they deliver services. The

Department has also adjusted its business continuity plans to ensure its responsive to the demands of the "new normal".

Nevertheless, the programme agenda of the sixth administration has to continue. The Department continues to implement the 2019-2024 Medium Term Strategic Framework programmes that supports agricultural growth and development. Agriculture remains a catalyst for socio-economic transformation to improve the livelihoods of South Africans, in particular, the marginalised groups in society.

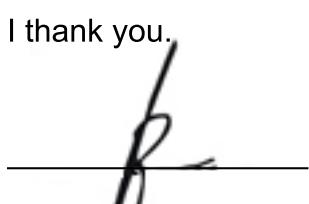
The Department has defined its turnaround agenda. The Department had last received an unqualified audit outcome in 2015/2016 financial year. Since then, the Department has been qualified by the AG. It is thus pleasing to note that the Department was able to achieve an unqualified AG Audit outcome for the financial year 2019/2020.

One of the critical steps taken to achieve this improvement was ensuring that critical executive positions of the HOD and CFO, who regularly had acting incumbents were filled promptly. We are pleased that the impact of these changes are starting to bear fruit and the Department finished this financial year with much improved financial and service delivery performance compared to prior years. No efforts will be spared to ensure that agriculture and rural development moves to higher performance gear.

Accordingly, we express our appreciation for the support and guidance that we receive from the Honourable Premier, Mr Sihle Zikalala, Executive Council and the Legislature, all other oversight structures and stakeholders.

Our work will not be possible without the support and dedication of our officials who ensure agriculture and rural development services are delivered all over the province. I wish to thank the HOD and the management of the Department for making the strides towards the realisation of our vision and mission.

I thank you.


Mrs. BN Sithole-Moloi (MPL)
MEC: AGRICULTURE AND RURAL DEVELOPMENT



REPORT OF THE ACCOUNTING OFFICER

The Department hereby tables its 2019/2020 Annual Report to the public and oversight structures. 2019/20 was a difficult financial year due to the outbreak of the global pandemic, the corona virus and the manner in which it spread across the world, resulting in lockdowns of various countries.

The Department has a twin mandate to ensure social and economic goals. The first is a social responsibility to drive agricultural production for food security in the province. The second is to support industry growth and development to achieve economic goals of increased contributions to the

provincial economy and additional jobs. In order to service this mandate, the Department needs a strong support function and capable service delivery machinery at the service delivery front. It's on this basis that the Turnaround Strategy for the Department was developed.

The Turnaround Strategy addresses the consequence management for all AG audit findings and internal audit reports. It focused on the following work streams: Supply Chain management, irregular expenditure, HR matters, Asset Management, performance information and other governance matters within the Department. This dedicated effort on the governance and internal control environment has enabled the Department to obtain an unqualified AG audit outcome, which confirms the improvement. The next mission is to further strengthen these systems, ensuring there are sound institutional arrangements to allow the Department to drive an impactful service delivery programme.

The Covid-19 pandemic resulted in the lockdown on 26 March 2020, which meant that the department was not able to process payments in the remaining 5 days of the financial year. This is in part contributing to the under-expenditure of R98,648 million. Furthermore, the 2020/21 budget for Vote 3: Agriculture and Rural Development has been cut by R174,077 million of which Equitable Share is R112,419 million and Conditional Grants is R61,658 million.

The cut will have impact on the filling of vacant posts as only 48 of the 212 critical posts and 45 financial management posts will be filled in the current year. The cut on the Conditional Grants will affect the number of agriculture development projects supported, infrastructure improvement at Colleges as well as mentorship programme.

Collection of Departmental Revenue

The table below provides the summary of the departmental receipts for 2018/19 and 2019/20 financial years by type of receipt. The total actual revenue for 2019/20 of R19,120 million declined by R2,266 million from 2018/19 collection of R21,387 million. Actual revenue in 2019/20 is R4,679 million (19.7%) below the estimated revenue.

Departmental Own Receipts by main revenue category

Departmental receipts	2018/2019			2019/20		
	Estimate	Actual amount collected	(Over)/ Under Collection	Estimate	Actual amount collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	19 967	14 827	5 056	20 152	16 762	3 390
Fines, penalties and forfeits	1	0	1	1	0	1
Interest, dividends and rent on land	20	91	(71)	21	398	(377)
Sale of capital assets	4 000	4 564	(480)	3 000	349	2 651
Financial transactions in assets and liabilities	592	1 905	(1 313)	625	1 611	(986)
TOTAL	24 580	21 387	3 193	23 799	19 120	4 679

The reasons for the under / (over) collection for 2019/20 are provided by category as follows:

- **Sale of goods and services other than capital assets** under-collected by R3,390 million. This category comprises mainly of receipts relating to the laboratory samples, rendering of academic services such as registration, tuition fees and accommodation at the department's agricultural colleges. The under collection is mainly attributed to the decline in samples submitted to the laboratories for analysis as well as the planned auction for redundant Assets<R5000 not taking place in March 2020 as a result of the nationwide Covid-19 lockdown.
- **Fines, penalties and forfeits** has a nominal budget of R1 000 in respect of lost and/or late return of library books at the Colleges library and this reflects no revenue as the actual collected was below R500.

- **Interest, dividends and rent on land** collected R398 000 against the budget of R21 000. This over collection was due to interest received from supplier debts, which was not anticipated to be paid up in full.
- **Sale of capital assets** reflects an under- collected of R2,651 million mainly attributed to planned auction for capital assets not taking place in March 2020 because of the nationwide Covid-19 lockdown.
- **Transactions in financial assets and liabilities** exceeded projections by R986 000. This relates mainly to refund of the balance of funds from Ezemvelo KwaZulu-Natal Wildlife(EKZNW) in respect of funds transferred to EKZNW in 2018/19 to implement projects such as the Makhathini irrigation scheme, block D on behalf of the department.

Tariff policy

The Department reviewed the fees charged for services rendered and where possible, aligned the fees with national and provincial norms. The review is done in consultation with all relevant role- players and submitted to the Provincial Treasury for approval. The approved fees for the 2019/20 financial year were circulated for implementation with effect from 1 April 2019. The tariffs are reviewed on an annual basis as part of the budget process and the revised tariffs implemented on 1 April of every year.

Free Services

The Department received Provincial Treasury Approval to grant thirty (30) students exemption from college fees. Twenty students would be from Agricultural schools and ten students would be from financially disadvantaged backgrounds. The selection of these students is based on merit. Apart from this, the department does not provide free services, except for extension services and controlled diseases.

Departmental expenditure

The table below provides analysis of departmental expenditure against final appropriation at programme level for the 2018/19 and 2019/20 financial years. As is evident, the departments expenditure improved considerable resulting in

department's under-expenditure decreasing from R264,4 million in 2018/19 to R98,648 million in 2019/20.

R'000	2018/19			2019/20		
	Programme Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
1.Administration	536,421	490,025	46,396	545,228	527,197	18,031
2.Agriculture	1,824,885	1,619,583	205,302	2,018,610	1,941,124	77,486
3.Rural Development	29,790	17,088	12,702	24,708	21,577	3,131
TOTAL	2,391,096	2,126,696	264,400	2,588,546	2,489,898	98,648

The under-spending of R98,648 million was against all three programmes with reasons for under-expenditure provided under the section detailing programme performance.

Virements/roll-overs

An amount of R48,788 million was moved to Programme 2: Agriculture from savings under Programme 1: Administration of R46,641 million and Programme 3: Rural Development of R2,147 million post the Adjustments Estimate. The details of the virements is provided in the Appropriation Statement for 2019/20 financial year and all virements are undertaken according to the PFMA and Treasury Regulation prescripts. The increase under Programme 2 was for production inputs towards food security and farmer support as well as veterinary supplies. The department also undertook virements between economic classifications within the Programmes. Such movements are undertaken to utilize under expenditure in some areas to augment budgets in other spending areas.

With regards to roll-overs, the department has requested for a roll-over of R90,657 million made up of :

- R43,534 million of the Comprehensive Agriculture Support Programme Grant
- R29,038 million of the Ilima/Letsema Conditional Grant;
- R18,085 million against equitable share.

Unauthorized, fruitless and wasteful expenditure

The department did not record any unauthorized expenditure. However, an amount of R15,000 is recorded as fruitless and wasteful expenditure which is made up of interest on overdue accounts of R1 000, R5 000 for no show fees for accommodation and damages to hired vehicle of R9 000.

Supply Chain Management

The department utilized the Central Supplier Database to source quotations and verify registration for bids during the 2019/20 financial year. The selection of the suppliers from the CSD is done manually as there is no e-procurement system. Furthermore, the department utilized the existing contracts for the supply and delivery of fertilizer and panel of service providers for mechanisation services, delivery of seeds, seedlings and fruit trees.

The audit of 2018/19 identified that the local content requirements were not adhered to during the establishment of the panels for supply and delivery of fencing material and the supply, deliver and erect fencing. The department therefore discontinued using these in 2019/20. The department also makes use of the national RT contracts where applicable such as delivery of chemicals and veterinary supplies, animal feed, etc.

The department has recently reviewed its SCM Policy, delegations and standard operating procedures to, amongst others ensure the prevention of irregular expenditure. Nevertheless, irregular expenditure of R16,380 million is recorded in 2019/20. The irregular expenditure in 2019/20 relates mainly to the local content requirements mentioned above amounting to R12,038 million as well as non-compliance to SCM processes, month-to-month contracts and expired contracts.

The Turnaround plan of the department focuses on Contract Management and enhancing the Internal controls and compliance adherence at a transaction level. The major challenge has been the number of vacancies within the SCM unit, which results in slow turn-around times with delays in finalizing bids and issuing orders. The critical vacancies within this unit have been advertised and recruitment is underway. This will help improve efficiency of the Department's SCM processes and service delivery.

Gifts, Donations and Sponsorship received from non-related parties

The department did not receive any gifts, donations and sponsorships during 2019/20 financial year.

Exemptions and deviations received from the National/Provincial Treasury

Provincial Treasury approved that the department procure provision of security services for service centres, district and local offices through quotations, pending the finalization of the tender process.



Mr. SD Sibande
HEAD OF DEPARTMENT

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2020.

Yours faithfully .



**Mr. SD Sibande
HEAD OF DEPARTMENT**

1. STRATEGIC OVERVIEW

1.1 Vision

An inclusive, sustainable and radically transformed agricultural sector that builds thriving communities in balance with nature.

1.2 Mission

To advance sound agricultural practices that stimulates comprehensive economic growth, food security and advancement of rural communities.

1.3 Values

Batho Pele and Service Orientation	Department officials will conduct themselves in a manner befitting a government that is caring, dedicated and pro-poor, influenced by the spirit of Ubuntu.
Co-Operative Governance and Strategic Partnerships	Department commits itself to the principles of cordial inter-governmental relations and strategic partnerships across all spheres of society, with particular focus on business and civil society organisations as delivery partners.
Self-Sufficiency and Independence	The department commits itself to the promotion self-sufficiency in all its interventions and focuses on the empowerment of people to be more independent and entrepreneurial.
Transformation	Department is an agent of state transformation agenda to change the historical uneven development of South Africa and KwaZulu-Natal society and its policies must reflect this character at all times.
Financial Prudence and Resource Limitation	Department is the custodian of public funds and its policies must promote economical use of such limited funds to achieve efficient and effective delivery of public services. Government will always be faced with a challenge of growing public demands and limited resources to fulfil every obligation.
Accountability and Transparency	Department is obligated to promote good governance by accounting and being transparent to the public, legislature and oversight institutions for its performance and use of public resources.
Development and Recognition	The Department employees are recognised as its most valuable asset and therefore it aspires to ensure the on-going development and recognition of an effective, professional team.

1.4 Legislative And Other Mandates

The legislative mandate of the Department is derived from various sections of the constitution. The Department executes a concurrent national and provincial legislative mandate in terms of schedule 4 and 5 of the constitution. Section 27 of the Bill of Right of the South African Constitution, Act of 108 of 1996, gives obligation to the state to uphold health care, food, water and social security rights. **Section 27 1(b)** states, “everyone has the right to have access to sufficient food and water”. **Section 27 1(c)** states, “everyone has the right to social security, including, if they are unable to support themselves and their dependents, appropriate social assistance”. **Section 27 (2)** states, “the state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realization of each of these rights.

There have been no significant changes to the Agriculture and Rural Development legislative and other mandates. Below is a list of all relevant legislation for the Department.

Transversal legislation

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- KZN Provincial SCM Policy Framework of 2006
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Companies Act (Act No. 61 of 1973)
- Public Service Act (Act No. 109 of 1994, as amended) and Public Service Regulations of 2001
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Skills Development Act (Act No. 97 of 1998)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Occupational Health and Safety Act (Act No. 85 of 1993)
- Compensation for Occupational Injuries and Diseases Act (Act No. 130 of 1993)
- Division of Revenue Act 16 of 2019
- Employment Equity Act (Act No. 55 of 1998)
- Public Service Commission Act (Act No. 65 of 1984)
- Promotion of Administrative Justice Act (Act No. 3 of 2000)

Agriculture legislation

- KwaZulu Animal Protection Act (Act No. 4 of 1987)
- Conservation of Agricultural Resources Act (Act No. 43 of 1983)
- Marketing of Agricultural Products Act (Act No. 47 of 1996)
- Control of Market in Rural Areas Ordinance (No. 38 of 1965)
- Subdivision of Agricultural Land Act (Act No. 10 of 1970)
- Plant Improvement Act (Act No. 53 of 1976)
- Agricultural Pests Act (Act No. 36 of 1983)
- Agriculture Law Extension Act (Act No. of 1996)
- KwaZulu General Law Amendment Act (Act No. 3 of 1987)
- KwaZulu General Law Amendment Act (Act No. 21 of 1988)
- National Veld and Forest Fire Act (Act No. 101 of 1998)
- Veterinary and Para-Veterinary Professions Act (Act No. 19 of 1982)
- Livestock Brands Act (Act No. 87 of 1962)
- Livestock Improvement Act (Act No. 25 of 1977)
- Meat Safety Act, 2000 (Act No. 40 of 2000) (Replacing Abattoir and Co-operation Act)
- South African Medicines and Medical Devices Regulatory Authority Act (Act No. 32 of 1998)
- International Animal Health Code of World Organisation for Animal Health (OIE-Office International des Epizooties)
- Animal Diseases Act (Act No. 35 of 1984)
- International Code for Laboratory Diagnostic Procedure for Animal Diseases of World Organisation for Animal Health
- The Sanitary and Phyto-sanitary Agreement of the World Trade Organisation (WTO)
- Water Services Act (Act No. 108 of 1997)
- Marketing of Agricultural Products Act (Act No. 47 of 1996)
- Agricultural Research Act (Act No. 86 1990)
- Agricultural Products Standards Act (Act No. 119 of 1990)
- Agricultural Produce Agents Act (Act No. 12 of 1992)
- Agricultural Development Fund Act (Act No. 175 of 1993)
- Perishable Product Export Control Act (Act No. 9 of 1983)
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act (Act No. 36 of 1947)
- Agricultural Credit Act (Act No. 28 of 1966)
- Marketing Act (Act No. 59 of 1958)
- Plant Breeder's Right Act (Act No. 15 of 1976)
- Land Redistribution Policy for Agricultural Development
- Agricultural Debt Management Act (Act No. 45 of 2001)
- Soil User Planning Ordinance (Ordinance No. 15 of 1985)
- Generally Modified Organisms Act (Act No. 15 of 1997)
- Hazardous Substances Act (Act No. 63 of 1973)

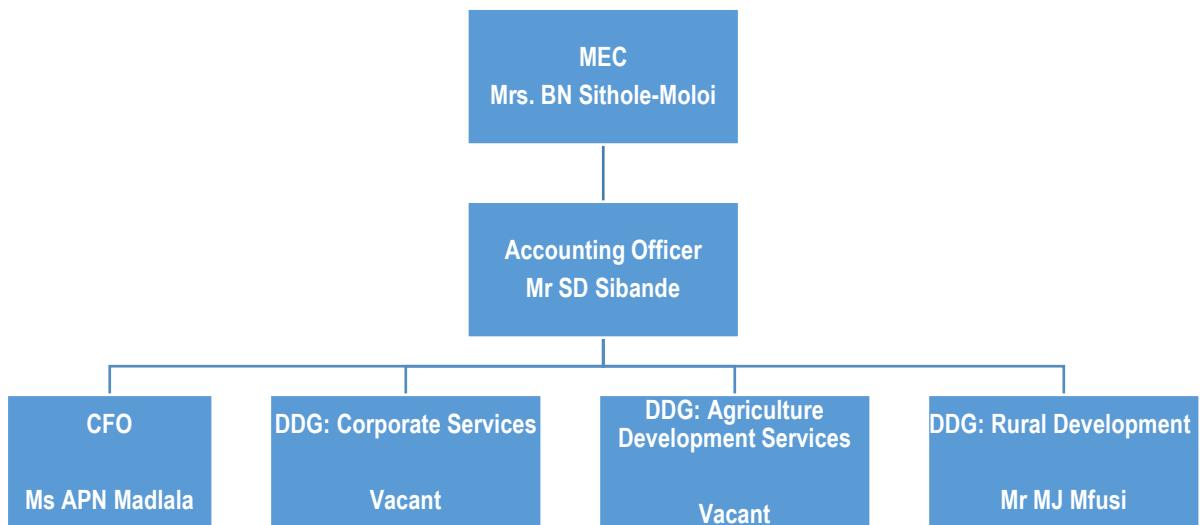
- Environment Conservation Act (Act No. 73 of 1989)
- Agri-business Development Agency Bill.

Rural Development Legislation

- Deeds Registries Act (Act No. 47 of 1937)
- State Land Disposal Act (Act No. 48 of 1961)
- Physical Planning Act (Act No. 88 of 1967)
- Sectional Titles Act (Act No. 95 of 1986)
- Upgrading of Land Tenure Rights Act (Act No. 112 of 1991)
- Land Reform: Provision of Land and Assistance Act (Act No. 126 of 1993)
- Restitution of Land Rights Act (Act No. 22 of 1994)
- Land Reform (Labour Tenants) Act (Act No. 3 of 1996)
- Communal Property Associations Act (Act No. 28 of 1996)
- Land Survey Act (Act No. 8 of 1997)
- Extension of Security of Tenure Act (Act No. 62 of 1997)
- Planning Profession Act (Act No. 36 of 2002)
- Professional and Technical Surveyors Act (Act No. 40 of 1984)
- Spatial Data Infrastructure Act (Act No. 54 of 2003)
- Spatial Planning and Land Use Management Act (Act No. 16 of 2013)
- Data Infrastructure Act (Act No. 54 of 2003)
- Restitution of Land Rights Amendment Act (Act No. 48 of 2003)
- Removal of Restrictions Act (Act No. 84 of 1967) Estimates of Provincial Revenue and Expenditure 84
- Physical Planning Act (Act No. 125 of 1991)
- Land Titles Adjustment Act (Act No. 111 of 1993)
- Communal Land Rights Act (Act No. 11 of 2004)
- Abolition of Certain Title Conditions Act (Act No. 43 of 1999)
- Transformation of Certain Rural Areas Act (Act No. 94 of 1998)
- Interim Protection of Informal Land Rights Act (Act No. 31 of 1996)

1.5 Organisational Structure

The top structure of the Department is reflected below from the level of the Executive Authority, Accounting Officer and Deputy Director Generals who provide strategic leadership to the organisation.



The Department has been trying to implement the new organisational structure approved in the financial year 2015/2016. The matching and placing process that was implemented after the structure approval has been concluded and most of the employees are now in their new positions, with few exceptional cases that are still being reviewed.

The Department has moved collapsed regions in its structure as was previously the case and instead, to give greater attention to service delivery in the locality, introduced District Directors for all eleven provincial districts including eThekweni Metro. The majority of District director positions are filled and in the few cases where there are still vacancies, the Department is busy finalising recruitment. The Department aims to improve its operational efficiency with this model, allow for quicker decision-making in local offices and as well as senior representation, including in other intergovernmental structures.

Organisational restructuring is a massive undertaking. If not carefully managed, it could lead to disruptions of operations. The Department is still dealing with some residual issues in this regard to ensure that service delivery machinery is not compromised. In addition, the new structure takes into consideration the recently defined focus of the Departmental Strategy that stresses Food and Nutritious Security.

The Department, as with the rest of public service, is operating in an environment of serious financial constraints that are part of the cost-cutting measures and budget cuts experienced in government. As a result, the Department has to balance its mandate of supporting agricultural production and availability of funds. This has affected the number of projects the Department is able to fund.

1.6 Entities Reporting To The MEC

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

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Mjindi Farming (Pty) LTD	Mjindi Farming (Pty) Ltd was established under the Companies Act 61 of 1973 (as amended), as a private company with share capital.	In terms of section 38 (1)(j) of the Public Finance Management Act 1 of 1999 (as amended), Mjindi must provide written assurance to the Department that the entity implements good financial management and an internal control system before the Department transfers funds to the Entity.	Mjindi is responsible for agricultural development in the northern estates of the province.
Agribusiness Development Agency (ADA)	ADA was established in terms of Cabinet Resolution No. 79 of 29 July 2009. The agency	In terms of section 38 (1)(j) of the Public Finance Management Act 1 of 1999 (as	The agency provides holistic agricultural support services to entrant farmers,

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
	<p>draws its operational mandate from:</p> <ul style="list-style-type: none"> I) The national policy for Comprehensive Agricultural Support Programme (CASP). ii) Land Reform policy guidelines. iii) Amended Trust Deed for agribusiness Development Agency. 	<p>amended), ADA must provide written assurance to the Department that the entity implements good financial management and an internal control system before the Department transfers funds to the Entity.</p>	focusing mainly on previously disadvantaged farmers.



PART B
**PERFORMANCE
INFORMATION**

2.1 Auditor General's Report: Predetermined Objectives

The AGSA performed certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with qualifications on performance information. Refer to page 3-4 of the Report of the Auditor General.

2.2 Overview Of Departmental Performance

The overall performance of the Department against planned target as per the 2019/2020 Annual Performance Plan is reflected in the table below:

Programmes	Total number of targets	Total number of targets achieved	Total number of targets not achieved	Percentage % Achieved
1. Administration	13	8	5	62%
2. Agricultural Development Services	39	25	14	64%
3. Rural Development	5	1	4	25%
Overall Performance	57	34	23	60%

2.3 Service Delivery Environment

A summary of departmental services are:

- Advisory Services i.e. Livestock and Crop production (inclusive of veterinary services)
- Registration, de-registration of abattoirs and regulation of slaughtering
- Certification of meat imports/exports
- Primary Animal Healthcare Services e.g. vaccinations,
- Laboratory diagnostics services
- Agricultural Development Services i.e. research, accredited and non-accredited agricultural training, scientific support, engineering design and development services, natural resource management, mechanization support
- Rural Development Monitoring and Co-ordination i.e. Rural Development Spatial Planning and development services
- Social facilitation
- Economics, Marketing and value adding

- Business entity and social facilitation
- Funding, investment and partnership

The legal mandate of the Department includes the following critical functions and services:

- Food security
- Farmer Development
- Veterinary Services
- Rural Development
- Governance

2.4 Service Delivery Improvement Plan

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

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Agricultural Development Services (Extension and Advisory Services)	Farmers (emerging and commercial)	number of Agric businesses supported with production economics services Annual target 2000	number of Agric businesses supported with production economics services Annual target 2000	201 Agric businesses supported with production economics services
	Organised agriculture	11 310 hectares planted for food production	12 000 hectares planted for food production	9 679.47 Hectares planted for food production
	Members of the public (vet services)	21 096 households supported with agricultural food production initiatives	22 361 households supported with agricultural food production initiatives	5822 Households supported with agricultural food production initiatives
	Municipalities	22 500 Smallholder producers supported with agricultural advice	25 000 Smallholder producers supported with agricultural advice	1143 Smallholder producers supported with agricultural advice.
	Traditional authorities	1429 hectares under irrigation by Smallholder farmers	1500 hectares under irrigation by Small holder farmers	1 554 Hectares under irrigation by Small holder farmers

		3200 Smallholder producers receiving support	3750 Smallholder producers receiving support	1 132 Smallholder producers receiving support
		90 Commercial farmers supported	100 Commercial farmers supported	13 Commercial farmers supported
		1429 hectares under irrigation by Smallholder farmers	1500 hectares under irrigation by Small holder farmers	1 554 Hectares under irrigation by Small holder farmers

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
44 District Task Team engagement session (DTT) 4x per Annum	66 District Task Team engagement session (DTT) to improve pre planting around mechanisation 6x per annum	16 District Task Team engagement session held <ul style="list-style-type: none"> • Ethekwini x 6 • Uthukela x 1 • Umzinyathi x 4 • Ilembe x 1 • Amajuba x 3 • Umgungundlovu x 1
56 Workshops i.e 1 x Workshop per Local Municipality per annum to communities on project application process	56 Workshops i.e 1 x Workshop per Local Municipality per annum to communities on project application process	19 Workshop held, i.e. <ul style="list-style-type: none"> • Amajuba x 3 • Ethekwini x 1 • Umgungundlovu x 5 • Umzinyathi x 3 • Uthukela x 1 • Ugu x 4 • Umkhanyakude x 2
Professional Code of Ethics	Professional Code of Ethics	The professional Code of Ethics for Agric Advisors is prescribed by SACNASP. 83% i.e. 374 out of 449 of Agricultural Advisors are registered to South African Council for Natural Scientific Professions (SACNASP).
Establish contract for the appointment of a Mechanisation service provider to render planting and ploughing services.	Establish contract for the appointment of a Mechanisation service provider to render planting and ploughing services.	Mechanisation service provider appointed in November 2018.

Establish 3 x standing contracts i.e 1 x Fertiliser, 1 x Seed, 1 x Agro-chemicals	Establish 3 x standing contracts i.e 1 x Fertiliser, 1 x Seed, 1 x Agro-chemicals	3 x Contracts finalised in November 2018. 1 x Fertiliser, 1x Seed and 1 x Agro – chemicals
11 245 farmers supported	11 245 farmers supported	1143 farmers supported
100% implementation of 11 310 hectares planted for food production	100% implementation of 12 000 hectares planted for food production	41.33% of hectares planted for food production, i.e. 9 679.47 ha
11 x Quarterly status report on project implementation to Inter Governmental Relationship structures	11 x Quarterly status report on project implementation to Inter Governmental	3 IGR structure meetings, ie <ul style="list-style-type: none"> • Umgungundlovu X 3
11 x District Project steering committee status report	11 District Project steering committee status report	7 District Project Steering Committee meetings, i.e. <ul style="list-style-type: none"> • Amajuba x 6 • Umkhanyakude x 1
56 x Local Project steering committee status report	56 x Local Project steering committee status report	19 Local Project steering committee, i.e. <ul style="list-style-type: none"> • Ilembe x 1 • King Cetshwayo x 5 • Umgungundlovu x 4 • Umzinyathi x 5 • Umkhanyakude x 4
4 x Provincial project steering committee quarterly meetings	4 x Provincial project steering committee quarterly meetings	4 x Provincial project steering committee meetings convened in the 4 th Quarter
20% increase in production of 11 310 ha planted	20% increase in production of 12 000 ha planted	14.33% of hectares planted for food production, i.e. 9 679.47 ha
Annual agricultural best practise conference	Annual agricultural best practise conference	2019/20 Departmental Extension Awards was held on the 27 February 2020.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
56 Workshops i.e 1 x Workshop per Local Municipality per annum to communities on project application process	56 Workshops i.e 1 x Workshop per Local Municipality per annum to communities on project application process	<p>19 Workshop held, i.e.</p> <ul style="list-style-type: none"> • Amajuba x 3 • Ethekwini x 1 • UMgungundlovu x 5 • Umzinyathi x 3 • Uthukela x 1 • Ugu x 4 • Umkhanyakude x 2
50 x projects mentored	50 x projects mentored	5 Projects mentored i.e. Uthukela x 5

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Implement manual complaints management system in 11 x Districts	1 x Database of complaint lodged.	Nil

2.5 Organisational Environment

The Department is implementing a turnaround strategy on the governance and support functions in order to strengthen systems of controls, enhance governance and provide solid foundation for optimal performance and service delivery. Supply Chain Management, including contract management, irregular expenditure, internal control and risks management are some of the areas that have been identified for key focus.

2.6 Key Policy Developments And Legislative Changes

The sixth administration merged the National Departments of Agriculture, Forestry and Fisheries with the Department of Land Reform and Rural Development to form the Department of Agriculture, Land Reform and Rural

Development. This new Department is currently reviewing its mandate and developing sector interventions to be implemented in the current MTSF.

2.7 Strategic Outcome Oriented Goals

Strategic Outcome Oriented Goal	Goal Statement
Corporate governance and integrated service delivery	Provision of sound and transparent corporate financial management system
Unleashing the agricultural potential in the Province	Maximising agricultural development and output in the Province
Sustainable natural environmental management	Promotion of environmentally sustainable agricultural development
Promote sustainable rural livelihoods	Improve access to services in rural areas through coordination

In the current MTSF (2014-19) priority areas were identified with agriculture contributing directly to the outcomes associated with job creation and comprehensive rural development. Furthermore, the KZN Provincial Growth and Development Strategy ranks agriculture high on its economic transformation agenda. On the above strategy, one strategic goal relates to job creation as unemployment is identified as one of the major structural constraints within the Province and contributes to high levels of poverty and income inequality. Therefore, agriculture as a sector is viewed as paramount given the competitive advantage of KZN based on its vast arable land and natural resources. In line with the outcomes approach adopted by Cabinet in 2009, the Department had made strides to align itself towards the achievement of Outcome 7: "Vibrant, Equitable, Sustainable Rural Communities and Food Security for all".

2.8 PERFORMANCE INFORMATION BY PROGRAMME

2.8.1 PROGRAMME 1: ADMINISTRATION

Programme 1 is made up of the Corporate Services and Financial Administration branches, which are led by Deputy Director General: Corporate Services and Chief Financial officer.

Purpose of the programme: Corporate Services

Programme 1 provides support to the line function components of the Department in achieving their goals. The focus for Programme 1 is the provision of corporate services, strategic management, business support, human resource management and development. The administration function is very crucial in supporting the Department to achieve its objectives. It is an enabler of organisational performance through such functions as Information Communications Technology (ICT), Legal Services, Management Advisory Services, Intergovernmental Relations, Labour Relations; Integrated Planning, Policy, Monitoring & Evaluation, Auxiliary Services as well as Security and Occupational Health and Safety to mention but a few.

The Auditor-General has raised a number of audit queries that led to the qualification of the Department's report on audited financial statements and predetermined objectives. The Department has developed, and continues to improve, various action plans targeting financial management, including SCM and performance information management and reporting. The implementation of these action plans will address these findings and return the Department to a state of sound governance principles and systems of internal control.

Performance indicators

Programme 1: Administration (Corporate Services)					
Strategic Objective	To provide effective and efficient corporate and strategic support to MEC, HOD and Department				
Performance Indicator	Actual Achievement 2018/2019	Planned Target	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
*Clean Audit opinion for the Department	0	1	-	-	To be reported in the annual report once the audit is completed.

Number of decisions that are compliant with the Promotion of Administrative Justice Act.	13	10	9	-1	Department received one less PAJA requests, marginally under-achieving its target.
Number of capacity building campaigns on contract compliance	-	6	10	4	In light of the volume of litigation matters involving contract disputes, Legal Services undertook more workshops to create awareness about contract compliance across the various offices of the Department.
Number of business processes automated	1	3	0	-3	The Department could not proceed with planned automation due to the moratorium introduced by National Treasury on the implementation of ECM because of the development of IFMS, which is still not finalised.
Percentage of approved funded vacant posts filled	-	100%	15%	-85%	The recruitment process was revised and the Executive Authority approved a three-phase approach. As a result, the recruitment process took longer than anticipated and the volume of applications received, especially for lower levels posts, required more time and additional capacity to execute timely.
Number of performance reports submitted to oversight structures	-	5	5	0	Achieved
Number of skills development interventions implemented	14	8	8	0	Achieved
Number of performance oversight meetings conducted for Departmental entities	4	4	4	0	Achieved

Purpose of the programme: Financial Management

The Finance sub-programme consists of the Office of the Chief Financial Officer, Management Accounting Services, Financial Accounting and Administration Services, Assets Management and Supply Chain Management. The Chief Financial Officer provides overall stewardship of this function and the branch by ensuring ensuring compliance with all finance related matters and to provide leadership on all matters related to finance in the Department. Directorate Management Accounting Services ensures management of budget and revenue planning, control and reporting, whilst Financial Accounting and Administration Services provides expenditure and creditor management, bookkeeping, loss control, banking, financial systems development services as well as salary administration, financial administration and reporting services.

Asset management is responsible for fleet management, infrastructure management and moveable asset management services. The procurements of goods and services in the Department is ensured by Supply Chain Management which provides this us achieved by contract development, bids administration, demand, supply and logistics services.

Programme 1: Administration (Financial Management)					
Strategic Objective	To provide effective and efficient corporate and strategic support to MEC, HOD and Department				
Performance Indicator	Actual Achievement 2018/2019	Planned Target	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
Approved Departmental procurement plan	1	1	1	0	Achieved
Approved Infrastructure Project Management Plan (IPMP)	1	1	1	0	Achieved
Percentage of invoices paid within 30 days	97%	100%	95%	-5%	Not achieved due to delays by end-users to submit invoices at Finance to process payments.
Number of In year Monitoring reports submitted	12	12	12	0	Achieved
Approved Risk Register	1	1	1	0	Achieved
Approved Strategic Risk Register	1	1	1	0	Achieved

Changes to planned targets

There were no changes to the planned targets.

Linking performance with budgets

Programme 1: Administration expenditure by sub-programme

	2018/19	2019/20

Sub-programme	Final Appropriation R'000	Final Appropriation R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Office of MEC	14,786	14,729	57	22,674	22,674	-
Senior Management	59,344	54,738	4,606	50,459	50,459	-
Corporate Services	270,429	262,469	7,960	308,009	306,735	1,274
Financial Management	166,400	133,806	32,594	135,077	118,320	16,757
Communications	25,462	24,283	1,179	29,009	29,009	-
TOTAL	536,421	490,025	46,396	545,228	527,197	18,031

Programme 1: Administration under-spent by R18,031 million, spending 96.7 per cent of the Final Appropriation. This under-spending was mainly due to the following:

- o Under-expenditure of R172,000 under **Transfers and subsidies to: Provinces and municipalities** in respect of motor vehicle licence fees that were slightly lower than anticipated due to non-delivery of vehicles ordered during the year.
- o **Transfers and subsidies to: Departmental agencies and accounts** is underspent by R123,000 in respect of the skills development levy paid to AGRISSETA due to the final wage bill being lower than originally budgeted resulting from vacant posts.
- o **Transfers and subsidies to: Households** was under-spent by R1,151 million due to bursary costs being lower than budgeted, as the department had not finalised all external bursaries by year-end.
- o **Machinery and equipment** reflects under-spending of R16,585 million as a result of department vehicles ordered not being delivered by 31 March 2020.

2.8.2 PROGRAMME 2: AGRICULTURAL DEVELOPMENT SERVICES

Purpose of the programme

To engage, empower and transform our communities to participate in sustainable agricultural and environmental practices in order to realize economic development and food security in the Province. Programme 2 is the core function of the Department, which includes the support to public entities, Agri-Business Development Agency and Mjindi Farming.

Programme 2 is made up of the following sub-programmes:

- Sub-programme 2.1: Sustainable Resource Management
- Sub-programme 2.2: Farmer Support and Development
- Sub-programme 2.3: Veterinary Services
- Sub-programme 2.4: Research and Technology Development

- Sub-programme 2.5: Agricultural Economics Services
- Sub-programme 2.6: Structured Agricultural Education and Training

2.8.2.1 Sub-programme 2.1: Sustainable Resource Management

Purpose

To provide technical resources for the support of planning, procurement, implementation and commissioning of agricultural infrastructure such as irrigation, agricultural roads, farm buildings, resource conservation services, and to address the problem of degradation of natural/agricultural resources in order to improve the socio-economic status and food security of rural communities. In terms of the DARD's new agrarian transformation strategy, this sub-programme is critical to enhancing and protecting the natural resources of Communal Estates and River Valley initiatives.

Sub-programme 2.1: Natural Resource Management					
Strategic Objective	To provide agricultural support services to farmers in order to ensure sustainable development and management of agricultural resources				
Performance Indicator	Actual Achievement 2018/2019	Planned Target	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
Number of hectares cleared	5178,366	6 500	5 178,366	-1 321,634	The indicator is determined by the requests received and processed by the Department.
Number of agricultural infrastructure established	59	104	50	-54	The Department cancelled the ZNB 426/18A Bid for Fencing in November 2019 due to the local content non-compliance, which led to delays in the supply of fencing material for infrastructure projects.
Number of agricultural infrastructure rehabilitated	46	75	6	-69	The Department cancelled the ZNB 426/18A Bid for Fencing in November 2019 due to the local content non-compliance, which led to delays in the supply of fencing material for infrastructure projects.
Number of KM fenced	221,12	543	341,7533	-201,2	The Department cancelled the ZNB 426/18A Bid for Fencing in November 2019

					due to the local content non-compliance, which led to delays in the supply of fencing material for infrastructure projects.
Number of agro-ecosystem management plans developed	0	1	2	1	The Department was able to produce two agro-ecosystem reports due to good cooperation from Nkandla and KwaDukuza Local Municipalities.
*Number of hectares protected to improve agricultural production.	5178,366	6500	5178,366	-1321,634	The indicator is determined by the requests received and processed by the Department.
Number of farm management plans developed	14	10	11	1	Marginally over-achieved, due to improved service delivery within the Natural Resource component.
Number of disaster relief schemes managed.	0	1	1	0	The drought necessitated that the Department introduce a disaster relief support to alleviate the devastating effects to farmers.
Number of disaster risk reduction services managed.	4	1	0	-1	Department participated in disaster risk reduction planning. However, these could not materialise to implemented interventions.
Number of green jobs created through Land Care.	1478	1000	1276	276	Funds were availed for 3 additional projects, which led to more people being employed on these projects. In some cases, people left project and had to be replaced.
Number of hectares of agricultural land rehabilitated	13778,52	8800	9118	318	Due to the rains, the regrowth increased in some projects and as result the need to undertake the follow-up control.

Changes to planned targets

There were no changes to the planned targets during the financial year.

2.8.2.2 Sub-programme 2.2: Farmer Support and Development

Purpose

This sub-programme represents the core function of the Department. It houses the support function and interventions to farmers I the province. These include

extension, input support and training to farmers, with a special emphasis on developing emerging farmers in communal areas and supporting those benefiting from the Land Reform Programme. This sub-programme coordinates and implements various cropping and livestock projects in partnership with sister Departments, municipalities and development agencies. It also facilitates mentorship, institution building and creation of micro-enterprises, prioritizing vulnerable groups, especially youth, women and disabled groups. In terms of the DARD's new agrarian transformation strategy, this sub-programme is critical to providing hands on specialized agricultural technical support to the implementation of Land Reform, Agri-Village, Communal Estates and River Valley initiatives.

Sub-programme 2.2: Farmer Support and Development					
Strategic Objective	Provide support to all farmers through agricultural development				
Performance Indicator	Actual Achievement 2018/2019	Planned Target	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
* Number of farmers supported	4799	1489	3 533	2 044	There was a higher client demand and sufficient stock of production inputs to support all qualifying producers.
Number of smallholder producers supported.	4780	1 458	3 389	1931	There was a higher client demand and sufficient stock of production inputs to support all qualifying producers.
Number of commercial farmers supported	19	31	144	113	There was a higher client demand and sufficient stock of production inputs to support all qualifying producers.
Number of smallholder producers supported with agricultural advice.	18 204	9 787	6591	-3196	Many smallholder producers requested provision of production inputs than advisory. This led to over-achievement on support provided for

Sub-programme 2.2: Farmer Support and Development					
Strategic Objective	Provide support to all farmers through agricultural development				
Performance Indicator	Actual Achievement 2018/2019	Planned Target	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
					planting and food security and under-achievement on advice.
Number of hectares under irrigation used by smallholder farmers	899.76	1554	1001.8165	-552.2	Rehabilitation of irrigation canals and schemes affected production under irrigation.
Number of jobs created through Departmental interventions	1001	840	23	-31	The Department cancelled the ZNB 426/18A Bid for Fencing in November 2019 due to the local content non-compliance, which led to delays in the supply of fencing material for infrastructure projects.
Number of hectares planted for food production	11 781	16 162	18648.14425	2486.1	The Department over-achieved target due to the success of the planting season campaign that gave dedicated focus to this programme.
Number of households supported with agricultural food production initiatives	33 497	17968	23825	3 857	The Department was able to support more households due to the availability of support inputs and high levels of food insecure households in the province.

Changes to planned targets

There were no changes to the planned targets during the financial year

2.8.2.3 Sub-Programme 2.3: Veterinary Services

Purpose

To support development of animal health, production and welfare to ensure human health by controlling zoonotic diseases in order to provide quality and safe animal products for the local and international markets. In terms of the DARD's new agrarian transformation strategy, this sub-programme is critical to providing animal health and meat safety support to the implementation of Agro-processing and Communal Estates initiatives.

Sub-programme 2.3: veterinary Services					
Strategic Objective	To provide veterinary services to clients in order to ensure healthy animals, safe animal products and welfare of the people of South Africa				
Performance Indicator	Actual Achievement 2018/2019	Planned Target	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
Number of animals subjected to animal healthcare measures	13075	14900000	17326	14882674	Target affected by capacity constraints within vet services.
Number of visits to epidemiological units visited for veterinary interventions.	13075	15 000	17 326	2 326	Target was over-achieved due to extensive rabies vaccination campaigns conducted by Veterinary Services.
Number of export control certificates issued	1597	1848	1619	-229	Some districts did not have state vets to approve export certificates due to vacant posts.
Percentage level of abattoir compliance to Meat Safety Legislation	68.7	100%	100%	0	Achieved
Number of laboratory tests performed according to prescribed standards	75070	85 000	70 737	-14 263	The Vryheid laboratory had operational challenges and only the Allerton lab was functional, which affected the amount of laboratory tests.

Changes to planned targets

There were no changes to the planned targets during the financial year.

2.8.2.4 Sub-Programme 2.4: Research and Technology Development

Purpose

To develop new and adapt existing technologies in order to promote sustainable agricultural practices in the Province, and then to document and communicate research findings to all clients. In terms of the DARD's new agrarian transformation strategy, this sub-programme is critical to providing scientific research and technology support to the implementation of all of the four pillars.

Sub-programme 2.4: Research and Technology					
Strategic Objective	To provide expert and needs based research, development and technology transfer services impacting on development objectives				
Performance Indicator	Actual Achievement 208/2019	Planned Target	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
Number research projects completed	-	70	80	10	Increased research activity and productivity resulted into higher output than planned.
Number of scientific papers published	5	5	4	-1	Final decision on publication in scientific journals vests with editors of the respective journals, as such; the peer review process determines final output.
Number of research presentations made at peer review events	2	11	19	8	Increased research activity and productivity resulted into higher output.
Number of research presentations made at technology transfer events	260	228	248	20	Target exceeded due to service demand from clients
Number of research infrastructure managed	6	6	6	0	Achieved
*Number of research projects implemented to improve agricultural production	80	70	80	10	Increased research activity and productivity resulted into higher output.

Changes to planned targets

There were no changes to the planned targets during the financial year.

2.8.2.5 Sub-programme 2.5: Agricultural Economic Services

Purpose

To provide market information, facilitate marketing, and to facilitate the implementation of agribusiness and agro-processing initiatives. This sub-programme is critical to providing market intelligence, agribusiness and agro-processing support to the implementation of all of four pillars.

Sub-programme 2.5: Agricultural Economics Services					
Strategic Objective	To provide timely and relevant agricultural economic services to the sector in support of sustainable agricultural and agri-business development to increase economic growth				
Performance Indicator	Actual Achievement 2018/2019	Planned Target	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/200	Comment on deviations
Number of agri-business supported	35	30	49	19	Over-achievement due to higher client demand.
*Number of agri-businesses supported with marketing services.	35	30	49	19	Over-achievement due to higher client demand.
Number of agri-businesses supported with production economic services	1916	2000	1500	-500	Less applications and requests for service received by the Department.
Number of economic reports compiled.	3	4	4	0	Target met
Number of agro-processing initiatives supported.	49	10	34	24	Over-achievement due to higher client demand.

Changes to planned targets

There were no changes to the planned targets during the financial year.

2.8.2.6 Sub-programme 2.6: Structured Agricultural Education and Training

Purpose

To provide tertiary and further education and training focusing on agriculture and its commodities. In doing so, under the new Agrarian Reform strategy, the Sub-Programme has committed itself to also supporting Agricultural High Schools in the province, as they are a critical conduit for the youth to enter the farming sector.

Sub-programme 2.6: Structured Agricultural Training

Strategic Objective	To facilitate and provide structured agricultural education and training in line with the Agriculture Education and Training Strategy to all participants in the agricultural sector in order to establish a knowledgeable, prosperous and competitive sector.				
Performance Indicator	Actual Achievement 2018/2019	Planned Target	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
Number of farmers trained in agriculture	-	1200	2213	1013	The introduction of new learnerships increased the number of farmers trained.
Number of students graduated from Agricultural Training Institutes.	81	90	172	82	Over-achieved due to the new learnerships that were completed at Owen Sitole and Cedara colleges.
*Number of participants trained in skills development programmes in the sector.	2746	2400	2213	-187	Some of the beneficiaries did not attend scheduled training in spite of having confirmed attendance resulting to under-achievement of the target.
Number of interventions in school programs	2	2	2	0	Target achieved.

Changes to planned targets

There were no changes to the planned targets.

Programme 2 Expenditure by sub-programme

T a b l e 2 Programme 2 Expenditure

Sub-programme	2018/19			2019/20		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Sustainable Resource Management	82,306	74,186	8,120	77,152	77,152	-
Farmer Support and Development	1,248,775	1,077,006	171,769	1,457,632	1,382,007	75,625
Veterinary Services	215,535	208,050	7,485	216,251	216,251	-

Sub-programme	2018/19			2019/20		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Research & Technology Development	173,938	159,520	14,418	152,834	152,834	-
Agricultural Economic Services	8,363	8,363	-	9,071	9,071	-
Structured Agricultural Education and Training	95,968	92,458	3,510	105,670	103,809	1,861
TOTAL	1,824,885	1,619,583	205,302	2,018,610	1,941,124	77,486

Programme 2: Agriculture actual expenditure amounted to R1,941 billion or 96.2% of the Final Appropriation, resulting in under-expenditure of R77,486 million. The under-spending, which was mainly in respect of conditional grant funding, can largely be attributed to the following:

- **Goods and services** such as animal feed, farming supplies, uniforms and training, where orders amounting to R23,445 million were issued before year-end, and the department is awaiting for services to be rendered and invoices to be submitted. This under-spending relates to both CASP and Ilima/Letsema grants.
- **Transfers payments** recorded under-expenditure of R514 000, with R289 000 in respect of motor vehicle licence fees (R281 000) and R8 000 for rates at Owen Sithole College of Agriculture (OSCA) that were lower than estimated. The balance of R225 000 relates to two CASP-funded projects, namely Mandalay Farm Agricultural Primary Co-op (R200 000) and Mtolo Farming Co-op (R25 000) where the actual transfer was lower than estimated.
- **Buildings and other fixed structures** in respect of the construction of animal handling facilities, fencing and irrigation projects. There were delays in implementation because the local content requirements were not adequately covered in the department's tender documents, and this came to light during the 2018/19 audit. This was resolved and bids were re-done and closed prior to 31 March 2020. The total value of projects amounted to R42,525 million and are requested to be rolled over to 2020/21. These funds are under the CASP and Ilima/Letsema Projects conditional grants.
- **Machinery and equipment** under-spent in respect of departmental vehicles totaling R6,351 million that were ordered but not delivered and paid for by year-end under the Extension Recovery Programme (ERP) pillar of CASP and irrigation equipment of R1,079 million under the Ilima/Letsema Projects grant. These amounts are included in the request for roll-over.

2.8.3. PROGRAMME 3: RURAL DEVELOPMENT

To ensure the continuous improvement of sustainable rural livelihoods through the coordination of integrated rural development services and facilitation of rural enterprise and industry development. The Rural Development programme is guided by six main national MTSF (2014-2019) priorities, which respond directly to the intended outcome of the mandate, which seeks to achieve “vibrant, equitable, sustainable rural communities contributing towards food security for all”. Programme 3 is made up of the following sub-programmes:

- Sub-programme 3.1: Integrated Rural Development Coordination
- Sub-programme 3.2: Rural Enterprise and Industry Facilitation and Development

Sub-programme 3.1: Integrated Rural Coordination					
Strategic Objective	Integrated co-ordination of implementation for rural development				
Performance Indicator	Actual Achievement 2018/2019	Planned Target	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
*Number of rural development structures coordinated	0	1	0	-1	Rural Development Strategy was produced but could not be linked with Agricultural Masterplan by the end of the financial year.
Develop KZN programme of action aligned to Outcome 7.	1	1	0	-1	The Programme of Action document was developed but sector departments did not fully complete their targets.
Number of structures coordinated in line with the CRDP's	1	2	1	-1	When Outcome 7 was discontinued, the coordination responsibility fell away from the Department.
Outcome 7 performance reports submitted for the Province	4	4	2	-2	Outcome 7 was discontinued when the new MTSF was introduced and coordination responsibility fell away from the Department.

Sub-programme 3.2: Rural Enterprise and Industry Development					
Strategic Objective	Rural Enterprise and Industry Facilitation and Development				
Performance Indicator	Actual Achievement 2018/2019	Planned Target	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/20	Comment on deviations
*Number of projects mentored	13	50	0	-50	The appointment of mentors to support projects was only finalised in Q4 causing significant delays to project mentorship.

Changes to planned targets

There were no changes to the planned targets.

Programme 3: Expenditure by sub-programme

T a b l e 1 Programme 3 Expenditure

Sub-programme	2018/19			2019/20		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Rural Development Co-ordination	7,462	6,207	1,255	5,472	5,221	251
Social Facilitation	22,328	10,881	11,447	19,236	16,356	2,880
TOTAL	29,790	17,088	12,702	24,708	21,577	3,131

Programme 3: Rural Development under-spent by R3.131 million. This under-expenditure is in respect of *Compensation of Employees* amounting to R1.566 million relating to the graduates programme and *Transfer payment* to Tembe Traditional Council of R1.5 million in respect of operationalizing the Marula Plant. The funding agreement could not be finalised prior to 31 March 2020 and the unspent amount of R1.5 million is included as roll-over to 2020/21.

1. TRANSFER PAYMENTS

1.1. Transfer payments to public entities

The Department had one public entity and one government business entity reporting to the Department during the 2019/20 financial year. The entities produce their own separate

annual reports that provide details of their mandates, outputs and achievements. The purpose of the entities is as follows:

Agri-business Development Agency (ADA) is a public entity providing the vehicle to grow the agricultural sector and improving access for black commercial farmers and agribusiness entrepreneurs through partnership and knowledge. During the year, the mandate of the entity was defined as to focus on secondary agricultural interventions whilst the department will focus on primary agriculture, thereby ensuring that there is no duplication of functions between the department and agency.

Mjindi Farming (Pty) Ltd (Mjindi), is a government business entity assisting in the management and implementation of the Makhathini Integrated Master Development Plan which includes:

- Repair and upgrading of the existing 3 500 ha currently under irrigation;
- To sustain the Makhathini Irrigation Scheme as a viable and sustainable Farmer Settlement Project;
- To transform Mjindi Farming (Pty) Ltd into a land user / landowner / farmer driven entity;
- To assist with the planned and approved expansion of the Irrigation Scheme to the settlement of additional farmers;
- To assist and support the Shareholder with the planning and implementation of the Makhathini Integrated Master Development Plan; and
- Explore and facilitate new agri-business opportunities on the irrigation scheme.

The Department monitors the progress and performance of these entities through quarterly reviews of financial and non-financial performance through the Steering Committee established and chaired by the Head of Department. The Department also has representation at board meetings.

Transfers to Public and Government Business Entities

Table 2- Transfers

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	(Over)/Under Expenditure R'000

Agri-Business Development Agency (ADA)	Project implementation	133,653	124,767	8,886
Mjindi Farming (Pty) Ltd	Agricultural development and management of irrigation scheme	62,094	59,720	2,374
TOTAL		195,747	184,487	11,260

3.2 Transfer payments to all organizations other than public entities

The Department made transfers to various organizations and private enterprises as listed in the table below. The Department enters into Service Level Agreements (SLAs) with all entities that receive funds with the exception of farmers that received the soil conservation subsidy. The subsidy is only given if the specific criteria have been met and it is therefore not necessary to enter into any form of agreement.

The requirements of S38 (1) (j) of the Public Finance Management Act is included in these SLAs. The reporting requirements and monitoring mechanism as well as payment schedule is also included in the SLA.

The table below reflects the transfer payments made for the period 1 April 2019 to 31 March 2020, excluding transfers for motor vehicle licenses, radio license, payments to SETA and transfers to households.

Table 3 - Transfers

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
SA Sugar Research Institute	Private	Agricultural Research	2,718	2,718	
Soil Conservation Subsidy – PJ Dreyer	Private	Infrastructure	602	602	
Soil Conservation – RMH Plantmaster	Private	Agricultural development	1,213	1,213	
Nozinkaniso Cc - Beef Production	Private	Agricultural development	3,338	3,338	

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Senzokuhle - Piggery (AMD Farming)	Private	Agricultural development	325		Project in implementation phase.
Cebolakhe Piggery and Projects	Private	Agricultural development	2,000	1,900	Project in implementation phase
Enhlahleni Primary Co-Op - Beef Production	Private	Agricultural development	1,150	-	Project in implementation phase
Esayidi Tea Tree - Tea Tree Production (KMD Essential Oils Pty Ltd)	Private	Agricultural development	2,000	1,910	Project in implementation phase
Isinganga Piggery	Private	Agricultural development	1,340	-	Project in implementation phase
Khukhza Farming 01	Private	Agricultural Development	4,976	-	Project in implementation phase
Liberty Farmers Co-Operative Ltd - Beef Production	Private	Agricultural development	4,813	-	Project in implementation phase
Mampontshi Farming & Fencing Cc - Piggery	Non-profit	Agricultural development	3,870	--	Project in implementation phase
Mandalay Farm Agric Primary Coop - Piggery	Private	Agricultural development	2,800	267	Project in implementation phase
Masande Youth Piggery - Piggery	Private	Agricultural development	2,000	2,000	
Masinga Investment Cooperative - Piggery	Private	Agricultural development	1,025	724	Project in implementation phase
Mthabela Estates (Pty) Ltd - Beef Production	Private	Agricultural development	820	820	
Njojo Construction - Beef Production	Private	Agricultural development	2,000	2,000	
Omangena Ngophala - Piggery	Private	Agricultural development	1,426	-	Project in implementation phase

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Ozone Projects - Piggery	Private	Agricultural development	2,130	1,861	Project in implementation phase
Wonderdream Civils And Plant Hire - Beef Production 1	Private	Agricultural development	1,500	-	Project in implementation phase
Mtuba Mini Farm - Beef Production (Yamandosi Trading)	Private	Agricultural development	1,660	1,183	Project in implementation phase
Abakhethibenkosi Agric Prim Coop	Private	Agricultural development	1,000	-	Project in implementation phase
Abaphumeleli Trading 94 Cc	Private	Agricultural development	674	-	Project in implementation phase
Kwa Jali Irrigation (Amafelandawonye Trading&Projects)	Private	Agricultural development	1,400	-	Project in implementation phase
Amahlubi 1985 - Beef Production	Private	Agricultural development	2,000	2,000	
Amakhondlo Construction Cc - Beef Production	Private	Agricultural development	3,793	3,793	
Amandlentuthko - Beef Production (Amandla Entuthuka Asemkhan-Yakud)	Private	Agricultural development	1,500	-	Project in implementation phase
Athayabonga Layers - Poultry Production (Kwazikwethu Trading Pty Ltd)	Private	Agricultural development	1,451	1,000	Project in implementation phase
Atlas Fresh Produce - Vegetable Production	Private	Agricultural development	2,000	679	Project in implementation phase
Summerdays (Awuzwe Health Communications Pty)	Private	Agricultural development	1,875	-	Project in implementation phase
Benzeleni Primary Coop Ltd	Private	Agricultural development	2,000	-	Project in implementation phase

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Bergvillet 4 - Livestock Production (Ze Mbanjwa Properties)	Private	Agricultural development	724	724	
Bongi-Mpumelelo Pty Ltd	Private	Agricultural development	3,421	-	Project in implementation phase
Bumbanani Matimande Primary Coop	Private	Agricultural development	2,000	-	Project in implementation phase
Kopjiskraal (C&B Dickens Transport&Plant Hire)	Private	Agricultural development	2,100	-	Project in implementation phase
Chemdora - Beef Production	Private	Agricultural development	2,100	2,100	
Clothier Farm - Vegetable Production (Mthente Ohlabayo Pty Ltd)	Private	Agricultural development	1,300	1,267	Project in implementation phase
Confluence Farm - Beef Production (Inselo Supplies&Services Pty Ltd)	Private	Agricultural development	2,000	2,000	
Dhemni Farms (Pty) Ltd	Private	Agricultural development	700	-	Project in implementation phase
Ekuphileni Poultry&Projects Coop	Private	Agricultural development	2,950	-	Project in implementation phase
Emketeni Project - Beef Production (Gabhisa Holding)	Private	Agricultural development	1,000	1,000	
Esidlekeni Poultry Farming Co-Op	Private	Agricultural development	2,824	-	Project in implementation phase
Ezikhethelo Products - Beef Production	Private	Agricultural development	3,100	3,100	

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Gobelah (Pty) Ltd	Private	Agricultural development	2,600	-	Project in implementation phase
Gugulethu Project - Crops And Vegetable Production	Private	Agricultural development	1,023	1,000	Project in implementation phase
Hlubi Projects Primary Coop Ltd	Private	Agricultural development	1,000	-	Project in implementation phase
Ibutho Tunnels - Vegetable Production	Private	Agricultural development	1,799	1,799	
Imbo Mapholoba (Pty) Ltd	Private	Agricultural development	1,699	-	Project in implementation phase
Impandane Agric Produc Prim Coop	Private	Agricultural development	2,100	-	Project in implementation phase
Impilwenye Trading&Projects Pty	Private	Agricultural development	3,066	-	Project in implementation phase
Ingcaka Youth Cooperative - Vegetable Production (Gimmy Logistic &Projects Pty Ltd)	Private	Agricultural development	1,300	1,300	
Nqabeshu (Inqabeshu Multi Services Pty Ltd)	Private	Agricultural development	3,600	-	Project in implementation phase
Intandela Multipurpose&Proj Prim	Private	Agricultural development	1,380	-	Project in implementation phase
Nkabinde Farm (Isenza Kahle Primary Agric Coop)	Private	Agricultural development	500	-	Project in implementation phase
Isigawuli Semithi Emikhulu Pty L	Private	Agricultural development	2,141	-	Project in implementation phase
Jabulani Zondi Trading (Pty) Ltd	Private	Agricultural development	2,000	-	Project in implementation phase

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Karabos Enterprise - Beef Production	Private	Agricultural development	4,000	1,342	Project in implementation phase
M.S. Effect Pty - Poultry Broiler	Private	Agricultural development	1,137	1,104	Project in implementation phase
Mabhelaselenge Comm. Trust - Beef Production (Amabhelasenye Pty Ltd)	Private	Agricultural development	2,900	481	Project in implementation phase
Masisukume Tunnels - Vegetable Production	Private	Agricultural development	1,250	1,250	
Melusana Trading Enterprise	Private	Agricultural development	2,779	-	Project in implementation phase
MGSM Solutions Pty Ltd (Sibongiseni Mbambo Business Enterprise)	Private	Agricultural development	2,600	-	Project in implementation phase
Mhlabangule Trading (Pty) Ltd	Private	Agricultural development	3,926	-	Project in implementation phase
Mhlumayo Custom Feeds Prim Coop (Khulakahle Goat Project)	Private	Agricultural development	1,807	-	Project in implementation phase
Mlulama - Piggery	Private	Agricultural development	1,000	139	Project in implementation phase
Mshibe Hydroponics Pty(Ltd)	Private	Agricultural development	1,785	-	Project in implementation phase
Mthethwa Secondary Coop Ltd (KwaMthethwa Secondary Co-Operative)	Private	Agricultural development	1,300	-	Project in implementation phase

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Mtolo Farming Co-Op - Vegetable Production	Private	Agricultural development	575	302	Project in implementation phase
Mush Global - Leased Land	Private	Agricultural development	1,500	-	Project in implementation phase
Lethukuthula Dumakude (Nkonyane Agricultural Proj Coop)	Private	Agricultural development	2,200	-	Project in implementation phase
Ntombikazazi Corporation - Beef Production	Private	Agricultural development	3,151	3,151	
Nyamayengwe - Beef Production	Private	Agricultural development	2,480	-	Project in implementation phase
Olwasini Macademia Nursery - Nursery	Private	Agricultural development	1,170	423	Project in implementation phase
Peppers & Veggies - Crop Production	Private	Agricultural development	1,788	21	Project in implementation phase
Phangela Trading - Beef Production	Private	Agricultural development	3,000	2,997	Project in implementation phase
Phiwo's Piggery - Piggery	Private	Agricultural development	250	-	Project in implementation phase
Profound Agric Building&Road Ser	Private	Agricultural development	1,535	-	Project in implementation phase
Qhawe - Poultry Production (Ukukhanyakweqhawe Trading&Projec)	Private	Agricultural development	1,000	-	Project in implementation phase
Shayimamba - Piggery	Private	Agricultural development	2,000	-	Project in implementation phase
Sikhangane Enterprise Pty Ltd	Private	Agricultural development	4,010	-	Project in implementation phase

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Sinekhono Poultry Farming Cc	Private	Agricultural development	750	-	Project in implementation phase
Siphulwazi Youth Piggery&Proj Cc	Private	Agricultural development	2,300	-	Project in implementation phase
Sizisizwe Trading Enterpris Coop	Private	Agricultural development	4,200	-	Project in implementation phase
Skhathi Trading Enterprise Cc	Private	Agricultural development	2,000	-	Project in implementation phase
Sofoco Gehazi Fish Farming Coop	Private	Agricultural development	500	-	Project in implementation phase
Sigubha Piggery (Soguba Farming Pty Ltd)	Private	Agricultural development	4,600	-	Project in implementation phase
Still Mac Printing And Trading - Beef Production	Private	Agricultural development	4,000	1,099	Project in implementation phase
Tasma Estate - Vegetable Production (Qalakahle Farming Services)	Private	Agricultural development	3,000	1,498	Project in implementation phase
Thabzo Holdings Pty Ltd	Private	Agricultural development	4,004	-	Project in implementation phase
Concur Farm (Zahlanzwa Trading (Pty) Ltd)	Private	Agricultural development	2,859	-	Project in implementation phase
Zithenjwa Agricultural Coop Ltd	Private	Agricultural development	1,100	-	Project in implementation phase

The table below provides details of transfers that budgeted for in the period 1 April 2019 to 31 March 2020 but the transfer payments not made in full.

Table 4- Transfers

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why the funds were not Transferred
Tembe Traditional Council	Operationalizing Marula Plant	1,500	-	The funding agreement was not finalised by 31 March 2020.
Mtolo Farming Co-Op - Vegetable Production	Agricultural development	600	575	The project was completed at lower cost than estimated.
Mandalay Farm Agric Primary Coop - Piggery	Agricultural Development	3,000	2,800	Funding Agreement was signed at R2.8 million only.

6 DONOR FUNDS

6.1 Donor Funds Received

The Department did not receive any foreign aid during the 2019/20 financial year.

7. CAPITAL INVESTMENTS

7.1 Capital investment, maintenance and asset management plan

The table below provides an analysis on infrastructure spending for the 2018/19 and 2019/20 financial years. The department's panels for fencing and irrigation bids did not adhere to the local content requirements, requiring the department to re-advertise which affected the fencing and irrigation projects. The under-expenditure of R44,454 million is committed and included in the department's roll-over request.

	2018/19			2019/20		
Sub-programme	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	76,911	49,072	27,839	51,850	31,651	20,199
Existing infrastructure assets						
- Upgrade and additions	13,462	693	12,769	3,435	3,435	-
-Rehabilitation, renovations and refurbishments	42,147	13,400	28,747	43,484	19,229	24,255
-Maintenance and repairs	11,345	10,190	1,155	2,817	2,817	-
Infrastructure transfer						
-Current						
-Capital	33,395	33,395	-	114,323	114,123	200
TOTAL	177,260	106,750	70,510	215,909	171,255	44,454

The expenditure against transfer capital is in respect of projects that are jointly funded by the farmers and the department. The department transfers its contribution in tranches based on progress made in implementation of the business plan.

The office accommodation at local office level has deteriorated over time and the department is establishing new procedures and processes to deal with the daily maintenance that will fast track implementation thereof. Also, Public Works is consulted on an ongoing basis to monitor the progress.



PART C
GOVERNANCE

Part C: Governance

3. Introduction

The Department has a risk management policy and conducts regular risk assessments to determine the effectiveness of its risk management strategy and to identify new and emerging risks. There is a Risk Management Committee that monitors risk management and advises management on the overall system of risk management, especially the mitigation of unacceptable levels of risk. The Cluster Audit and Risk Committee (Provincial Treasury) advises the Department on risk management and independently monitors the effectiveness of the system of risk management. There has been significant progress in the management of risk, particularly in the area of Information Technology.

3.1 Risk Management

The Department has a Risk Management policy and strategy. Risk assessment is done continuously and also the identification of emerging risks. There is a risk management committee that meets on a quarterly basis and advises management on the level of risks identified, the level of acceptance or not on implementation of risk mitigation plan and the effectiveness of the risk management system. The audit and risk management committee is combined into one committee, chaired by the Accounting Officer.

There is minimum progress in the management of risks as the progress on the implementation of risk implementation strategies is slow. The progress on the risk mitigation plans will be reported by management to EXCO so as to improve accountability as well.

The Cluster Audit and Risk Management Committee also advises the Accounting officer on the management of risks as well as the entire risk management system.

3.2 Fraud and Corruption

The Department has an approved fraud prevention plan and its awareness has been created to departmental employees. The department has an approved Whistle Blowing Policy which gives details on how employees can make confidential disclosures on suspected fraud. Awareness on the contents and application of whistle blowing policy created to department employees.

3.3. Minimising Conflict of Interest

Employees of the Department are obliged to declare their interests and possible cases of conflict of interests. In the instance of conflict of interest arising which was not declared, the Department institutes disciplinary measures in line with the policies and procedures of the public service.

3.4. Code of Conduct

The Department has approved Code of Conduct, which is regularly communicated to all employees to ensure consistent compliance.

3.5 Health Safety and Environmental Issues

The biggest health and safety issue for the 2019/2020 financial year was the outbreak of the global pandemic, Corona Virus, which disrupted Departmental operations, threatened human life and resulted into lockdown being introduced to curb the spread of the virus.

3.6 Portfolio Committees

The portfolio committee has a responsibility to provide parliamentary oversight of the performance of the department and its service delivery record. In the 2019/2020, the Department had a series of scheduled meetings and special engagements with the portfolio committee. The Department honoured all its portfolio committee commitments and appeared in all the meetings where it was invited.

3.7 SCOPA Resolutions

The Public Accounts Standing Committee met with the Department to deliberate on the Auditor-General's report for the 2018/19 financial year. The table below are resolutions that emanated from the hearings that pertain specifically to the Department.

The Department engaged with SCOPA on the following resolutions:

<i>Resolution 82/2020 – Irregular expenditure (relating to Resolution 5/2019 & Transversal Resolution 50/2019)</i>
<i>Resolution 83/2020 – Lack of electronic reporting and monitoring of targets and achievements (relating to Resolution 6/2019)</i>
<i>Resolution 84/2020 – Lack of internal control of procurement and contract management (relating to Resolution 7/2019)</i>
<i>Resolution 85/2020 – Fruitless and wasteful expenditure (relating to Transversal Resolution 52/2019)</i>
<i>Resolution 86/2020 – Risk Management (relating to Transversal Resolution 56/2019)</i>
<i>Resolution 87/2020 – Consequence management (relating to Transversal Resolution 57/2019)</i>
<i>Resolution 88/2020 – Filling of critical posts (relating to Transversal Resolution 59/2019)</i>
<i>Resolution 89/2020 – Audit improvement plan (relating to Transversal Resolutions 53/2019 & 62/2019)</i>
AGRIBUSINESS DEVELOPMENT AGENCY (ADA)
<i>Resolution 90/2020 – Irregular expenditure (relating to Transversal Resolution 51/2019)</i>
<i>Resolution 91/2020 – Fruitless and wasteful expenditure (relating to Transversal Resolution 52/2019)</i>
<i>Resolution 92/2020 – Irregular expenditure (relating to Transversal Resolution 51/2019)</i>

3.8 Prior Modifications to Audit Reports

The Department received a qualified audit opinion for 2018/19 financial year, same as was the case in 2017/18.

3.9 Internal Control Unit

The Department has an internal control unit that performs the following responsibilities:

- Conducted compliance test on the use of direct funds made to departmental beneficiaries on different projects,
- Physically verified the projects to see if implementation is in line with the spent funds,
- Conducted an exercise on the ordered agricultural inputs if they were delivered in different districts as ordered, correctly recoded, authorization of issues to beneficiaries, receipt by beneficiaries, proper record keeping and storage.
- Physically counted departmental employees,
- Conducted determination test on irregular expenditure.

3.10 Internal Audit and Audit Committees

The Department is part of the shared Cluster Audit that's centralised at Provincial Treasury. This committee provides internal audit services all the Departments.

3.11 Report of The Provincial Audit And Risk Committee (PARC)

REPORT OF THE AUDIT & RISK COMMITTEE ON VOTE 3 – AGRICULTURE AND RURAL DEVELOPMENT

The Committee reports that it has complied with its responsibilities arising from the Public Finance Management Act, No.1 of 1999 (PFMA), Treasury Regulations 3.1, including all other related prescripts, and is pleased to present its report for the financial year ended 31 March 2020.

The Provincial Audit and Risk Committee (PARC) is the shared audit and risk committee for the provincial departments, and is further sub-divided into three Cluster Audit & Risk Committees (CARC's) that provide oversight of key functions to the KZN Provincial Government Departments. The Department of Agriculture and Rural Development is served by the Economic Sectors Investment Employment Infrastructure and Development (ESIEID) Cluster Audit & Risk Committee.

The Committee has adopted appropriate formal terms of reference contained in its Audit and Risk Committee Charter and has regulated its affairs in compliance with this charter, and reports that it has discharged all of its responsibilities as contained therein.

1. Audit Committee Members and Attendance

The PARC and ESIEID CARC consists of the members listed hereunder who have met as reflected below, in line with the approved terms of reference.

#	Name of Member	PARC Meetings Attended	Economic CARC Meetings Attended
1.	Mr S Simelane (Acting Chairman of PARC and Economic CARC)	10 of 10	4 of 4
2	Mr V Ramphal	10 of 10	4 of 4
3.	Mr M Tarr	10 of 10	4 of 4
4.	Mr P Christianson	9 of 10	N/A*
5.	Ms T Njozela	9 of 10	N/A*
6.	Mr D O'Connor	10 of 10	N/A*
7.	Ms N Sithole (Resigned in July 2019)	3 of 10	N/A**

* refers to PARC members who did not serve on the ESIEID CARC

2. The Effectiveness of Internal Control

The Committee has reviewed the reports of the Provincial Internal Audit Service (PIAS), the Audit Report on the Annual Financial Statements and Management Report of the Auditor General of South Africa (AGSA) and has noted with concern, the weaknesses in controls in the following areas:

- Procurement and Contract Management
- Performance Information
- Expenditure Management – Irregular Expenditure
- Records Management
- Food Security

The Committee noted with concern the number of control deficiencies identified by the auditors, both internal and external. Although management interventions on certain control weaknesses were considered by the Committee, the Accounting Officer is urged to urgently implement strategies that will prevent any further regression on audit outcomes.

3. Effectiveness of Internal Audit

PIAS activities were reviewed by the Committee during the PARC and CARC monitoring processes. The Committee evaluated PIAS reports detailing the assessment of the adequacy and effectiveness of controls designed to mitigate the risks associated with the operational and strategic activities of the department.

The PIAS planned to conduct twenty (20) audit assignments for the period under review, of which nineteen (16) were finalized, three (3) were cancelled and one (1) was rolled over with the approval of the Audit Committee.

The PIAS performed effectively during the period under review; notwithstanding concerns raised by the Committee in respect of the financial and human resource limitations imposed upon the unit. The Committee will monitor the progress made by the PIAS against its

operational plans in order to ensure that it continues to fulfil its mandate and add value to the department.

4. Risk Management

The responsibilities of the Committee with respect to risk management are formally defined in its Charter. For the period under review, the Committee's responsibilities have been focused, amongst other things, on the quarterly review of the Department's risk register and monitoring progress against the Risk Management Operational Plan.

As at 2019/20 financial year-end, the Department's risk register status was as follows:

	Risk Grouping					Total
	Critical	Major	Moderate	Minor	Insignificant	
Number of Identified Risks	0	11	12	2	0	25
Number of Identified Action Plans	0	65	39	8	0	112
Number of Completed Action Plans	n/a	36	29	7	0	72
No. of Completed Action Plans as a Percentage (%)	n/a	55%	74%	88%	n/a	64%

The Committee notes the progress made by the Department on the implementation of its risk mitigation plans with a 64% completion rate. The Department is urged to 1) implement the outstanding risk mitigation plans, particularly for risks classified as major; and 2) update the Department's risk register with operational and strategic risks which are currently being conducted within the Department.

Although the Department is commended for having a functional risk management committee which is chaired by the Accounting Officer, and having made significant progress in completing improvement plans relating to the Occupational Health and Safety and Fraud

Prevention; the Committee is, however, concerned that the Department's Business Continuity Plan was last updated in 2018.

With the current focus being on COVID 19 pandemic, the Department is urged to ensure continued compliance with prescribed control measures, including updating of the Business Continuity Plan so that service delivery interruptions could be minimized.

5. Quality of in year management and monthly/quarterly reports

The Committee noted the content and quality of quarterly reports in respect of in year management and quarterly performance, prepared and issued by the Accounting Officer of the Department during the year under review, in terms of the PFMA and the Division of Revenue Act.

Based on the report by the Auditor General, the Committee notes with concern the deficiencies identified in the usefulness and reliability of reported performance information due to the failure of the Department to implement adequate systems to collect, collate, verify and retain performance related data. The management of the Department has been requested to urgently implement the appropriate improvement strategies in order to address the identified shortcomings.

Furthermore, the Committee noted with concern the material underspending of the budget by R98,65 million on the programmes for administration, agriculture and rural development.

6. Evaluation of Financial Statements

The Committee has:

- Reviewed and discussed the audited Annual Financial Statements including the audit report, with the Auditor General and the Accounting Officer;
- Reviewed the Auditor General's Management Report;
- Reviewed the Department's processes for compliance with legal and regulatory provisions, and noted concerns around material misstatements in the annual

- performance report, procurement and contract management, the failure to prevent irregular expenditure as a result of non-compliance with supply chain management prescripts and failure to implement consequence management. The Committee also noted the non-adjusting event after the reporting date which dealt with the possible effects of future implications of COVID-19 on the Department's future prospects, performance and cash flows; and
- Reviewed the conclusions regarding the reliability and usefulness of performance information and determined that record keeping has to be improved to enable accurate performance information to be produced.

7. Forensics Investigations

During the period under review, the Committee noted that there were eight (8) forensic investigations from 1 April 2019 to 30 June 2020, which allegations related to fraud; irregular expenditure and procurement irregularities which the department had referred to the PIAS for investigation.

Of the eight (8) forensic investigations four (4) were completed, ie. Phase 1 was completed and four (4) were in-progress. In respect of the completed investigations, the department had finalized all recommendations made in one (1) matter and three (3) matters had criminal recommendations and were referred to the South African Police Services (SAPS) to investigation.

The President-In-Cabinet has referred two matters for investigation by the Special Investigating Unit (SIU). The first matter took place between 1 February 2011 and 3 February 2017. This matter related to the procurement of and contracting for fertilizer, seeds and seed potatoes of goods, work or services relating to events or events management, and any undisclosed or unauthorized interest by board of members, directors, officials or employees of the Department or its entity or any of their family members who may have had a relationship with contractors, suppliers or service providers. The investigations were completed with the final report being under review at the date of compiling this report.

The second matter took place between 1 March 2017 and 12 July 2019. This matter related to maladministration in the affairs of Department of Agriculture, Forestry and Fisheries in relation to mismanagement of the Comprehensive Agricultural Support Programme grant, authorized, irregular and fruitless and wasteful expenditure incurred and irregularities in supply chain management processes. The investigations are still in progress to date.

8. Auditor-General's Report

The Committee has monitored the implementation of corrective action plans to address the audit issues raised by the Auditor General in the prior year. The Committee has met with the Auditor General of South Africa to discuss and evaluate the major issues that emanated from the current regulatory audit. The Committee will ensure that corrective actions in respect of the detailed findings emanating from the current regulatory audit continue to be monitored on a quarterly basis through the CARC processes.

The Committee agrees with and accepts the Auditor General's unqualified audit opinion on the Annual Financial Statements, and is of the opinion that the Audited Annual Financial Statements be accepted and read together with the report of the Auditor General.

9. Appreciation

The Committee wishes to express its appreciation to the Management of the Department, the Auditor General of South Africa, and the Provincial Internal Audit Services for the co-operation and support they have provided to enable us to compile this report.



Mr SP Simelane

Acting Chairman: Provincial Audit and Risk Committee

27 October 2020

3.12 B-BBEE Compliance Performance Information

Department spent a total of R315 million on the BEE during 2019/20 financial year.

3.12.1 Table for DARD total expenditure on BEE for the 2019/20 financial year

NO.	DISTRICT	PROCUREMENT SPEND ON BEE PER DISTRICT
1	ILEMBE	R7 908 426,56
2	ETHEKWINI	R13 454 013,30
3	HARRY GWALA	R49 944 925,94
4	UTHUKELA	R57 047 092,60
5	UGU	R28 100 392,77
6	UMGUNGUNDLOVU	R24 427 785,69
7	KING CETSHWAYO	R22 538 086,67
8	ZULULAND	R31 549 475,06
9	UMZINYATHI	R39 465 089,72
10	UMKHANYAKUDE	R19 982 584,81
11	AMAJUBA	R20 805 391,36
DARD TOTAL BEE SPENT IN 2019/20		R315 223 264,48



PART D
**HUMAN RESOURCE
MANAGEMENT**

3.1 Part D: Human Resource Management

Introduction

The success of any organization is largely attributable to its deployment of its critical assets. Amongst these, human resources is the most important. The execution of the mandate of the Department is dependent on how well its officials and management, together with the rest of the stakeholders work to deliver on organizational mission and goals that make it possible for its vision to become a reality.

Future human resource plans/goals

- Implementation of mentorship programme to ensure that a pool of suitable competent staff is available to fill posts as aged employees exit.
- Filling of all funded vacant positions to ensure that the department has adequate capacity to deliver on its mandate.
- Continue to implement strategies that will ensure women participation at SMS as well as people living with disabilities.
- To intensify employee health and wellness programmes to ensure a healthy and productive workforce,
- Implementation of the succession plan for scarce and critical skills.

3.1.1 Human Resources Oversight Statistics

Personnel related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2019 and 31 March 2020

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	526 454,00	220 469,00	0,00	0,00	41,90	416,00
Agriculture	1 941 118,00	827 511,00	0,00	0,00	42,60	391,00
Rural Development	21 626,00	17 504,00	0,00	0,00	80,90	219,00
Total	2 489 198,00	1 065 485,00	0,00	0,00	42,80	391,00

Table 3.1.2 Personnel costs by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	17 658,00	1,60	103,00	171 437,00
Skilled (level 3-5)	224 140,00	19,80	873,00	256 747,00
Highly skilled production (levels 6-8)	366 551,00	32,40	805,00	455 343,00
Highly skilled supervision (levels 9-12)	379 217,00	33,50	520,00	729 263,00
Senior and Top management (levels 13-16)	52 957,00	4,70	37,00	1 431 270,00
Contract (Levels 1-2)	79,00	0,00	1,00	79 000,00
Contract (Levels 3-5)	3 432,00	0,30	51,00	67 294,00
Contract (Levels 6-8)	8 902,00	0,80	59,00	150 881,00
Contract (Levels 9-12)	12 400,00	1,10	18,00	688 889,00
Contract (Levels 13-16)	2 713,00	0,20	3,00	904 333,00
Contract Other	20 375,00	1,80	255,00	79 902,00
Total	1 088 424,00	96,10	2 726,00	399 275,00

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2018 and 31 March 2019

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	183 391,00	78,40	1 751,00	0,70	6 028,00	2,60	10 698,00	4,60
Agriculture Development Services	673 501,00	76,30	6 113,00	0,70	29 165,00	3,30	46 224,00	5,20
Rural Development	13 558,00	85,30	0,00	0,00	201,00	1,30	138,00	0,90
Total	870 450,00	76,90	7 864,00	0,70	35 393,00	3,10	57 060,00	5,00

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	12 357,00	69,60	480,00	2,70	1 583,00	8,90	1 578,00	8,90
Skilled (level 3-5)	159 751,00	71,10	4 272,00	1,90	14 475,00	6,40	20 828,00	9,30
Highly skilled production (levels 6-8)	290 658,00	77,60	1 463,00	0,40	12 691,00	3,40	22 002,00	5,90
Highly skilled supervision (levels 9-12)	314 440,00	77,10	1 505,00	0,40	6 262,00	1,50	12 140,00	3,00
Senior management (level 13-16)	46 845,00	81,60	0,00	0,00	326,00	0,60	426,00	0,70
Contract (Levels 1-2)	79,00	100,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 3-5)	3 346,00	97,10	35,00	1,00	0,00	0,00	0,00	0,00
Contract (Levels 6-8)	8 375,00	92,60	109,00	1,20	3,00	0,00	86,00	1,00
Contract (Levels 9-12)	11 765,00	83,40	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 13-16)	2 466,00	78,30	0,00	0,00	53,00	1,70	0,00	0,00
Contract Other	20 368,00	99,70	0,00	0,00	0,00	0,00	0,00	0,00
Total	870 450,00	76,90	7 864,00	0,70	35 393,00	3,10	57 060,00	5,00

3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2020

Programme	Number of posts on	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
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	approved establishment			
ADMINISTRATION, Permanent	589,00	530,00	10,00	108,00
AGRICULTURE DEVELOP SERVICES, Permanent	2 302,00	2 115,00	8,10	168,00
AGRICULTURE DEVELOP SERVICES, Temporary	1,00	1,00	0,00	0,00
PROG 1:ADMINISTRATION. Permanent	1,00	0,00	100,00	0,00
RURAL DEVELOPMENT, Permanent	84,00	80,00	4,80	67,00
Total	2 977,00	2 726,00	8,40	343,00

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2020

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2) Permanent	128,00	103,00	19,50	0,00
Skilled(3-5) Permanent	954,00	873,00	8,50	0,00
Highly skilled production (6-8) Permanent	858,00	805,00	6,20	0,00
Highly skilled supervision (9-12) Permanent	597,00	519,00	13,10	1,00
Highly Skilled Supervision (Levels 9-12), Temporary	1,00	1,00	0,00	0,00
Senior management (13-16) Permanent	51,00	37,00	27,50	0,00
Other, Permanent	256,00	256,00	0,00	255,00
Contract (Levels 1-2), Permanent	1,00	1,00	0,00	0,00
Contract (Levels 3-5), Permanent	51,00	51,00	0,00	40,00
Contract (Levels 6-8), Permanent	59,00	59,00	0,00	47,00
Contract (Levels 9-12), Permanent	18,00	18,00	0,00	0,00
Contract (Levels 13-16), Permanent	3,00	3,00	0,00	0,00
Total	2 977,00	2 726,00	8,40	343,00

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2020

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED, Permanent	47,00	38,00	19,10	1,00
AGRICUL ANIMAL OCEANOGRAPHY FORESTRY & OTHER SCIEN, Permanent	11,00	11,00	0,00	0,00

AGRICULTURE RELATED, Permanent	709,00	652,00	8,00	0,00
AGRICULTURE RELATED, Temporary	1,00	1,00	0,00	0,00
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC., Permanent	6,00	5,00	16,70	0,00
AUXILIARY AND RELATED WORKERS, Permanent	27,00	26,00	3,70	0,00
BIOCHEMISTRY PHARMACOL. ZOOLOGY & LIFE SCIE.TECHNI, Permanent	202,00	196,00	3,00	0,00
BUILDING AND OTHER PROPERTY CARETAKERS, Permanent	5,00	4,00	20,00	0,00
BUS AND HEAVY VEHICLE DRIVERS, Permanent	23,00	23,00	0,00	0,00
CIVIL ENGINEERING TECHNICIANS, Permanent	3,00	1,00	66,70	0,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC., Permanent	118,00	105,00	11,00	0,00
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS), Permanent	14,00	10,00	28,60	0,00
COMMUNICATION AND INFORMATION RELATED, Permanent	1,00	1,00	0,00	0,00
ECONOMISTS, Permanent	17,00	16,00	5,90	0,00
ELECTRICAL AND ELECTRONICS ENGINEERING TECHNICIANS, Permanent	1,00	1,00	0,00	0,00
ENGINEERING SCIENCES RELATED, Permanent	13,00	9,00	30,80	0,00
ENGINEERS AND RELATED PROFESSIONALS, Permanent	16,00	13,00	18,80	0,00
FARM HANDS AND LABOURERS, Permanent	477,00	452,00	5,20	0,00
FARMING FORESTRY ADVISORS AND FARM MANAGERS, Permanent	4,00	4,00	0,00	0,00
FINANCE AND ECONOMICS RELATED, Permanent	4,00	4,00	0,00	0,00

FINANCIAL AND RELATED PROFESSIONALS, Permanent	10,00	10,00	0,00	0,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS, Permanent	40,00	34,00	15,00	0,00
FOOD SERVICES AIDS AND WAITERS, Permanent	5,00	4,00	20,00	0,00
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS, Permanent	3,00	3,00	0,00	0,00
HORTICULTURISTS FORESTERS AGRICUL.& FORESTRY TECHN, Permanent	27,00	27,00	0,00	0,00
HOUSEHOLD AND LAUNDRY WORKERS, Permanent	11,00	11,00	0,00	0,00
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS, Permanent	10,00	8,00	20,00	0,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF, Permanent	29,00	24,00	17,20	0,00
HUMAN RESOURCES CLERKS, Permanent	69,00	63,00	8,70	0,00
HUMAN RESOURCES RELATED, Permanent	67,00	57,00	14,90	0,00
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN, Permanent	10,00	8,00	20,00	0,00
LIBRARIANS AND RELATED PROFESSIONALS, Permanent	5,00	5,00	0,00	0,00
LIBRARY MAIL AND RELATED CLERKS, Permanent	1,00	1,00	0,00	0,00
LIGHT VEHICLE DRIVERS, Permanent	7,00	6,00	14,30	0,00
LOGISTICAL SUPPORT PERSONNEL, Permanent	65,00	62,00	4,60	0,00
MECHANICAL ENGINEERING THECHNICIANS, Permanent	4,00	4,00	0,00	0,00
MESSENGERS PORTERS AND DELIVERERS, Permanent	12,00	10,00	16,70	0,00

MOTOR VEHICLE DRIVERS, Permanent	17,00	13,00	23,50	0,00
MOTORISED FARM AND FORESTRY PLANT OPERATORS, Permanent	17,00	16,00	5,90	0,00
NATURAL SCIENCES RELATED, Permanent	3,00	3,00	0,00	0,00
NATURE CONSERVATION AND OCEANOGRAPHICAL REL.TECHNI, Permanent	1,00	1,00	0,00	0,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS, Permanent	213,00	190,00	10,80	0,00
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS, Permanent	35,00	22,00	37,10	0,00
OTHER MACHINE OPERATORS, Permanent	33,00	31,00	6,10	0,00
OTHER OCCUPATIONS, Permanent	390,00	371,00	4,90	342,00
PHOTOGRAPHERS IMAGE & SOUND RECORDING EQUIP.OPERAT, Permanent	1,00	1,00	0,00	0,00
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS, Permanent	1,00	1,00	0,00	0,00
RISK MANAGEMENT AND SECURITY SERVICES, Permanent	4,00	3,00	25,00	0,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS, Permanent	33,00	30,00	9,10	0,00
SECURITY GUARDS, Permanent	67,00	66,00	1,50	0,00
SECURITY OFFICERS, Permanent	1,00	1,00	0,00	0,00
SENIOR MANAGERS, Permanent	60,00	44,00	26,70	0,00
TRADE LABOURERS, Permanent	1,00	1,00	0,00	0,00
VETERINARIANS, Permanent	21,00	18,00	14,30	0,00
VETERINARY ASSISTANTS, Permanent	5,00	5,00	0,00	0,00
Total	2 977,00	2 726,00	8,40	343,00

3.4 Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16	1	1	100	0	100
Salary Level 15	3	1	33,4	2	66,66
Salary Level 14	6	4	66,66	2	33,34
Salary Level 13	40	32	80	8	20
Total	50	38	76	12	24

Table 3.3.2 SMS post information as on 30 September 2019

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16	1	1	100	0	100
Salary Level 15	3	2	66,66	1	33,34
Salary Level 14	7	5	71,42	2	28,58
Salary Level 13	42	34	80,95	8	19,05
Total	53	42	79,24	11	20,76

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2019 and 31 March 2020

SMS Level	Advertising		Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0	0
Salary Level 16	0	0	0	0
Salary Level 15	0	0	0	0
Salary Level 14	0	0	0	0
Salary Level 13	0	0	0	0
Total	0	0	0	0

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2019 and 31 March 2020

Reasons for vacancies not advertised within six months
The Department seeks approval to fill post from MEC for Finance and Office of The Premier
Reasons for vacancies not filled within twelve months
The executive authority directed that posts be categorized in phases, they were prioritized according to salary levels but the process was further hampered by the National Lockdown.

3.4 Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations, all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2019 and 31 March 2020 :

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	128,00	0,00	0,00	0,00	0,00	0,00	0,00
Skilled (Levels 3-5)	954,00	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled production (Levels 6-8)	858,00	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled supervision (Levels 9-12)	598,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management Service Band A	39,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management Service Band B	7,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management Service Band C	4,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management Service Band D	1,00	0,00	0,00	0,00	0,00	0,00	0,00
Other	256,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 1-2)	1,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 3-5)	51,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 6-8)	59,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 9-12)	18,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract Band A	2,00	0,00	0,00	0,00	0,00	0,00	0,00

Contract Band D	1,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	2 977,00	0,00	0,00	0,00	0,00	0,00	0,00

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2019 and 31 March 2020

Gender	African	Asian	Coloured	White	Total
Female	0,00	0,00	0,00	0,00	0,00
Male	0,00	0,00	0,00	0,00	0,00
TOTAL	0,00	0,00	0,00	0,00	0,00

Employees with a disability	0,00	0,00	0,00	0,00	0,00
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2019 and 31 March 2020

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
General Administration Clerk	14	5	7	Illegal upgrades
Human Resource Officer	1	5	7	Illegal upgrades
SCM Clerk	5	5	7	Illegal upgrades
Finance Clerk	2	5	7	Illegal upgrades
Human Resource Officer Supervisor	1	7	9	Illegal upgrades
Senior Administration Officer	2	8	9	Illegal upgrades
Agricultural Advisor	102	8	9	Illegal upgrades
Animal Health Technician	12	8	9	Illegal upgrades
Total number of employees whose salaries exceeded the level determined by job evaluation				138
Percentage of total employed	= 138/2726			5,06%

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2019 and 31 March 2020

Gender	African	Asian	Coloured	White	Total
Female	0,00	0,00	0,00	0,00	0,00
Male	0,00	0,00	0,00	0,00	0,00
Total	0,00	0,00	0,00	0,00	0,00

Employees with a disability	0,00	0,00	0,00	0,00	0,00
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3.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations.

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Number of employees at beginning of period-1 April 2019	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	98,00	13,00	1,00	1,00
Skilled (Levels3-5)	932,00	21,00	63,00	6,80
Highly skilled production (Levels 6-8)	816,00	1,00	27,00	3,30
Highly skilled supervision (Levels 9-12)	546,00	5,00	32,00	5,90
Highly Skilled Supervision (Levels 9-12) Temporary	1,00	0,00	0,00	0,00
Senior Management Service Bands A	35,00	0,00	5,00	14,30
Senior Management Service Bands B	4,00	0,00	1,00	25,00
Senior Management Service Bands C	3,00	0,00	1,00	33,30
Senior Management Service Bands D	1,00	1,00	1,00	100,00
Other Permanent	245,00	172,00	121,00	49,40
Contract (Levels 3-5) Permanent	7,00	56,00	12,00	171,40
Contract (Levels 6-8) Permanent	11,00	40,00	22,00	200,00
Contract (Levels 9-12) Permanent	14,00	15,00	9,00	64,30
Contract Band A Permanent	2,00	2,00	1,00	50,00
Contract Band B Permanent	1,00	1,00	2,00	200,00
Total	2 716,00	329,00	298,00	11,00

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2019 and 31 March 2020

Critical occupation	Number of employees at beginning of period- April 2019	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED Permanent	41,00	6,00	7,00	17,10
AGRICUL ANIMAL OCEANOGRAPHY FORESTRY & OTHER SCIEN Permanent	11,00	0,00	0,00	0,00
AGRICULTURE RELATED Permanent	677,00	1,00	24,00	3,50
AGRICULTURE RELATED Temporary	1,00	0,00	0,00	0,00
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC. Permanent	5,00	0,00	0,00	0,00
ARTISAN PROJECT AND RELATED SUPERINTENDENTS Permanent	1,00	0,00	1,00	100,00
AUXILIARY AND RELATED WORKERS Permanent	27,00	0,00	1,00	3,70
BIOCHEMISTRY PHARMACOL. ZOOLOGY & LIFE SCIE.TECHNI Permanent	206,00	0,00	7,00	3,40
BUILDING AND OTHER PROPERTY CARETAKERS Permanent	5,00	0,00	1,00	20,00

BUS AND HEAVY VEHICLE DRIVERS Permanent	18,00	5,00	0,00	0,00
CIVIL ENGINEERING TECHNICIANS Permanent	1,00	0,00	0,00	0,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC. Permanent	110,00	3,00	8,00	7,30
CLIENT INFORM CLERKS(SWITCHB RECEPTE INFORM CLERKS) Permanent	6,00	4,00	0,00	0,00
COMMUNICATION AND INFORMATION RELATED Permanent	1,00	0,00	0,00	0,00
COMPUTER SYSTEM DESIGNERS AND ANALYSTS. Permanent	2,00	0,00	1,00	50,00
ECONOMISTS Permanent	17,00	0,00	1,00	5,90
ELECTRICAL AND ELECTRONICS ENGINEERING TECHNICIANS Permanent	1,00	0,00	0,00	0,00
ENGINEERING SCIENCES RELATED Permanent	11,00	0,00	2,00	18,20
ENGINEERS AND RELATED PROFESSIONALS Permanent	12,00	1,00	0,00	0,00
FARM HANDS AND LABOURERS Permanent	505,00	2,00	54,00	10,70
FARMING FORESTRY ADVISORS AND FARM MANAGERS Permanent	4,00	0,00	0,00	0,00
FINANCE AND ECONOMICS RELATED Permanent	4,00	0,00	1,00	25,00
FINANCIAL AND RELATED PROFESSIONALS Permanent	10,00	0,00	0,00	0,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS Permanent	37,00	1,00	4,00	10,80
FOOD SERVICES AIDS AND WAITERS Permanent	4,00	0,00	0,00	0,00
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS Permanent	3,00	0,00	0,00	0,00
HORTICULTURISTS FORESTERS AGRICUL.& FORESTRY TECHN Permanent	28,00	0,00	1,00	3,60
HOUSEHOLD AND LAUNDRY WORKERS Permanent	12,00	0,00	1,00	8,30
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS Permanent	10,00	0,00	2,00	20,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF Permanent	25,00	0,00	1,00	4,00
HUMAN RESOURCES CLERKS Permanent	135,00	0,00	73,00	54,10
HUMAN RESOURCES RELATED Permanent	54,00	5,00	1,00	1,90
INFORMATION TECHNOLOGY RELATED Permanent	1,00	0,00	1,00	100,00
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN Permanent	9,00	0,00	1,00	11,10

LIBRARIANS AND RELATED PROFESSIONALS Permanent	5,00	0,00	0,00	0,00
LIBRARY MAIL AND RELATED CLERKS Permanent	2,00	0,00	0,00	0,00
LIGHT VEHICLE DRIVERS Permanent	6,00	1,00	1,00	16,70
LOGISTICAL SUPPORT PERSONNEL Permanent	63,00	13,00	12,00	19,00
MECHANICAL ENGINEERING THECHNICIANS Permanent	4,00	0,00	0,00	0,00
MESSENGERS PORTERS AND DELIVERERS Permanent	10,00	0,00	0,00	0,00
MOTOR VEHICLE DRIVERS Permanent	14,00	3,00	4,00	28,60
MOTORISED FARM AND FORESTRY PLANT OPERATORS Permanent	17,00	0,00	1,00	5,90
NATURAL SCIENCES RELATED Permanent	3,00	0,00	0,00	0,00
NATURE CONSERVATION AND OCEANOGRAPHICAL REL.TECHNI Permanent	1,00	0,00	0,00	0,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS Permanent	186,00	26,00	20,00	10,80
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS Permanent	18,00	3,00	0,00	0,00
OTHER MACHINE OPERATORS Permanent	33,00	2,00	4,00	12,10
OTHER OCCUPATIONS Permanent	184,00	237,00	39,00	21,20
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS Permanent	1,00	0,00	0,00	0,00
RISK MANAGEMENT AND SECURITY SERVICES Permanent	6,00	3,00	6,00	100,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	29,00	7,00	6,00	20,70
SECURITY GUARDS Permanent	68,00	0,00	2,00	2,90
SECURITY OFFICERS Permanent	1,00	0,00	0,00	0,00
SENIOR MANAGERS Permanent	48,00	3,00	8,00	16,70
TRADE LABOURERS Permanent	1,00	0,00	0,00	0,00
VETERINARIANS Permanent	16,00	3,00	1,00	6,30
VETERINARY ASSISTANTS Permanent	6,00	0,00	1,00	16,70
TOTAL	2 716,00	329,00	298,00	11,00

The table below identifies the major reasons why staff left the department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2019 and 31 March 2020

Termination Type	Number	% of Total Resignations
Death	16,00	5,40
Resignation	58,00	19,50
Expiry of contract	149,00	50,00
Dismissal – operational changes	0,00	0,00
Dismissal – misconduct	3,00	1,00
Dismissal – inefficiency	0,00	0,00
Discharged due to ill-health	1,00	0,30

Retirement	71,00	23,80
Transfer to other Public Service Departments	0,00	0,00
Other	0,00	0,00
Total	298,00	100,00
Total number of employees who left as a % of total employment	298/2726	10,93%

Table 3.5.4 Promotions by critical occupation for the period 1 April 2019 and 31 March 2020 (Includes notch progression and upgrade after 15 years in the rank)

Occupation	Employees 1 April 2019	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
ADMINISTRATIVE RELATED	41,00	1,00	2,40	30,00	73,20
AGRICUL ANIMAL OCEANOGRAPHY FORESTRY & OTHER SCIEN	11,00	0,00	0,00	8,00	72,70
AGRICULTURE RELATED	678,00	0,00	0,00	451,00	66,50
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.	5,00	0,00	0,00	4,00	80,00
ARTISAN PROJECT AND RELATED SUPERINTENDENTS	1,00	1,00	100,00	0,00	0,00
AUXILIARY AND RELATED WORKERS	27,00	0,00	0,00	21,00	77,80
BIOCHEMISTRY PHARMACOL. ZOOLOGY & LIFE SCIE.TECHNI	206,00	1,00	0,50	91,00	44,20
BUILDING AND OTHER PROPERTY CARETAKERS	5,00	0,00	0,00	2,00	40,00
BUS AND HEAVY VEHICLE DRIVERS	18,00	0,00	0,00	14,00	77,80
CIVIL ENGINEERING TECHNICIANS	1,00	0,00	0,00	1,00	100,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	110,00	0,00	0,00	20,00	18,20
CLIENT INFORM CLERKS(SWITCHB RECEPTE INFORM CLERKS)	6,00	0,00	0,00	5,00	83,30
COMMUNICATION AND INFORMATION RELATED	1,00	0,00	0,00	1,00	100,00
COMPUTER SYSTEM DESIGNERS AND ANALYSTS.	2,00	0,00	0,00	0,00	0,00
ECONOMISTS	17,00	0,00	0,00	15,00	88,20

ELECTRICAL AND ELECTRONICS ENGINEERING TECHNICIANS	1,00	0,00	0,00	0,00	0,00
ENGINEERING SCIENCES RELATED	11,00	0,00	0,00	7,00	63,60
ENGINEERS AND RELATED PROFESSIONALS	12,00	0,00	0,00	5,00	41,70
FARM HANDS AND LABOURERS	505,00	0,00	0,00	111,00	22,00
FARMING FORESTRY ADVISORS AND FARM MANAGERS	4,00	0,00	0,00	4,00	100,00
FINANCE AND ECONOMICS RELATED	4,00	0,00	0,00	3,00	75,00
FINANCIAL AND RELATED PROFESSIONALS	10,00	0,00	0,00	8,00	80,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS	37,00	1,00	2,70	28,00	75,70
FOOD SERVICES AIDS AND WAITERS	4,00	0,00	0,00	0,00	0,00
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	3,00	0,00	0,00	2,00	66,70
HORTICULTURISTS FORESTERS AGRICUL.& FORESTRY TECHN	28,00	0,00	0,00	18,00	64,30
HOUSEHOLD AND LAUNDRY WORKERS	12,00	0,00	0,00	0,00	0,00
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS	10,00	0,00	0,00	7,00	70,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	25,00	0,00	0,00	18,00	72,00
HUMAN RESOURCES CLERKS	135,00	1,00	0,70	47,00	34,80
HUMAN RESOURCES RELATED	54,00	0,00	0,00	40,00	74,10
INFORMATION TECHNOLOGY RELATED	1,00	0,00	0,00	0,00	0,00
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	9,00	0,00	0,00	9,00	100,00
LIBRARIANS AND RELATED PROFESSIONALS	5,00	0,00	0,00	1,00	20,00
LIBRARY MAIL AND RELATED CLERKS	2,00	0,00	0,00	1,00	50,00
LIGHT VEHICLE DRIVERS	6,00	0,00	0,00	3,00	50,00

LOGISTICAL SUPPORT PERSONNEL	63,00	0,00	0,00	0,00	0,00
MECHANICAL ENGINEERING THECHNICIANS	4,00	0,00	0,00	3,00	75,00
MESSENGERS PORTERS AND DELIVERERS	10,00	1,00	10,00	2,00	20,00
MOTOR VEHICLE DRIVERS	14,00	0,00	0,00	7,00	50,00
MOTORISED FARM AND FORESTRY PLANT OPERATORS	17,00	0,00	0,00	14,00	82,40
NATURAL SCIENCES RELATED	3,00	0,00	0,00	3,00	100,00
NATURE CONSERVATION AND OCEANOGRAPHICAL REL.TECHNI	1,00	0,00	0,00	1,00	100,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	186,00	1,00	0,50	87,00	46,80
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	18,00	0,00	0,00	9,00	50,00
OTHER MACHINE OPERATORS	33,00	0,00	0,00	31,00	93,90
OTHER OCCUPATIONS	184,00	0,00	0,00	33,00	17,90
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS	1,00	0,00	0,00	0,00	0,00
RISK MANAGEMENT AND SECURITY SERVICES	6,00	0,00	0,00	2,00	33,30
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	29,00	0,00	0,00	16,00	55,20
SECURITY GUARDS	68,00	0,00	0,00	4,00	5,90
SECURITY OFFICERS	1,00	0,00	0,00	0,00	0,00
SENIOR MANAGERS	48,00	0,00	0,00	29,00	60,40
TRADE LABOURERS	1,00	0,00	0,00	0,00	0,00
VETERINARIANS	16,00	0,00	0,00	7,00	43,80
VETERINARY ASSISTANTS	6,00	0,00	0,00	4,00	66,70
TOTAL	2 716,00	7,00	0,30	1 227,00	45,20

**Table 3.5.5 Promotions by salary band for the period 1 April 2019 and 31 March 2020
(includes notch progression and upgrade after 15 years in the rank)**

Salary Band	Employees 1 April 2019	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	98,00	0,00	0,00	45,00	45,90
Skilled (Levels3-5)	932,00	0,00	0,00	287,00	30,80
Highly skilled production (Levels 6-8)	816,00	4,00	0,50	505,00	61,90
Highly skilled supervision (Levels 9-12)	546,00	2,00	0,40	320,00	58,60
Highly Skilled Supervision (Levels 9-12), Temporary	1,00	0,00	0,00	1,00	100,00
Senior Management (Level 13-16)	43,00	0,00	0,00	25,00	58,10
Other, Permanent	245,00	0,00	0,00	0,00	0,00
Contract (Levels 3-5), Permanent	7,00	1,00	14,30	1,00	14,30
Contract (Levels 6-8), Permanent	11,00	0,00	0,00	34,00	309,10
Contract (Levels 9-12), Permanent	14,00	0,00	0,00	9,00	64,30
Contract (Levels 13-16), Permanent	3,00	0,00	0,00	0,00	0,00
Total	2 716,00	7,00	0,30	1 227,00	45,20

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	20,00	0,00	0,00	6,00	14,00	1,00	1,00	2,00	44,00
Professionals	366,00	3,00	15,00	27,00	377,00	0,00	24,00	20,00	832,00
Technicians and associate professionals	197,00	1,00	3,00	15,00	146,00	2,00	17,00	10,00	391,00
Clerks	86,00	0,00	2,00	0,00	209,00	7,00	17,00	7,00	328,00
Service Shop and Market Sales Workers	66,00	0,00	0,00	0,00	12,00	0,00	0,00	0,00	78,00
Craft and related trades workers	6,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	6,00
Plant and machine operators and assemblers	87,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	89,00

Labourers and Related Workers	489,00	2,00	1,00	1,00	462,00	0,00	2,00	0,00	957,00
Unknown	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
Elementary occupations	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	1 317,00	6,00	21,00	49,00	1 223,00	10,00	61,00	39,00	2 726,00
Employees with disabilities	8,00	0,00	0,00	1,00	5,00	0,00	0,00	0,00	14,00

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1,00	0,00	0,00	1,00	1,00	0,00	0,00	0,00	3,00
Senior Management	15,00	0,00	0,00	4,00	11,00	1,00	1,00	2,00	34,00
Professionally qualified and experienced specialists and mid-management	238,00	4,00	15,00	40,00	181,00	1,00	22,00	18,00	519,00
Professionally qualified and experienced specialists and mid-management, Temporary	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00	1,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	303,00	0,00	4,00	3,00	439,00	6,00	34,00	16,00	805,00
Semi-skilled and discretionary decision making	541,00	1,00	2,00	1,00	321,00	2,00	4,00	1,00	873,00
Unskilled and defined decision making	57,00	0,00	0,00	0,00	46,00	0,00	0,00	0,00	103,00
Not Available, Permanent	98,00	0,00	0,00	0,00	158,00	0,00	0,00	0,00	256,00
Contract (Top Management), Permanent	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
Contract (Senior Management), Permanent	1,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	2,00
Contract (Professionally Qualified), Permanent	10,00	0,00	0,00	0,00	7,00	0,00	0,00	1,00	18,00
Contract (Skilled Technical), Permanent	27,00	1,00	0,00	0,00	31,00	0,00	0,00	0,00	59,00
Contract (Semi-Skilled), Permanent	25,00	0,00	0,00	0,00	26,00	0,00	0,00	0,00	51,00
Contract (Unskilled), Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
Total	1 317,00	6,00	21,00	49,00	1 223,00	10,00	61,00	39,00	2 726,00

Table 3.6.3 Recruitment for the period 1 April 2018 to 31 March 2020 (inclusive of Contract renewals)

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
Senior Management	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Professionally qualified and experienced specialists and mid-management	2,00	0,00	0,00	0,00	1,00	0,00	2,00	0,00	5,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
Semi-skilled and discretionary decision making	4,00	0,00	0,00	0,00	16,00	1,00	0,00	0,00	21,00
Unskilled and defined decision making	5,00	0,00	0,00	0,00	8,00	0,00	0,00	0,00	13,00
Not Available, Permanent	70,00	1,00	0,00	0,00	101,00	0,00	0,00	0,00	172,00
Contract (Top Management), Permanent	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
Contract (Senior Management), Permanent	2,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	3,00
Contract (Professionally qualified), Permanent	9,00	0,00	0,00	0,00	6,00	0,00	0,00	0,00	15,00
Contract (Skilled technical), Permanent	20,00	0,00	0,00	0,00	20,00	0,00	0,00	0,00	40,00
Contract (Semi-skilled), Permanent	27,00	0,00	0,00	0,00	29,00	0,00	0,00	0,00	56,00
Contract (Unskilled), Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
Total	141,00	1,00	0,00	0,00	184,00	1,00	2,00	0,00	329,00
Employees with disabilities	2,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	3,00

Table 3.6.4 Promotions for the period 1 April 2019 to 31 March 2020 (Inclusive of officials upgraded after 15 years in a rank incl OSD ie. Grade progression)

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management	9,00	0,00	2,00	4,00	8,00	0,00	0,00	2,00	25,00
Professionally qualified and experienced specialists and mid-management	136,00	3,00	6,00	28,00	122,00	1,00	16,00	10,00	322,00
Professionally qualified and experienced specialists and mid-management, Temporary	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00	1,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	201,00	0,00	2,00	2,00	286,00	1,00	13,00	4,00	509,00
Semi-skilled and discretionary decision making	153,00	0,00	1,00	1,00	126,00	1,00	4,00	1,00	287,00
Unskilled and defined decision making	18,00	0,00	0,00	0,00	27,00	0,00	0,00	0,00	45,00
Contract (Senior Management), Permanent	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Professionally qualified), Permanent	6,00	0,00	0,00	0,00	2	0,00	0,00	1,00	9,00
Contract (Skilled technical), Permanent	16,00	1,00	0,00	0,00	17	0,00	0,00	0,00	34,00
Contract (Semi-skilled), Permanent	2,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2,00
Contract (Unskilled), Permanent	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	541,00	4,00	11,00	35,00	588,00	3,00	33,00	19,00	1 234,00
Employees with disabilities	2,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	4,00

Table 3.6.5 Terminations for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2,00
Senior Management	4,00	0,00	1,00	0,00	1,00	0,00	0,00	0,00	6,00

Professionally qualified and experienced specialists and mid-management	15,00	0,00	3,00	6,00	7,00	0,00	1,00	0,00	32,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	8,00	0,00	0,00	0,00	17,00	0,00	0,00	2,00	27,00
Semi-skilled and discretionary decision making	38,00	0,00	0,00	0,00	25,00	0,00	0,00	0,00	63,00
Unskilled and defined decision making	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
Not Available, Permanent	52,00	1,00	0,00	0,00	68,00	0,00	0,00	0,00	121,00
Contract (Senior Management), Permanent	2,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	3,00
Contract (Professionally qualified), Permanent	6,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	9,00
Contract (Skilled technical), Permanent	14,00	0,00	0,00	0,00	8,00	0,00	0,00	0,00	22,00
Contract (Semi-skilled), Permanent	5,00	0,00	0,00	0,00	7,00	0,00	0,00	0,00	12,00
Contract (Unskilled), Permanent	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	147,00	1,00	4,00	6,00	137,00	0,00	1,00	2,00	298,00
Employees with Disabilities	3,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	4,00

Table 3.6.6 Disciplinary action for the period 1 April 2019 to 31 March 2020

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Outcome	2,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	3,00
Written Warning	1,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	2,00
Total	3,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	5,00

Table 3.6.7 Skills development for the period 1 April 2019 to 31 March 2020

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships, Interns, Wil, Artisans	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	6	0	6	0	6
	Male	7	0	7	0	7
Professionals	Female	297	12	267	18	297
	Male	361	14	336	11	361
Technicians and associate professionals	Female	227	75	151	1	227
	Male	317	59	258	0	317
Clerks	Female	42	12	29	1	42
	Male	21	5	15	1	21
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	24	24	0	0	24
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	4	0	4	0	4
	Male	2	0	2	0	2
Sub Total	Female	576	99	457	20	576
	Male	730	103	616	12	730
Total		1360	201	1073	38	1360

3.7. Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2019

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	0,00	0,00	0,00	0,00
Salary Level 16	1	1	1	100%
Salary Level 15	2	2	2	100%
Salary Level 14	4	3	3	100%
Salary Level 13	37	31	27	87%
Total	44	37	33	89.19%

Notes

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2018.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2019

Reasons
3 SMS members were on prolonged leave of absence
1 SMS member was on Maternity Leave

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2019

Reasons
None

3.8 Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations.

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2019 to 31 March 2020

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	89,00	1 309,00	6,80	2 005,69	22 536,00
Female	77,00	1 218,00	6,30	2 091,19	27 158,00
Asian					
Male	3,00	21,00	14,30	194,67	64 891,00
Female	9,00	61,00	14,80	385,24	42 804,00
Coloured					
Male	1,00	6,00	16,70	47,45	47 449,00
Female	2,00	10,00	20,00	56,31	28 156,00
White					
Male	10,00	48,00	20,80	586,29	58 629,00
Female	7,00	39,00	17,90	271,15	38 736,00
Employees with a disability	1,00	14,00	7,10	32,11	32 107,00
Total	199,00	2 726,00	7,30	5 670,11	28 493,00

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2019 to 31 March 2020

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	13,00	103,00	12,60	119,78	9 214,00	1,29
Skilled (level 3-5)	56,00	873,00	6,40	766,63	13 690,00	1,21
Highly skilled production (level 6-8)	69,00	805,00	8,60	1 915,63	27 763,00	6,89
Highly skilled supervision (level 9-12)	59,00	520,00	11,30	2 784,90	47 202,00	5,89
Other	0,00	256,00	0,00	0,00	0,00	0,00
Contract (Levels 1-2)	0,00	1,00	0,00	0,00	0,00	0,00
Contract (Levels 3-5)	0,00	51,00	0,00	0,00	0,00	0,00
Contract (Levels 6-8)	1,00	59,00	1,70	39,69	39 688,00	0,10
Contract (Levels 9-12)	0,00	18,00	0,00	0,00	0,00	0,00
Total	198,00	2 686,00	7,40	5 626,64	28 417,00	15,38

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2019 to 31 March 2020

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
FINANCIAL CLERKS AND CREDIT CONTROLLERS	3,00	34,00	8,80	64,15	21 385,00
HUMAN RESOURCES CLERKS	2,00	63,00	3,20	52,13	26 067,00
MOTORISED FARM AND FORESTRY PLANT OPERATORS	0,00	16,00	0,00	0,00	0,00
SECURITY OFFICERS	0,00	1,00	0,00	0,00	0,00
HOUSEHOLD AND LAUNDRY WORKERS	2,00	11,00	18,20	31,28	15 638,00
VETERINARIANS	1,00	18,00	5,60	35,90	35 904,00
MESSENGERS PORTERS AND DELIVERERS	0,00	10,00	0,00	0,00	0,00
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.	0,00	5,00	0,00	0,00	0,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	2,00	24,00	8,30	74,43	37 213,00

RISK MANAGEMENT AND SECURITY SERVICES	0,00	3,00	0,00	0,00	0,00
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS	0,00	1,00	0,00	0,00	0,00
BIOCHEMISTRY PHARMACOL. ZOOLOGY & LIFE SCIE.TECHNI	31,00	196,00	15,80	1 021,48	32 951,00
LOGISTICAL SUPPORT PERSONNEL	4,00	62,00	6,50	38,07	9 519,00
FINANCE AND ECONOMICS RELATED	1,00	4,00	25,00	99,36	99 357,00
NATURAL SCIENCES RELATED	0,00	3,00	0,00	0,00	0,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	14,00	190,00	7,40	264,98	18 927,00
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS	3,00	8,00	37,50	31,18	10 394,00
AUXILIARY AND RELATED WORKERS	2,00	26,00	7,70	18,70	9 352,00
OTHER OCCUPATIONS	4,00	371,00	1,10	33,57	8 394,00
NATURE CONSERVATION AND OCEANOGRAPHICAL REL.TECHNI	0,00	1,00	0,00	0,00	0,00
AGRICUL ANIMAL OCEANOGRAPHY FORESTRY & OTHER SCIEN	1,00	11,00	9,10	74,73	74 727,00
FINANCIAL AND RELATED PROFESSIONALS	3,00	10,00	30,00	197,72	65 908,00
BUILDING AND OTHER PROPERTY CARETAKERS	0,00	4,00	0,00	0,00	0,00
ADMINISTRATIVE RELATED	3,00	38,00	7,90	95,35	31 784,00
COMMUNICATION AND INFORMATION RELATED	0,00	1,00	0,00	0,00	0,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	3,00	30,00	10,00	78,11	26 036,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	8,00	105,00	7,60	113,91	14 239,00
LIBRARY MAIL AND RELATED CLERKS	0,00	1,00	0,00	0,00	0,00
HUMAN RESOURCES RELATED	7,00	57,00	12,30	337,32	48 188,00
VETERINARY ASSISTANTS	1,00	5,00	20,00	24,48	24 477,00
TRADE LABOURERS	0,00	1,00	0,00	0,00	0,00
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	0,00	8,00	0,00	0,00	0,00

GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	3,00	3,00	100,00	135,38	45 128,00
CIVIL ENGINEERING TECHNICIANS	0,00	1,00	0,00	0,00	0,00
FARM HANDS AND LABOURERS	34,00	452,00	7,50	403,11	11 856,00
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	1,00	22,00	4,50	12,31	12 306,00
ARTISAN PROJECT AND RELATED SUPERINTENDENTS	0,00	0,00	0,00	0,00	0,00
BUS AND HEAVY VEHICLE DRIVERS	1,00	23,00	4,30	15,64	15 642,00
SENIOR MANAGERS	1,00	44,00	2,30	43,47	43 470,00
FARMING FORESTRY ADVISORS AND FARM MANAGERS	1,00	4,00	25,00	18,35	18 352,00
CLIENT INFORM CLERKS(SWITCHB RECEP INFORM CLERKS)	0,00	10,00	0,00	0,00	0,00
COMPUTER SYSTEM DESIGNERS AND ANALYSTS.	0,00	0,00	0,00	0,00	0,00
ECONOMISTS	2,00	16,00	12,50	71,08	35 540,00
ENGINEERS AND RELATED PROFESSIONALS	4,00	13,00	30,80	107,05	26 762,00
OTHER INFORMATION TECHNOLOGY PERSONNEL.	0,00	0,00	0,00	0,00	0,00
LIGHT VEHICLE DRIVERS	1,00	6,00	16,70	30,79	30 786,00
ELECTRICAL AND ELECTRONICS ENGINEERING TECHNICIANS	0,00	1,00	0,00	0,00	0,00
ENGINEERING SCIENCES RELATED	1,00	9,00	11,10	39,69	39 688,00
MOTOR VEHICLE DRIVERS	1,00	13,00	7,70	16,42	16 416,00
SECURITY GUARDS	0,00	66,00	0,00	0,00	0,00
FOOD SERVICES AIDS AND WAITERS	0,00	4,00	0,00	0,00	0,00
OTHER MACHINE OPERATORS	1,00	31,00	3,20	13,89	13 886,00
HORTICULTURISTS FORESTERS AGRICUL.& FORESTRY TECHN	3,00	27,00	11,10	108,44	36 146,00
MECHANICAL ENGINEERING THECHNICIANS	1,00	5,00	20,00	45,90	45 896,00
COMMUNITY DEVELOPMENT WORKERS	0,00	0,00	0,00	0,00	0,00

LIBRARIANS AND RELATED PROFESSIONALS	1,00	5,00	20,00	45,90	1,00
INFORMATION TECHNOLOGY RELATED	0,00	1,00	0,00	0,00	0,00
AGRICULTURE RELATED	49,00	653,00	7,50	1 921,73	49,00
TOTAL	199,00	2 726,00	7,30	5 670,11	28 493,00

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2019 to 31 March 2020

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	1,00	32,00	3,10	43,47	43 470,20	0,10
Band B	0,00	4,00	0,00	0,00	0,00	0,00
Band C	0,00	2,00	0,00	0,00	0,00	0,00
Band D	0,00	2,00	0,00	0,00	0,00	0,00
Total	1,00	40,00	2,50	43,47	43 470,20	0,10

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2019 and 31 March 2020

Salary band	01 April 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% Change
skilled	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled production (Lev. 6-8)	1,00	9,10	1,00	8,30	0,00	0,00
Highly skilled supervision (Lev. 9-12)	10,00	90,90	11,00	91,70	1,00	100,00
Contract (level 9-12)	0,00	0,00	0,00	0,00	0,00	0,00
Contract (level 13-16)	0,00	0,00	0,00	0,00	0,00	0,00
Total	11,00	100,00	12,00	100,00	1,00	100,00

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2018 and 31 March 2019

Major occupation	01 April 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% Change
Administrative office workers	1,00	9,10	1,00	8,30	0,00	0,00

Professionals and managers	10,00	90,90	11,00	91,70	1,00	100,00
Technicians and associated professionals	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL	11,00	100,00	12,00	100,00	1,00	100,00

3.10 Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2019 to 31 December 2020

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	362,00	96,70	54,00	3,90	7,00	206,00
Skilled (Levels 3-5)	3 961,50	90,40	494,00	35,50	8,00	3 320,00
Highly skilled production (levels 6-8)	4 202,00	86,70	480,00	34,50	9,00	6 825,00
Highly skilled supervision (levels 9-12)	1 928,50	87,10	284,00	20,40	7,00	4 877,00
Top and Senior management (levels 13-16)	231,00	94,40	25,00	1,80	9,00	1 068,00
Contract (Levels 3-5)	6,00	33,30	2,00	0,10	3,00	5,00
Contract (Levels 6-8)	121,00	66,10	28,00	2,00	4,00	107,00
Contract (Levels 9-12)	18,00	72,20	4,00	0,30	5,00	39,00
Contract Other	68,00	70,60	21,00	1,50	3,00	28,00
Total	10 898,00	88,20	1 392,00	100,00	8,00	16 475,00

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2019 to 31 December 2020

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0,00	0,00	0,00	0,00	0,00	0,00
Skilled (Levels 3-5)	857,00	100,00	10,00	62,50	86,00	700,00
Highly skilled production (Levels 6-8)	102,00	100,00	2,00	12,50	51,00	173,00
Highly skilled supervision (Levels 9-12)	261,00	100,00	3,00	18,80	87,00	631,00
Senior management (Levels 13-16)	109,00	100,00	1,00	6,30	109,00	453,00
TOTAL	1 329,00	100,00	16,00	100,00	83,00	1 957,00

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.3 Annual Leave for the period 1 January 2019 to 31 December 2020

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	1 959,00	19,00	104,00
Skilled Levels 3-5)	20 500,09	23,00	902,00
Highly skilled production (Levels 6-8)	19 050,00	23,00	811,00
Highly skilled supervision(Levels 9-12)	12 667,92	24,00	534,00
Senior management (Levels 13-16)	795,00	20,00	40,00
Contract (Levels 13-16)	15,00	5,00	3,00
Contract (Levels 3-5)	126,00	7,00	18,00
Contract (Levels 1-2)	0,00	0,00	0,00
Contract (Levels 6-8)	503,00	10,00	52,00
Contract (Levels 9-12)	136,00	12,00	11,00
Contract Other	731,00	8,00	93,00
Total	56 483,01	22,00	2 568,00

Table 3.10.4 Capped leave for the period 1 January 2019 to 31 December 2020

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2019
Lower skilled (Levels 1-2)	0,00	0,00	0,00	0,00
Skilled Levels 3-5)	0,00	0,00	0,00	0,00
Highly skilled production (Levels 6-8)	0,00	0,00	0,00	0,00
Highly skilled supervision(Levels 9-12)	0,00	0,00	0,00	0,00
Senior management (Levels 13-16)	0,00	0,00	0,00	0,00
Contract (Levels 13-16)	0,00	0,00	0,00	0,00
Contract (Levels 3-5)	0,00	0,00	0,00	0,00
Contract (Levels 6-8)	0,00	0,00	0,00	0,00
Contract (Levels 9-12)	0,00	0,00	0,00	0,00
Contract Other	0,00	0,00	0,00	0,00
Total	213,00	29,00	7,00	97,00

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5 Leave payouts for the period 1 April 2019 and 31 March 2020

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2019/20 due to non-utilisation of leave for the previous cycle	1 704,00	62,00	27 484,00
Capped leave payouts on termination of service for 2019/20	12 181,00	89,00	136 865,00
Current leave payout on termination of service for 2019/20	2 933,00	97,00	30 237,00

Total	16 818,00	248,00	194 6,00
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3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Mr LD Madondo
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		4 employees are responsible for the programme. R3, 749,401.59
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		Health and Productivity management – communicable and non-communicable diseases, management of mental health, Management of incapacity and ill- health retirement and health education and promotion. Wellness Management - individual physical wellness, psycho-social, organisational wellness and work-life balance.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	No		The EH&W Committee is in re-appointment stage following end of term of office for the previous EH&W Committee.
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		Policy on official working hours and working arrangements addresses all medical related needs in order to provide holistic support with no exclusion of other related medical conditions.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		HIV/AIDS, STI AND TB Management policy

7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		582 employees know their HIV status. 6 females tested positive.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	No		There is a process to establish partnership with M&E Directorate to conduct the internal M & E process.

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2019 and 31 March 2020

Notes

- If there were no agreements, keep the heading and replace the table with the following:

PSCBC Resolution 1 of 2019 Agreement on the 2019 Reconfiguration of government Departments	25/10/2019
PSCBC Resolution 1 of 2020 Agreement on the amendment of PSCBC Resolution 05 of 2001 annual leave	29/06/2020

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2019 and 31 March 2020

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	Nil	Nil
Verbal warning	Nil	Nil
Written warning	01	12.5%
Final written warning	02	25%
Suspended without pay	01	12.5%
Fine	Nil	Nil
Demotion	Nil	Nil
Dismissal	Nil	Nil
Not guilty	01	12.5%
Case withdrawn	03	37.5%
Total	08	100%

Notes

- If there were no agreements, keep the heading and replace the table with the following:

Total number of Disciplinary hearings finalised	None
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Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2019 and 31 March 2020

Type of misconduct	Number	% of total
Fraud/ theft	1	25%
Misuse of state vehicles	02	50%

Non Disclosure of financial interests	01	25%
Total	04	100%

Table 3.12.4 Grievances logged for the period 1 April 2019 and 31 March 2020

Grievances	Number	% of Total
Number of grievances resolved	04	19%
Number of grievances not resolved	17	81%
Total number of grievances lodged	21	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2019 and 31 March 2020

Disputes	Number	% of Total
Number of disputes upheld	00	00
Number of disputes dismissed	02	29%
Total number of disputes lodged	07	29%

Table 3.12.6 Strike actions for the period 1 April 2019 and 31 March 2020

Total number of persons working days lost	Nil
Total costs working days lost	Nil
Amount recovered as a result of no work no pay (R'000)	Nil

Table 3.12.7 Precautionary suspensions for the period 1 April 2019 and 31 March 2020

Number of people suspended	02
Number of people whose suspension exceeded 30 days	Nil
Average number of days suspended	30 days
Cost of suspension(R'000)	R120 512-87

3.13 Skills development

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2019 and 31 March 2020.

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships, Interns, Wil, Artisans	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	6	0	6	0	6
	Male	7	0	7	0	7
Professionals	Female	297	12	267	18	297
	Male	361	14	336	11	361
Technicians and associate professionals	Female	227	75	151	1	227
	Male	317	59	258	0	317
Clerks	Female	42	12	29	1	42
	Male	21	5	15	1	21
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0

Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	24	24	0	0	24
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	4	0	4	0	4
	Male	2	0	2	0	2
Sub Total	Female	576	99	457	20	576
	Male	730	103	616	12	730
Total		1360	201	1073	38	1360

Table 3.13.2 Training needs provided for the period 1 April 2019 and 31 March 2020.

Occupational category	Gender	Number of employees as at 1 April 2020	Training provided within the reporting period			
			Learnerships, Wii, Interns, Artisans	Skills Programmes & other short courses	Other forms of training - bursaries	Total
Legislators, senior officials and managers	Female	7	0	7	0	7
	Male	7	0	7	0	7
Professionals	Female	299	14	267	18	299
	Male	361	12	338	11	361
Technicians and associate professionals	Female	227	75	152	0	227
	Male	317	59	258	0	317
Clerks	Female	42	12	29	1	42
	Male	21	5	15	1	21
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	45	0	45	0	45
	Male	43	0	43	0	43
Craft and related trades workers	Female	0	0	0	0	0
	Male	24	24	0	0	24
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	2	0	2	0	2
Elementary occupations	Female	2	0	5	0	5
	Male	5	0	2	0	2
Sub Total	Female	625	125	505	19	625
	Male	777	100	665	12	777
Total		1402	225	1170	31	1402

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2019 and 31 March 2020

Nature of injury on duty	Number
Required basic medical attention only	19
Temporary Total Disablement	0
Permanent Disablement	0
Fatal	0
Total	19

3.15 Utilisation of Consultants

The following tables relates information on the utilisation of consultants in the department. In terms of the Public Service Regulations “consultant” means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

- (a) The rendering of expert advice;
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2019 and 31 March 2020

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Amalgamation of DARD Public Entities (Providing advisory services on rationalisation of DARD Entity)	04	12 months project	R4, 503 449
Audit Readiness	7	8 months project	R4,765,219
Treasury Intervention at SCM	13	10 months project	R8,448,000

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
Three	24	30 months	R17,716,668

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2019 and 31 March 2020

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Amalgamation of DARD Public Entities	100%	100%	4
Audit Readiness	100%	100%	7
Treasury Intervention at SCM	100%	100%	13

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2019 and 31 March 2020

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	Nil return	Nil return	Nil return	Nil return



PART E
**FINANCIAL
MANAGEMENT**

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature on vote no. 3: Agriculture and Rural Development

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Agriculture and Rural Development set out on pages 113-200, which comprise the appropriation statement, statement of financial position as at 31 March 2020, statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Agriculture and Rural Development as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and Division of Revenue Act of South Africa, 2019 (Act No. 16 of 2019) (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the department in accordance with sections 290 and 291 of the *Code of ethics for professional accountants* and parts 1 and 3 of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board for Accountants (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Material underspending of the budget

7. As disclosed in note 4 to the appropriation statement, the department materially underspent the budget by R98,65 million on the programmes for administration, agriculture and rural development. This underspending is attributed to agricultural projects that could not be completed and outstanding purchase orders for vehicles.

Non-adjusting event after reporting date

8. I draw attention to note 30 in the financial statements, which deals with subsequent events and specifically the possible effects of the future implications of Covid-19 on the department's future prospects, performance and cash flows. Management have also described how they plan to deal with these events and circumstances.

Other matter

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 201-222 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS, the requirements of the PFMA and the 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.
12. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

15. In accordance with the Public Audit Act of South Africa 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
16. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for programme 2 - agricultural development services presented in pages 33-41 of the annual performance report of the department for the year ended 31 March 2020.
18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
19. The material findings in respect of the usefulness and reliability of the selected programme are as follows:

Programme 2 – agricultural development services

Various indicators

20. The achievements reported in the annual performance report materially differed from the supporting evidence provided for the indicators listed below:

Indicator description	Reported achievement
Number of farmers supported	3 533
Number of smallholder producers supported	3 389
Number of commercial farmers supported	144
Number of smallholder producers supported with agricultural advice	6 591
Number of hectares under irrigation used by smallholder farmers	1 002
Number of jobs created through departmental interventions	523
Number of hectares planted for food production	18 648
Number of farmers trained in agriculture	2 213
Number of participants trained in skills development programmes in the sector	2 213

Various indicators

21. I was unable to obtain sufficient appropriate audit evidence for the reported achievements of 7 of the 38 indicators. This was due to the lack of accurate and complete records. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements in the annual performance report for the indicators listed below:

Indicator description	Reported achievement
Number of animals subject to animal health care measures	17 326
Number of visits to epidemiological units for veterinary interventions	17 326
Number of export control certificates issued	1 619
Percentage level of abattoir compliance to meat safety legislation	100%
Number of laboratory tests performed according to prescribed standards	70 737
Number of agro processing initiatives supported	34
Number of km fenced	342

Various indicators

22. I was unable to obtain sufficient and appropriate evidence to support the reason for variances between the planned targets and the achieved outputs reported in the annual performance report for the indicators listed below. This was due to the lack of supporting evidence. I was unable to confirm the reasons for the variances by alternative means. Consequently, I was unable to determine whether any adjustments were required for the reason for the variances in the annual performance report:

Indicator description	Reported achievement
Number of agri-businesses supported with production economic services	1 500
Number of agro processing initiatives supported	34

Other matters

23. I draw attention to the matters below.

Achievement of planned targets

24. The annual performance report on pages 28-44 includes information on the achievement of planned targets for the year and explanations provided for the under and overachievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 20 to 22 of this report.

Adjustment of material misstatements

25. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of the agricultural development services. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

26. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
27. The material findings on compliance with specific matters in key legislation are as follows:

Expenditure management

28. Effective and appropriate steps were not taken to prevent irregular expenditure of R26,07 million, as disclosed in note 25 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.

Strategic planning and performance management

29. Specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service delivery as required by public service regulation 25(1)(e)(i) and (iii).

Consequence management

30. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA because investigations were not performed.

Other information

31. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that has been specifically reported in this auditor's report.
32. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
33. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
34. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

35. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.
36. Leadership did not exercise adequate oversight responsibility regarding performance reporting and compliance with legislation. In this regard, the accounting officer did not monitor action plans effectively to address internal control deficiencies relating to performance reporting and compliance with legislation.
37. Management did not prepare regular, accurate and complete performance reports that were supported by reliable information. There were inadequate processes in place for the co-ordination and validation of information from the regions to support reported achievements in the annual performance report.

Other reports

38. I draw attention to the following engagements conducted which had, or could have an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

39. The shared internal audit unit for departments in the province conducted eight investigations covering the period 1 April 2009 to 30 June 2020. These investigations related to allegations of fraud, irregular expenditure and procurement irregularities. One investigation was completed, three were referred for criminal investigation, while four cases were in progress.
40. In terms of Proclamation No. R. 9 of 2017 (GG 40594 dated 3 February 2017), the President-in-Cabinet has referred matters which took place between 1 February 2011 to 3 February 2017 to be investigated by the Special Investigating Unit (SIU). The matters relate to the procurement of, and contracting for fertiliser, seeds or seed potatoes or goods, works or services relating to events or event management, and any undisclosed or unauthorised interests by the board members, directors, officials or employees of the department or its entity or any of their family members may have had with contractors, suppliers or service providers. The investigations were completed with the final report being under review at the date of compiling this report.
41. In terms of Proclamation No. R. 36 of 2019 (GG 42577 dates 12 July 2019), the President-in-Cabinet has referred matters which took place between 1 March 2017 to 12 July 2019 to be investigated by the SIU. The matters relate to maladministration in the affairs of Department of Agriculture, Forestry and Fisheries in relation to the mismanagement of the Comprehensive Agriculture Support Programme grant, unauthorised, irregular and fruitless and wasteful expenditure incurred and irregularities in supply chain management processes. The investigations were still in progress at the date of compiling this report.

Auditor - General

Pietermaritzburg

30 September 2020



Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected programme and on the department's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit 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 department's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Department of Agriculture and Rural Development to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

ANNUAL FINANCIAL STATEMENTS FOR DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

**For the year ended
31 March 2020**

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
ANNUAL FINANCIAL STATEMENTS
VOTE 3
for the year ended 31 March 2020

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DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Appropriation per programme									
	2019/2020							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Programme 1	591 869	-	(46 641)	545 228	527 197	18 031	96,7%	536 421	490 025
2. Programme 2	1 969 822	-	48 788	2 018 610	1 941 124	77 486	96,2%	1 824 885	1 619 583
3. Programme 3	26 855	-	(2 147)	24 708	21 577	3 131	87,3%	29 790	17 088
Subtotal	2 588 546	-	-	2 588 546	2 489 898	98 648	96,2%	2 391 096	2 126 696
				2019/2020				2018/19	
				Final Appropriation	Actual Expenditure			Final Appropriation	Actual Expenditure
TOTAL (brought forward)									
Reconciliation with statement of financial performance									
ADD									
Departmental receipts				19 120				21 387	
Actual amounts per statement of financial performance (total revenue)				2 607 666				2 412 483	
ADD									
Actual amounts per statement of financial performance (total expenditure)					2 489 898				2 126 696

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Appropriation per economic classification									
	2019/2020							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	2 176 767	-	(142 760)	2 034 007	2 005 424	28 583	98,6%	1 864 086	1 694 113
Compensation of employees	1 102 743	-	(34 784)	1 067 959	1 065 442	2 517	99,8%	1 024 454	1 023 233
Salaries and wages	947 756	-	(31 469)	916 287	913 780	2 507	99,7%	877 507	876 360
Social contributions	154 987	-	(3 315)	151 672	151 662	10	100,0%	146 947	146 873
Goods and services	1 073 933	-	(107 885)	966 048	939 982	26 066	97,3%	839 623	670 871
Administrative fees	4 562	-	144	4 706	4 706	-	100,0%	3 289	3 289
Advertising	13 439	-	(3 565)	9 874	9 874	-	100,0%	2 632	2 456
Minor assets	6 171	-	(2 754)	3 417	3 417	-	100,0%	5 637	5 332
Audit costs: External	13 806	-	(1 710)	12 096	12 096	-	100,0%	14 268	13 750
Bursaries: Employees	1 186	-	(379)	807	807	-	100,0%	2 159	2 039
Catering: Departmental activities	3 384	-	70	3 454	3 454	-	100,0%	2 763	2 287
Communication (G&S)	24 781	-	(1 539)	23 242	23 242	-	100,0%	26 400	26 346
Computer services	63 722	-	(12 402)	51 320	51 320	-	100,0%	51 210	49 418
Consultants: Business and advisory services	9 864	-	(5 843)	4 021	4 021	-	100,0%	11 869	4 469
Infrastructure and planning services	77 751	-	4 180	81 931	81 931	-	100,0%	88 778	64 011
Laboratory services	18	-	29	47	47	-	100,0%	26	26
Legal services	2 368	-	(372)	1 996	1 996	-	100,0%	1 461	1 461
Contractors	67 169	-	(27 767)	39 402	39 402	-	100,0%	36 798	34 057
Agency and support/outsourced services	17 811	-	(2 824)	14 987	13 134	1 853	87,6%	12 777	10 265

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

VOTE 3

APPROPRIATION STATEMENT
for the year ended 31 March 2020

Entertainment	-	-	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	42 538	-	-	1 304	43 842	43 842	-	-	100,0%	42 366	42 366
Inventory: Clothing material and accessories	4	-	-	1	5	5	-	-	100,0%	7	7
Inventory: Farming supplies	382 053	-	-	(19 558)	362 495	345 487	17 008	95,3%	222 029	117 727	
Inventory: Fuel, oil and gas	4 329	-	-	(847)	3 482	3 482	-	100,0%	2 473	2 297	
Inventory: Learner and teacher support material	1 480	-	-	(1 089)	391	391	-	100,0%	994	994	
Inventory: Materials and supplies	30 244	-	-	(16 936)	13 308	11 179	2 129	84,0%	17 880	14 772	
Inventory: Medical supplies	2 384	-	-	(1 423)	961	961	-	100,0%	2 849	1 536	
Inventory: Medicine	15 963	-	-	(2 406)	13 557	13 543	14	99,9%	34 577	29 114	
Consumable supplies	35 349	-	-	(12 073)	23 276	22 351	925	96,0%	19 623	14 901	
Consumable: Stationery, printing and office supplies	7 935	-	-	(3 447)	4 488	4 488	-	100,0%	4 460	4 111	
Operating leases	35 751	-	-	(2 526)	33 225	33 225	-	100,0%	33 840	33 757	
Property payments	98 626	-	-	20 124	118 750	118 638	112	99,9%	110 704	107 241	
Transport provided: Departmental activity	737	-	-	(737)	-	-	-	-	352	352	
Travel and subsistence	86 761	-	-	(9 210)	77 551	75 996	1 555	98,0%	66 691	66 273	
Training and development	12 608	-	-	(4 510)	8 098	5 628	2 470	69,5%	9 360	5 128	
Operating payments	10 788	-	-	(25)	10 763	10 763	-	100,0%	11 049	10 997	
Venues and facilities	295	-	-	247	542	542	-	100,0%	262	92	
Rental and hiring	56	-	-	(42)	14	14	-	100,0%	40	-	
Interest and rent on land	91	-	-	(91)	-	-	-	-	9	9	
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	9	9	
Rent on land	91	-	-	(91)	-	-	-	-	-	-	
Transfers and subsidies	315 783	-	-	97 277	413 060	409 600	3 460	99,2%	326 267	320 815	
Provinces and municipalities	2 159	-	-	(1)	2 158	1 697	461	78,6%	2 083	1 626	
Provinces	2 121	-	-	(1)	2 120	1 667	453	78,6%	2 058	1 601	
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-	-	

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Provincial agencies and funds	2 121	-	(1)	2 120	1 667	453	78,6%	2 058	1 601
Municipalities	38	-	-	38	30	8	78,9%	25	25
Municipal agencies and funds	38	-	-	38	30	8	78,9%	25	25
Departmental agencies and accounts	136 485	-	1	136 486	136 363	123	99,9%	122 840	122 649
Departmental agencies and accounts	136 485	-	1	136 486	136 363	123	99,9%	122 840	122 649
Higher education institutions	100	-	-	100	100	-	100,0%	92	92
Public corporations and private enterprises	160 340	-	91 761	252 101	250 376	1 725	99,3%	174 175	171 426
Public corporations	62 094	-	-	62 094	62 094	-	100,0%	82 358	82 358
Other transfers to public corporations	62 094	-	-	62 094	62 094	-	100,0%	82 358	82 358
Private enterprises	98 246	-	91 761	190 007	188 282	1 725	99,1%	91 817	89 068
Other transfers to private enterprises	98 246	-	91 761	190 007	188 282	1 725	99,1%	91 817	89 068
Households	16 699	-	5 516	22 215	21 064	1 151	94,8%	27 077	25 022
Social benefits	11 453	-	5 716	17 169	17 169	-	100,0%	22 077	22 077
Other transfers to households	5 246	-	(200)	5 046	3 895	1 151	77,2%	5 000	2 945
Payments for capital assets	95 996	-	44 621	140 617	74 012	66 605	52,6%	199 054	110 079
Buildings and other fixed structures	40 060	-	59 311	99 371	56 846	42 525	57,2%	132 520	63 165
Buildings	24 367	-	17 436	41 803	36 189	5 614	86,6%	72 261	26 159
Other fixed structures	15 693	-	41 875	57 568	20 657	36 911	35,9%	60 259	37 006
Machinery and equipment	55 366	-	(14 120)	41 246	17 166	24 080	41,6%	65 984	46 695
Transport equipment	29 423	-	(872)	28 551	5 615	22 936	19,7%	31 174	31 174
Other machinery and equipment	25 943	-	(13 248)	12 695	11 551	1 144	91,0%	34 810	15 521
Biological assets	570	-	(570)	-	-	-	-	550	219
Land and subsoil assets									
Payments for financial assets	-	-	862	862	862	-	100,0%	1 689	1 689
	2 588 546	-	-	2 588 546	2 489 898	98 648	96,2%	2 391 096	2 126 696

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 1: ADMINISTRATION								2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
Office of the Mec	22 484	-	190	22 674	22 674	-	100,0%	14 786	14 729
Senior Management	58 953	-	(8 494)	50 459	50 459	-	100,0%	59 344	54 738
Corporate Services	330 652	-	(22 643)	308 009	306 735	1 274	99,6%	270 429	262 469
Financial Management	143 819	-	(8 742)	135 077	118 320	16 757	87,6%	166 400	133 806
Communication Services	35 961	-	(6 952)	29 009	29 009	-	100,0%	25 462	24 283
Total for sub programmes	591 869	-	(46 641)	545 228	527 197	18 031	96,7%	536 421	490 025
Economic classification									
Current payments	541 316	-	(36 575)	504 741	504 741	-	100,0%	457 609	446 646
Compensation of employees	231 553	-	(11 083)	220 470	220 470	-	100,0%	213 402	213 402
Salaries and wages	199 507	-	(8 320)	191 187	191 187	-	100,0%	185 227	185 227
Social contributions	32 046	-	(2 763)	29 283	29 283	-	100,0%	28 175	28 175
Goods and services	309 763	-	(25 492)	284 271	284 271	-	100,0%	244 204	233 241
Administrative fees	1 703	-	60	1 763	1 763	-	100,0%	1 123	1 123
Advertising	13 231	-	(3 565)	9 666	9 666	-	100,0%	2 579	2 423
Minor assets	1 143	-	(821)	322	322	-	100,0%	123	123
Audit costs: External	16 309	-	(4 278)	12 031	12 031	-	100,0%	14 268	13 750
Bursaries: Employees	1 086	-	(279)	807	807	-	100,0%	2 039	2 039
Catering: Departmental activities	654	-	121	775	775	-	100,0%	390	390
Communication (G&S)	15 917	-	298	16 215	16 215	-	100,0%	17 406	17 406
Computer services	57 129	-	(12 370)	44 759	44 759	-	100,0%	49 338	47 546

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Consultants: Business and advisory services	6 779	-	(2 758)	4 021	4 021	-	100,0%	8 519	4 469
Infrastructure and planning services	156	-	-	156	156	-	100,0%	276	276
Legal services	2 368	-	(372)	1 996	1 996	-	100,0%	1 461	1 461
Contractors	15 053	-	(2 259)	12 794	12 794	-	100,0%	16 257	16 257
Agency and support/ outsourced services	484	-	(10)	474	474	-	100,0%	45	45
Fleet services (including government motor transport)	7 243	-	4 542	11 785	11 785	-	100,0%	9 435	9 435
Inventory: Farming supplies	545	-	(545)	-	-	-	-	135	135
Inventory: Fuel, oil and gas	1	-	2	3	3	-	100,0%	-	-
Consumable supplies	8 250	-	(5 095)	3 155	3 155	-	100,0%	4 191	3 168
Consumable: Stationery, printing and office supplies	4 151	-	(2 155)	1 996	1 996	-	100,0%	1 923	1 923
Operating leases	31 434	-	(2 440)	28 994	28 994	-	100,0%	29 672	29 672
Property payments	91 417	-	9 327	100 744	100 744	-	100,0%	61 270	57 846
Travel and subsistence	23 180	-	(939)	22 241	22 241	-	100,0%	16 192	16 192
Training and development	5 706	-	(3 307)	2 399	2 399	-	100,0%	1 126	1 126
Operating payments	5 810	-	1 351	7 161	7 161	-	100,0%	6 344	6 344
Venues and facilities	8	-	-	8	8	-	100,0%	92	92
Rental and hiring	6	-	-	6	6	-	100,0%	-	-
Interest and rent on land	-	-	-	-	-	-	-	3	3
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	3	3
Transfers and subsidies	10 258	-	1 621	11 879	10 433	1 446	87,8%	12 301	10 071
Provinces and municipalities	1 200	-	-	1 200	1 028	172	85,7%	1 180	996
Provinces	1 200	-	-	1 200	1 028	172	85,7%	1 180	996
Provincial agencies and funds	1 200	-	-	1 200	1 028	172	85,7%	1 180	996
Departmental agencies and accounts	2 831	-	-	2 831	2 708	123	95,7%	2 823	2 632
Social security funds	-	-	-	-	-	-	-	-	-

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Departmental agencies	2 831	-	-	2 831	2 708	123	95,7%	2 823	2 632
Households	6 227	-	1 621	7 848	6 697	1 151	85,3%	8 298	6 443
Social benefits	1 227	-	1 621	2 848	2 848	-	100,0%	3 498	3 498
Other transfers to households	5 000	-	-	5 000	3 849	1 151	77,0%	4 800	2 945
Payments for capital assets	40 295	-	(12 534)	27 761	11 176	16 585	40,3%	65 777	32 574
Buildings and other fixed structures	19 345	-	(12 788)	6 557	6 557	-	100,0%	38 767	6 485
Buildings	19 345	-	(12 813)	6 532	6 532	-	100,0%	38 767	6 485
Other fixed structures	-	-	25	25	25	-	100,0%	-	-
Machinery and equipment	20 950	-	254	21 204	4 619	16 585	21,8%	27 010	26 089
Transport equipment	18 323	-	528	18 851	2 266	16 585	12,0%	24 468	24 468
Other machinery and equipment	2 627	-	(274)	2 353	2 353	-	100,0%	2 542	1 621
Payments for financial assets	-	-	847	847	847	-	100,0%	734	734

Subprogramme: 1.1: OFFICE OF THE MEC

Economic classification	2019/2020							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	22 222	-	(56)	22 166	22 166	-	100,0%	14 335	14 335
Compensation of employees	12 505	-	2 080	14 585	14 585	-	100,0%	9 128	9 128
Goods and services	9 717	-	(2 136)	7 581	7 581	-	100,0%	5 207	5 207
Transfers and subsidies	204	-	238	442	442	-	100,0%	18	18
Households	204	-	238	442	442	-	100,0%	18	18
Payments for capital assets	58	-	(22)	36	36	-	100,0%	428	371
Machinery and equipment	58	-	(22)	36	36	-	100,0%	428	371
Payments for financial assets	-	-	30	30	30	-	100,0%	5	5

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Subprogramme: 1.2: SENIOR MANAGEMENT									2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Current payments	58 641	-	(9 029)	49 612	49 612	-	100,0%	57 390	52 822	
Compensation of employees	31 265	-	(2 770)	28 495	28 495	-	100,0%	30 567	30 567	
Goods and services	27 376	-	(6 259)	21 117	21 117	-	100,0%	26 823	22 255	
Transfers and subsidies	100	-	608	708	708	-	100,0%	1 471	1 471	
Households	100	-	608	708	708	-	100,0%	1 471	1 471	
Payments for capital assets	212	-	(73)	139	139	-	100,0%	483	445	
Machinery and equipment	212	-	(73)	139	139	-	100,0%	483	445	
Payments for financial assets	-	-	-	-	-	-	-	-	-	
Total	58 953	-	(8 494)	50 459	50 459	-	100,0%	59 344	54 738	

Subprogramme: 1.3: CORPORATE SERVICES									2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Current payments	320 803	-	(23 271)	297 532	297 532	-	100,0%	261 162	255 946	
Compensation of employees	115 202	-	(9 239)	105 963	105 963	-	100,0%	103 787	103 787	
Goods and services	205 601	-	(14 032)	191 569	191 569	-	100,0%	157 372	152 156	
Interest and rent on land	-	-	-	-	-	-	-	3	3	
Transfers and subsidies	8 708	-	722	9 430	8 156	1 274	86,5%	8 278	6 232	
Departmental agencies and accounts	2 831	-	-	2 831	2 708	123	95,7%	2 823	2 632	

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Households	5 877	-	722	6 599	5 448	1 151	82,6%	5 455	3 600
Payments for capital assets	1 141	-	(95)	1 046	1 046	-	100,0%	986	288
Machinery and equipment	1 141	-	(95)	1 046	1 046	-	100,0%	986	288
Payments for financial assets			1	1	1	-	100,0%	3	3
Total	330 652	-	(22 643)	308 009	306 735	1 274	99,6%	270 429	262 469

Subprogramme: 1.4: FINANCIAL MANAGEMENT								2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	103 955	-	2 702	106 657	106 657	-	100,0%	99 413	99 413
Compensation of employees	62 939	-	(1 244)	61 695	61 695	-	100,0%	60 778	60 778
Goods and services	41 016	-	3 946	44 962	44 962	-	100,0%	38 635	38 635
Transfers and subsidies	1 246	-	53	1 299	1 127	172	86,8%	2 461	2 277
Provinces and municipalities	1 200	-	-	1 200	1 028	172	85,7%	1 180	996
Households	46	-	53	99	99	-	100,0%	1 281	1 281
Payments for capital assets	38 618	-	(12 313)	26 305	9 720	16 585	37,0%	63 800	31 390
Buildings and other fixed structures	19 345	-	(12 788)	6 557	6 557	-	100,0%	38 767	6 485
Machinery and equipment	19 273	-	475	19 748	3 163	16 585	16,0%	25 033	24 905
Payments for financial assets			816	816	816	-	100,0%	726	726
Total	143 819	-	(8 742)	135 077	118 320	16 757	87,6%	166 400	133 806

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Subprogramme: 1.5: COMMUNICATION SERVICES									
Economic classification	2019/2020							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	35 695	-	(6 921)	28 774	28 774	-	100,0%	25 309	24 130
Compensation of employees	9 642	-	90	9 732	9 732	-	100,0%	9 142	9 142
Goods and services	26 053	-	(7 011)	19 042	19 042	-	100,0%	16 167	14 988
Transfers and subsidies	-	-	-	-	-	-	-	73	73
/Provinces and municipalities	-	-	-	-	-	-	-	73	73
Households	-	-	-	-	-	-	-	73	73
Payments for capital assets	266	-	(31)	235	235	-	100,0%	80	80
Machinery and equipment	266	-	(31)	235	235	-	100,0%	80	80
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	35 961	-	(6 952)	29 009	29 009	-	100,0%	25 462	24 283

Programme 2: AGRICULTURE									
	2019/2020							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
Sustainable Resource Management	92 386	-	(15 234)	77 152	77 152	-	100,0%	82 306	74 186
Farmer Support and Development	1 374 876	-	82 756	1 457 632	1 382 007	75 625	94,8%	1 248 775	1 077 006
Veterinary Services	207 617	-	8 634	216 251	216 251	-	100,0%	215 535	208 050

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Research and Technology	177 812	-	(24 978)	152 834	152 834	-	100,0%	173 938	159 520
Development Services									
Agricultural Economic Services	10 830	-	(1 759)	9 071	9 071	-	100,0%	8 363	8 363
Structured Agricultural Education and Training	106 301	-	(631)	105 670	103 809	1 861	98,2%	95 968	92 458
	1 969 822	-	48 788	2 018 610	1 941 124	77 486	96,2%	1 824 885	1 619 583
Economic classification									
Current payments	1 608 891	-	(102 424)	1 506 467	1 479 450	27 017	98,2%	1 378 161	1 231 665
Compensation of employees	851 789	-	(23 322)	828 467	827 516	951	99,9%	798 491	798 491
Salaries and wages	730 373	-	(23 168)	707 205	706 254	951	99,9%	680 909	680 909
Social contributions	121 416	-	(154)	121 262	121 262	-	100,0%	117 582	117 582
Goods and services	757 011	-	(79 011)	678 000	651 934	26 066	96,2%	579 664	433 168
Administrative fees	2 742	-	130	2 872	2 872	-	100,0%	2 059	2 059
Advertising	208	-	-	208	208	-	100,0%	33	33
Minor assets	4 981	-	(1 897)	3 084	3 084	-	100,0%	5 506	5 201
Audit costs: External	(2 503)	-	2 568	65	65	-	100,0%	-	-
Bursaries: Employees	100	-	(100)	-	-	-	-	-	-
Catering: Departmental activities	2 527	-	146	2 673	2 673	-	100,0%	1 735	1 735
Communication (G&S)	8 817	-	(1 790)	7 027	7 027	-	100,0%	8 801	8 801
Computer services	6 093	-	468	6 561	6 561	-	100,0%	1 872	1 872
Consultants: Business and advisory services	3 085	-	(3 085)	-	-	-	-	3 000	-
Infrastructure and planning services	77 595	-	4 180	81 775	81 775	-	100,0%	84 126	63 735
Laboratory services	18	-	29	47	47	-	100,0%	26	26
Contractors	51 608	-	(25 991)	25 617	25 617	-	100,0%	20 230	17 489
Agency and support/ outsourced services	17 252	-	(2 739)	14 513	12 660	1 853	87,2%	10 408	10 220
Fleet services (including government motor transport)	35 295	-	(3 238)	32 057	32 057	-	100,0%	32 899	32 899

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Inventory: Clothing material and accessories	4	-	1	5	5	-	100,0%	7	7
Inventory: Farming supplies	381 508	-	(19 013)	362 495	345 487	17 008	95,3%	221 894	117 592
Inventory: Fuel, oil and gas	4 328	-	(849)	3 479	3 479	-	100,0%	2 473	2 297
Inventory: Learner and teacher support material	1 480	-	(1 089)	391	391	-	100,0%	994	994
Inventory: Materials and supplies	30 244	-	(16 936)	13 308	11 179	2 129	84,0%	17 880	14 772
Inventory: Medical supplies	2 384	-	(1 423)	961	961	-	100,0%	2 849	1 536
Inventory: Medicine	15 963	-	(2 406)	13 557	13 543	14	99,9%	34 577	29 114
Consumable supplies	25 198	-	(6 127)	19 071	18 146	925	95,1%	14 188	10 489
Consumable: Stationery, printing and office supplies	3 649	-	(1 209)	2 440	2 440	-	100,0%	2 451	2 102
Operating leases	4 137	-	(36)	4 101	4 101	-	100,0%	4 017	3 934
Property payments	7 209	-	10 797	18 006	17 894	112	99,4%	49 434	49 395
Transport provided: Departmental activity	737	-	(737)	-	-	-	-	-	-
Travel and subsistence	60 934	-	(7 090)	53 844	52 289	1 555	97,1%	48 211	48 211
Training and development	6 380	-	(681)	5 699	3 229	2 470	56,7%	5 341	4 002
Operating payments	4 951	-	(1 349)	3 602	3 602	-	100,0%	4 653	4 653
Venues and facilities	87	-	447	534	534	-	100,0%	-	-
Rental and hiring	-	-	8	8	8	-	100,0%	-	-
Interest and rent on land	91	-	(91)	-	-	-	-	6	6
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	6	6
Rent on land	91	-	(91)	-	-	-	-	-	-
Transfers and subsidies	305 406	-	94 042	399 448	398 934	514	99,9%	313 795	310 573
Provinces and municipalities	959	-	(1)	958	669	289	69,8%	903	630
Provinces	921	-	(1)	920	639	281	69,5%	878	605
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	921	-	(1)	920	639	281	69,5%	878	605
Municipalities	38	-	-	38	30	8	78,9%	25	25

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Municipal agencies and funds	38	-	-	38	30	8	78,9%	25	25
Departmental agencies and accounts	133 654	-	1	133 655	133 655	-	100,0%	120 017	120 017
Departmental agencies	133 654	-	1	133 655	133 655	-	100,0%	120 017	120 017
Public corporations and private enterprises	160 340	-	90 261	250 601	250 376	225	99,9%	174 175	171 426
Public corporations	62 094	-	-	62 094	62 094	-	100,0%	82 358	82 358
Other transfers to public corporations	62 094	-	-	62 094	62 094	-	100,0%	82 358	82 358
Private enterprises	98 246	-	90 261	188 507	188 282	225	99,9%	91 817	89 068
Other transfers to private enterprises	98 246	-	90 261	188 507	188 282	225	99,9%	91 817	89 068
Households	10 453	-	3 781	14 234	14 234	-	100,0%	18 700	18 500
Social benefits	10 207	-	3 981	14 188	14 188	-	100,0%	18 500	18 500
Other transfers to households	246	-	(200)	46	46	-	100,0%	200	-
Payments for capital assets	55 525	-	57 155	112 680	62 725	49 955	55,7%	132 926	77 342
Buildings and other fixed structures	20 715	-	72 099	92 814	50 289	42 525	54,2%	93 753	56 680
Buildings	5 022	-	30 249	35 271	29 657	5 614	84,1%	33 494	19 674
Other fixed structures	15 693	-	41 850	57 543	20 632	36 911	35,9%	60 259	37 006
Machinery and equipment	34 240	-	(14 374)	19 866	12 436	7 430	62,6%	38 623	20 443
Transport equipment	11 100	-	(1 400)	9 700	3 349	6 351	34,5%	6 706	6 706
Other machinery and equipment	23 140	-	(12 974)	10 166	9 087	1 079	89,4%	31 917	13 737
Biological assets	570	-	(570)	-	-	-	-	550	219
Payments for financial assets	-	-	15	15	15	-	100,0%	3	3
Total	1 969 822	-	48 788	2 018 610	1 941 124	77 486	96,2%	1 824 885	1 619 583

Subprogramme: 2.1: SUSTAINABLE RESOURCE MANAGEMENT

	2019/20							2018/19	
	Adjusted	Shifting of	Virement	Final	Actual	Variance	Expenditure	Final	Actual

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Economic classification	Appropriation	Funds		Appropriation	Expenditure		as % of final appropriation	Appropriation	expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	89 291	-	(15 211)	74 080	74 080	-	100,0%	78 461	72 580
Compensation of employees	32 469	-	(3 076)	29 393	29 393	-	100,0%	26 275	26 275
Goods and services	56 822	-	(12 135)	44 687	44 687	-	100,0%	52 186	46 305
Transfers and subsidies	2 015	-	(200)	1 815	1 815	-	100,0%	2 243	426
Provinces and municipalities	1 815	-	-	1 815	1 815	-	100,0%	1 817	-
Public corporations and private enterprises									
Households	200	-	(200)	-	-	-	-	426	426
Payments for capital assets	1 080	-	177	1 257	1 257	-	100,0%	1 602	1 180
Buildings and other fixed structures	1 080	-	177	1 257	1 257	-	100,0%	1 602	1 180
Payments for financial assets									
Total	92 386	-	(15 234)	77 152	77 152	-	100,0%	82 306	74 186

Subprogramme: 2.2: FARMER SUPPORT AND DEVELOPMENT

	2019/20							2018/19	
	Adjusted Appropriati	Shifting of	Virement	Final Appropriatio	Actual	Variance	Expenditure as % of final	Final	Actual

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Economic classification	on	Funds	n	Expenditure		appropriation	Appropriation	expenditure	
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Current payments	1 052 313	-	(71 278)	981 035	955 871	25 164	97,4%	844 825	711 114
Compensation of employees	494 261	-	(13 121)	481 140	480 189	951	99,8%	463 329	463 329
Goods and services	558 052	-	(58 157)	499 895	475 682	24 213	95,2%	381 491	247 780
Interest and rent on land	-	-	-	-	-	-	-	5	5
Transfers and subsidies	300 458	-	93 537	393 995	393 489	506	99,9%	307 812	306 407
Provinces and municipalities	921	-	(1)	920	639	281	69,5%	878	605
Departmental agencies and accounts	133 653	-	1	133 654	133 654	-	100,0%	120 014	120 014
Public corporations and private enterprises	158 525	-	90 261	248 786	248 561	225	99,9%	172 358	171 426
Non-profit institutions									
Households	7 359	-	3 276	10 635	10 635	-	100,0%	14 562	14 362
Payments for capital assets	22 105	-	60 488	82 593	32 638	49 955	39,5%	96 136	59 483
Buildings and other fixed structures	204	-	68 584	68 788	26 263	42 525	38,2%	70 344	45 990
Machinery and equipment	21 901	-	(8 096)	13 805	6 375	7 430	46,2%	25 792	13 493
Payments for financial assets			9	9	9	-	100,0%	2	2
Total	1 374 876	-	82 756	1 457 632	1 382 007	75 625	94,8%	1 248 775	1 077 006

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Subprogramme: 2.3: VETERINARY SERVICES									2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Current payments	205 686	-	7 330	213 016	213 016	-	100,0%	212 808	205 904	
Compensation of employees	138 267	-	940	139 207	139 207	-	100,0%	133 637	133 637	
Goods and services	67 419	-	6 390	73 809	73 809	-	100,0%	79 171	72 267	
Transfers and subsidies	922	-	305	1 227	1 227	-	100,0%	1 663	1 663	
Provinces and municipalities										
Departmental agencies and accounts	1	-	-	1	1	-	100,0%	3	3	
Households	921	-	305	1 226	1 226	-	100,0%	1 660	1 660	
Payments for capital assets	1 009	-	999	2 008	2 008	-	100,0%	1 064	483	
Buildings and other fixed structures	-	-	1 357	1 357	1 357	-	100,0%	35	35	
Machinery and equipment	1 009	-	(358)	651	651	-	100,0%	1 029	448	
Payments for financial assets										
Total	207 617	-	8 634	216 251	216 251	-	100,0%	215 535	208 050	

Subprogramme: 2.4: RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES									2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	

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Current payments	159 159	-	(14 057)	145 102	145 102	-	100,0%	151 523	151 523
Compensation of employees	122 652	-	(4 206)	118 446	118 446	-	100,0%	118 056	118 056
Goods and services	36 416	-	(9 760)	26 656	26 656	-	100,0%	33 466	33 466
Interest and rent on land	91	-	(91)	-	-	-	-	1	1
Transfers and subsidies	1 877	-	5	1 882	1 882	-	100,0%	1 543	1 543
Households	1 877	-	5	1 882	1 882	-	100,0%	1 543	1 543
Payments for capital assets	16 776	-	(10 928)	5 848	5 848	-	100,0%	20 871	6 453
Buildings and other fixed structures	7 119	-	(4 208)	2 911	2 911	-	100,0%	11 236	1 613
Machinery and equipment	9 087	-	(6 150)	2 937	2 937	-	100,0%	9 085	4 621
Heritage assets									
Biological assets	570		(570)	-	-	-	-	550	219
Payments for financial assets			2	2	2	-	100,0%	1	1
Total	177 812	-	(24 978)	152 834	152 834	-	100,0%	173 938	159 520

Subprogramme: 2.5: AGRICULTURAL ECONOMIC SERVICES

Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	10 830	-	(1 759)	9 071	9 071	-	100,0%	7 956	7 956
Compensation of employees	9 113	-	(872)	8 241	8 241	-	100,0%	7 262	7 262
Goods and services	1 717	-	(887)	830	830	-	100,0%	694	694
Transfers and subsidies	-	-	-	-	-	-	-	407	407
Households	-	-	-	-	-	-	-	407	407
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

VOTE 3

APPROPRIATION STATEMENT
for the year ended 31 March 2020

Total	10 830	-	(1 759)	9 071	9 071	-	100,0%	8 363	8 363
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Subprogramme: 2.6: STRUCTURED AGRICULTURAL EDUCATION AND TRAINING									
Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	91 612	-	(7 449)	84 163	82 310	1 853	97,8%	82 588	82 588
Compensation of employees	55 027	-	(2 987)	52 040	52 040	-	100,0%	49 932	49 932
Goods and services	36 585	-	(4 462)	32 123	30 270	1 853	94,2%	32 656	32 656
Transfers and subsidies	134	-	395	529	521	8	98,5%	127	127
Provinces and municipalities	38	-	-	38	30	8	78,9%	25	25
Households	96	-	395	491	491	-	100,0%	102	102
Payments for capital assets	14 555	-	6 419	20 974	20 974	-	100,0%	13 253	9 743
Buildings and other fixed structures	13 392	-	6 366	19 758	19 758	-	100,0%	12 138	9 042
Machinery and equipment	1 163	-	53	1 216	1 216	-	100,0%	1 115	701
Payments for financial assets			4	4	4	-	100,0%	-	-
Total	106 301	-	(631)	105 670	103 809	1 861	98,2%	95 968	92 458

Programme 3: RURAL DEVELOPMENT									
	2019/2020							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
Rural Development Coordination	6 934	-	(1 462)	5 472	5 221	251	95,4%	7 462	6 207
Social Facilitation	19 921	-	(685)	19 236	16 356	2 880	85,0%	22 328	10 881

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3
APPROPRIATION STATEMENT
for the year ended 31 March 2020

	26 855	-	(2 147)	24 708	21 577	3 131	87,3%	29 790	17 088
Economic classification									
Current payments	26 560	-	(3 761)	22 799	21 233	1 566	93,1%	28 316	15 802
Compensation of employees	19 401	-	(379)	19 022	17 456	1 566	91,8%	12 561	11 340
Salaries and wages	17 876	-	19	17 895	16 339	1 556	91,3%	11 371	10 224
Social contributions	1 525	-	(398)	1 127	1 117	10	99,1%	1 190	1 116
Goods and services	7 159	-	(3 382)	3 777	3 777	-	100,0%	15 755	4 462
Administrative fees	117	-	(46)	71	71	-	100,0%	107	107
Advertising	-	-	-	-	-	-	-	20	-
Minor assets	47	-	(36)	11	11	-	100,0%	8	8
Bursaries: Employees	-	-	-	-	-	-	-	120	-
Catering: Departmental activities	203	-	(197)	6	6	-	100,0%	638	162
Communication (G&S)	47	-	(47)	-	-	-	-	193	139
Computer services	500	-	(500)	-	-	-	-	-	-
Consultants: Business and advisory services	-	-	-	-	-	-	-	350	-
Infrastructure and planning services	-	-	-	-	-	-	-	4 376	-
Contractors	508	-	483	991	991	-	100,0%	311	311
Agency and support/outsourced services	75	-	(75)	-	-	-	-	2 324	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	32	32
Consumable supplies	1 901	-	(851)	1 050	1 050	-	100,0%	1 244	1 244
Consumable: Stationery, printing and office supplies	135	-	(83)	52	52	-	100,0%	86	86
Operating leases	180	-	(50)	130	130	-	100,0%	151	151
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	352	352
Travel and subsistence	2 647	-	(1 181)	1 466	1 466	-	100,0%	2 288	1 870
Training and development	522	-	(522)	-	-	-	-	2 893	-
Operating payments	27	-	(27)	-	-	-	-	52	-

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

VOTE 3

APPROPRIATION STATEMENT
for the year ended 31 March 2020

Venues and facilities	200	-	(200)	-	-	-	-	-	170	-
Rental and hiring	50	-	(50)	-	-	-	-	-	40	-
Transfers and subsidies	119	-	1 614	1 733	233	1 500	13,4%	171	171	
Higher education institutions	100	-	-	100	100	-	100,0%	92	92	
Public corporations and private enterprises	-	-	1 500	1 500	-	1 500	-	-	-	
Private enterprises	-	-	1 500	1 500	-	1 500	-	-	-	
Other transfers to private enterprises	-	-	1 500	1 500	-	1 500	-	-	-	
Households	19	-	114	133	133	-	100,0%	79	79	
Social benefits	19	-	114	133	133	-	100,0%	79	79	
Payments for capital assets	176	-	-	176	111	65	63,1%	351	163	
Machinery and equipment	176	-	-	176	111	65	63,1%	351	163	
Other machinery and equipment	176	-	-	176	111	65	63,1%	351	163	
Payments for financial assets	-	-	-	-	-	-	-	952	952	
Total	26 855	-	(2 147)	24 708	21 577	3 131	87,3%	29 790	17 088	

Subprogramme: 3.1: RURAL DEVELOPMENT COORDINATION

Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6 881	-	(1 573)	5 308	5 057	251	95,3%	7 395	6 174
Compensation of employees	5 781	-	(1 576)	4 205	3 954	251	94,0%	6 350	5 129
Goods and services	1 100	-	3	1 103	1 103	-	100,0%	1 045	1 045
Transfers and subsidies	19	-	111	130	130	-	100,0%	-	-
Households	19	-	111	130	130	-	100,0%	-	-
Payments for capital assets	34	-	-	34	34	-	100,0%	67	33
Machinery and equipment	34	-	-	34	34	-	100,0%	67	33
Payments for financial assets	-	-	-	-	-	-	-	-	-

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Total	6 934	-	(1 462)	5 472	5 221	251	95,4%	7 462	6 207
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Subprogramme: 3.2: SOCIAL FACILITATION									
Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	19 679	-	(2 188)	17 491	16 176	1 315	92,5%	20 921	9 628
Compensation of employees	13 620	-	1 197	14 817	13 502	1 315	91,1%	6 211	6 211
Goods and services	6 059	-	(3 385)	2 674	2 674	-	100,0%	14 710	3 417
Transfers and subsidies	100	-	1 503	1 603	103	1 500	6,4%	171	171
Higher education institutions	100			100	100	-	100,0%	92	92
Public corporations and private enterprises	-	-	1 500	1 500	-	1 500	-	-	-
Households	-	-	3	3	3	-	100,0%	79	79
Payments for capital assets	142	-	-	142	77	65	54,2%	284	130
Machinery and equipment	142	-	-	142	77	65	54,2%	284	130
Payments for financial assets				-	-	-	-	952	952
Total	19 921	-	(685)	19 236	16 356	2 880	85,0%	22 328	10 881

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2020

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

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

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

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

3. Detail on payments for financial assets

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

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

4.1	Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	Programme 1	545 228	527 197	18 031	3,31

"The under-expenditure is in respect of:

- departmental vehicles ordered but not delivered - R18.119 million
- motor vehicle licence fees under transfer to provincial agencies in respect of vehicles not delivered - R172,000
- savings against SeTA skills development levy due to vacant posts resulting in lower wage bill - R123,000
- lower than anticipated spending on external bursaries as a result of some bursary holders not passing all previous subjects, delays in receiving invoices from some institutions, as well as some bursary holders giving late notice of cancellation and the department not able to allocate to alternate applicants before 31 March 2020 - R1.151 million"

Programme 2

2 018 610

1 941 124

77 486

3,84

"The under-expenditure consists of equitable share (R1.318 million) and conditional grants (R75.344 million).

Equitable Share under-expenditure is made up of motor vehicle licence fees in respect of departmental vehicles not received (R281,000), lower rates and taxes for Owen Sithole College of Agriculture (R8,000) and a four wheel drive tractor ordered but not delivered for Cedara Research Farm (R1,029 million)

Details of the Conditional Grant under-expenditure of R75.344 million is provided under paragraph 4.3 below"

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 3	24 708	21 577	3 131	12,67
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Under-expenditure relates to the appointment and placement of additional graduates on farms which did not materialize in the last quarter as well as a transfer to Tembe Development Trust to operationalize the Marula Plant in Umkhanyakhude District where the funding agreement was not finalized.
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4.2	Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
		R'000	R'000	R'000	
Current payments					
	Compensation of employees	1 067 959	1 065 442	2 517	0,24
	Goods and services	966 048	939 982	26 066	2,70
Transfers and subsidies					
	Provinces and municipalities	2 158	1 697	461	21,36
	Departmental agencies and accounts	136 486	136 363	123	0,09
	Higher education institutions	100	100	-	-
	Public corporations and private enterprises	252 101	250 376	1 725	0,68
	Households	22 215	21 064	1 151	5,18
Payments for capital assets					
	Buildings and other fixed structures	99 371	56 846	42 525	42,79
	Machinery and equipment	41 246	17 166	24 080	58,38
Payments for financial assets		862	862	-	-

"Compensation of Employees under-expenditure is in respect of contract extension practitioners that were not appointed. Good and Services under-expenditure relates mainly to conditional grants and explanation is provided under 4.3 below. Transfers and subsidies - R461,000 relates to the motor vehicle licence fees, R123,000 is savings on the transfer to Agri Seta due to a lower wage bill, R1.725 million against Public corporation and private enterprises consists of the R1.5 million earmarked for transfer to the Tembe Development Trust under Programme 3 and R225 million is in respect of savings on projects under the CASP conditional grant, Households under-expenditure is in respect of the external bursaries under Programme 1. Under-expenditure of R42.525 million under buildings and fixed structures relates to conditional grants (irrigation, fencing etc) and R26.643 million is the departmental vehicles and tractor ordered but not delivered as well as irrigation and fencing material."

4.3	Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
		R'000	R'000	R'000	

**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2020**

Land Care Grant	15 115	15 115	-	-
Comprehensive Agricultural Support Programme	267 655	220 332	47 323	17,68
Ilima/Letsema Projects	98 226	68 352	29 874	30,41
EPWP Integrated Grant for Provinces	4 842	4 842	-	-

"consists of:-

- CASP under-expenditure of R45.462 million is in respect of the animal feed (R14.313 million), fencing projects not completed (R10.945 million), boreholes and diptanks (R1.448 million), broiler and layer houses, wool sheds, loading ramp and inputs (R5.208 million). The CASP: Extension Recovery Plan (ERP) pillar under-expenditure of R13.548 million made up of uniforms, laptops, departmental vehicles, training and accommodation costs that could not be finalised by 31 March 2020.

Ilima/Letsema - under-expenditure of R29.874 million relates mostly to irrigation schemes that could not be completed."

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

VOTE 3

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2020

	Note	2019/20 R'000	2018/19 R'000
REVENUE			
Annual appropriation	1	2 588 546	2 391 096
Departmental revenue	2	19 120	21 387
TOTAL REVENUE		2 607 666	2 412 483
EXPENDITURE			
Current expenditure			
Compensation of employees	3	1 065 442	1 023 233
Goods and services	4	939 982	670 871
Interest and rent on land	5	-	9
Total current expenditure		2 005 424	1 694 113
Transfers and subsidies			
Transfers and subsidies	7	409 600	320 815
Total transfers and subsidies		409 600	320 815
Expenditure for capital assets			
Tangible assets	8	74 012	110 079
Total expenditure for capital assets		74 012	110 079
Payments for financial assets	6	862	1 689
TOTAL EXPENDITURE		2 489 898	2 126 696
SURPLUS/(DEFICIT) FOR THE YEAR		117 768	285 787

Reconciliation of Net Surplus/(Deficit) for the year

Voted funds		98 648	264 400
Annual appropriation		21 451	166 488
Conditional grants		77 197	97 912
Departmental revenue and NRF Receipts	15	19 120	21 387
SURPLUS/(DEFICIT) FOR THE YEAR		117 768	285 787

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3

STATEMENT OF FINANCIAL POSITION
as at 31 March 2020

	Note	2019/20 R'000	2018/19 R'000
ASSETS			
Current assets		97 774	46 067
Cash and cash equivalents	9	97 190	40 558
Prepayments and advances	10	3	11
Receivables	11	581	5 498
Non-current assets		53 262	49 974
Investments	12	36 557	36 557
Receivables	11	4 505	1 217
Loans	13	12 200	12 200
TOTAL ASSETS		151 036	96 041
LIABILITIES			
Current liabilities		101 723	46 323
Voted funds to be surrendered to the Revenue Fund	14	98 648	44 400
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	15	1 873	1 741
Payables	16	1 202	182
Non-current liabilities			
Payables			
TOTAL LIABILITIES		101 723	46 323
NET ASSETS		49 313	49 718
	Note	2019/20 R'000	2018/19 R'000
Represented by:			
Capitalisation reserve		48 757	48 757
Recoverable revenue		556	961
Retained funds		-	-
Revaluation reserves		-	-
TOTAL		49 313	49 718

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2020

	<i>Note</i>	2019/20 R'000	2018/19 R'000
Capitalisation Reserves			
Opening balance		48 757	48 757
Transfers:			
Movement in Equity		-	-
Movement in Operational Funds		-	-
Other movements		-	-
Closing balance		48 757	48 757
Recoverable revenue			
Opening balance		961	1 072
Transfers:		-405	-111
Irrecoverable amounts written off	<u>6.2</u>	-180	-
Debts revised		-	-
Debts recovered (included in departmental receipts)		-631	-567
Debts raised		226	636
Closing balance		556	961
TOTAL		49 313	49 718

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3

CASH FLOW STATEMENT
for the year ended 31 March 2020

	Note	2019/20 R'000	2018/19 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		2 607 317	2 188 003
Annual appropriated funds received	<u>1.1</u>	2 588 546	2 171 096
Statutory appropriated funds received		-	-
Departmental revenue received	<u>2</u>	18 373	16 816
Interest received	<u>2.2</u>	398	91
Net (increase)/decrease in working capital		5 945	-3 646
Surrendered to Revenue Fund		- 63 388	-184 858
Surrendered to RDP Fund/Donor		-	-
Current payments		-2 005 424	-1 694 104
Interest paid	<u>5</u>	-	-9
Payments for financial assets		-862	-1 689
Transfers and subsidies paid		-409 600	-320 815
Net cash flow available from operating activities	<u>17</u>	133 988	-17 118
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>8</u>	-74 012	-110 079
Proceeds from sale of capital assets	<u>17</u>	349	4 480
(Increase)/decrease in non-current receivables		-3 288	-
Net cash flows from investing activities		-76 951	-105 599
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution/dividend received		-405	-111
Increase/(decrease) in net assets		-405	-111
Net cash flows from financing activities		56 632	-122 828
Cash and cash equivalents at beginning of period		40 558	163 386
Cash and cash equivalents at end of period	<u>9</u>	97 190	40 558

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2020

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information. The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The financial statements have been prepared on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	Comparative information
6.1	Prior period comparative information

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
VOTE 3

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2020

	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.
6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	Revenue
7.1	Appropriated funds Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
7.2	Departmental revenue Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.3	Accrued departmental revenue Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: <ul style="list-style-type: none"> • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
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ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2020

8	Expenditure
8.1	Compensation of employees
8.1.1	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	Social contributions Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.4	Leases
8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
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ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2020

	<p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	Aid Assistance
9.1	<p>Aid assistance received</p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>
9.2	<p>Aid assistance paid</p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
10	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
11	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p>Prepayments are expensed when expenditure has been incurred.</p>
12	<p>Loans and receivables</p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p>

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ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2020

13	Investments	Investments are recognised in the statement of financial position at cost.
14	Financial assets	
14.1	Financial assets (not covered elsewhere)	A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
14.2	Impairment of financial assets	Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15	Payables	Payables recognised in the statement of financial position are recognised at cost.
16	Capital Assets	
16.1	Immovable capital assets	Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
16.2	Movable capital assets	Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

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ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2020

	<p>All assets acquired prior to 1 April 2004 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
16.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2004 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
16.4	<p>Project Costs: Work-in-progress</p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
17	Provisions and Contingents
17.1	Provisions

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ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2020

	Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
17.2	Contingent liabilities Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
17.3	Contingent assets Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
17.4	Commitments Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.
18	Unauthorised expenditure Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.
19	Fruitless and wasteful expenditure Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of

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ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2020

	<p>the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p>Changes in accounting policies, accounting estimates and errors</p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
23	Principal-Agent arrangements

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ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2020

	The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
24	Departures from the MCS requirements <i>Management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard.</i>
25	Capitalisation reserve The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27	Related party transactions A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.
28	Inventories At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.

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29	Public-Private Partnerships Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
30	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

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Annual Appropriation

1.1 Annual Appropriation

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

	2019/20			2018/19		
	Final Appropriation	Actual Funds Received	Funds not requested/not received	Final Appropriation	Appropriation received	Funds not requested/not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	545 228	545 228		536 421	507 070	29 351
Agriculture	2 018 610	2 018 610		1 824 885	1 636 920	187 965
Rural Development	24 708	24 708		29 790	27 106	2 684
Total	2 588 546	2 588 546		2 391 096	2 171 096	220 000

2 Conditional grants

Note

2018/19	R'000	362 519
2019/20	R'000	385 838
		Total grants received
		36

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2. Departmental revenue

	<i>Note</i>	2019/20 R'000	2018/19 R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	16 762	14 911
Interest, dividends and rent on land	2.2	398	91
Sales of capital assets	2.3	349	4 480
Transactions in financial assets and liabilities	2.4	1 611	1 905
Transfer received	2.5	-	-
Total revenue collected		19 120	21 387
Departmental revenue collected		19 120	21 387

The decrease in revenue from 2018/19 is due to the main auction of vehicles and equipment under Sales of capital assets not taking place during 2018/19.

2.1 Sales of goods and services other than capital assets

	<i>Note</i>	2019/20 R'000	2018/19 R'000
Sales of goods and services produced by the department	2	16 761	14 910
Sales by market establishment		2 118	2 254
Administrative fees		427	404
Other sales		14 216	12 252
Sales of scrap, waste and other used current goods		1	1
Total		16 762	14 911

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[There is a decrease in revenue collected from 2018/19 to 2019/20 mainly attributed to the lower rent received from staff houses.]

2.2 Interest, dividends and rent on land

	Note	2019/20 R'000	2018/19 R'000
Interest	2	398	91
Total		398	91

[The increase against interest is in respect of full settlement of debt (capital and accrued interest) by debtor.]

2.3 Sale of capital assets

	Note	2019/20 R'000	2018/19 R'000
Tangible assets		349	4 480
Machinery and equipment	30	20	2 966
Biological assets	30	329	1 514
Intangible assets		-	-
Total		349	4 480

[The sale of redundant machinery and equipment as well as surplus animals did not take place by 31 March 2020.]

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2.4 Transactions in financial assets and liabilities

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Loans and advances	2		649
Receivables		172	-
State cheques written back		-	1
Other Receipts including Recoverable Revenue		1 439	1 255
Total		1 611	1 905

[There was a high revenue collection in 2018/19 due to the recovery of once off staff debts from pension funds.]

3. Compensation of employees

3.1 Salaries and Wages

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Basic salary		756 178	726 261
Performance award		6 054	6 430
Service Based		2 199	1 589
Compensative/circumstantial		13 674	9 864
Periodic payments		-	249
Other non-pensionable allowances		135 675	131 967
Total		913 780	876 360

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The increase in 2019/20 is due to the annual cost of living wage adjustment

3.2	Social contributions	<i>Note</i>	2019/20	
			R'000	2018/19 R'000
Employer contributions				
Pension			93 947	91 742
Medical			57 035	54 903
Bargaining council			237	228
Insurance			443	-
Total			151 662	146 873
Total compensation of employees				
Average number of employees			2 717	2 652
<i>The increase in 2019/20 is due to the annual cost of living wage adjustment affecting the pension contribution as well as the government's contribution to medical aids</i>				
4. Goods and services				
		<i>Note</i>	2019/20	
			R'000	2018/19 R'000
Administrative fees			4 706	3 289
Advertising			9 874	2 456
Minor assets			3 417	5 330
Bursaries (employees)	4.1		807	2 039
Catering			3 454	2 287

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Communication	26 347	23 242
Computer services	4.2	51 320
Consultants: Business and advisory services		4 021
Infrastructure and planning services		81 931
Laboratory services		47
Legal services		1 996
Contractors		39 402
Agency and support / outsourced services	4.3	13 134
Audit cost – external		12 096
Fleet services		43 842
Inventory		375 048
Consumables	4.4	26 839
Operating leases	4.5	33 225
Property payments	4.6	118 638
Rental and hiring		14
Transport provided as part of the departmental activities		-
Travel and subsistence	4.7	75 996
Venues and facilities		542
Training and development		5 628
Other operating expenditure	4.8	10 763
Total		<u>939 982</u>
		<u>670 871</u>

The significant increase in 2019/20 is as a result of the high under-expenditure that was recorded in 2018/19 giving a skewed comparison. The major increases are against service delivery items such as Infrastructure and planning for the mechanisation services and Inventory for production inputs (fertilizer, seeds, chemicals, etc).

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4.1	Minor assets	Note	2018/19	
			R'000	R'000
	Tangible assets			
	Biological assets		3 417	3 417
	Heritage assets		356	356
	Machinery and equipment		-	-
	Intangible assets			
	Total		<u>3 417</u>	<u>5 330</u>

Reduction in the replacement of minor assets as well as savings due to nonfilling of posts resulting in lower demand for office furniture.

4.2	Computer services	Note	2018/19	
			R'000	R'000
	SITA computer services		46 153	47 060
	External computer service providers		5 167	2 356
	Total		<u>51 320</u>	<u>49 416</u>

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4.3 Audit cost – External

	Note	2019/20 R'000	2018/19 R'000
Regularity audits	4	7 819	5 932
Investigations		4 277	7 819
Total		12 096	13 751

A reduction in the number of investigations resulted in decrease of expenditure.

4.4 Inventory

	Note	2019/20 R'000	2018/19 R'000
Clothing material and accessories	4	5	7
Farming supplies		345 487	117 728
Fuel, oil and gas		3 482	2 297
Learning, teaching and support material		391	994
Materials and supplies		11 179	14 772
Medical supplies		961	1 536
Medicine		13 543	29 114
Total		375 048	166 448

Growth against Farming Supplies relates to the increased agricultural inputs (fertilizer, seeds, chemicals) whilst the decrease against materials and supplies is in respect of fencing material that could not be acquired due to department's procurement process not adhering to local content requirements. Veterinary medicines acquired towards the end of 2018/19 resulted in reduction in acquisition during 2019/20 against the Medicine item.

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4.5 Consumables

	Note 4	2019/20 R'000	2018/19 R'000
Consumable supplies			14 899
Uniform and clothing		10 710	4 721
Household supplies		2 128	2 896
Building material and supplies		2 034	399
IT consumables		94	5
Other consumables		7 385	6 878
Stationery, printing and office supplies		4 488	4 111
Total		26 839	19 010

Uniform and protective clothing had a roll-over from 2018/19 resulting in increased expenditure in 2019/20. Increases on other items are due to annual inflation.

4.6 Property payments

	Note 4	2019/20 R'000	2018/19 R'000
Municipal services		52 839	44 581
Property maintenance and repairs		3 844	10 188
Other		61 955	52 472
Total		118 638	107 241

Payments against Other is in respect of security services at department

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4.7 Travel and subsistence

	Note	2019/20 R'000	2018/19 R'000
Local	4	74 284	65 637
Foreign		1 712	639
Total		75 996	66 276

The increase in the fuel price has direct impact on the travel and subsistence expenditure.

Other operating expenditure

	Note	2019/20 R'000	2018/19 R'000
Professional bodies, membership and subscription fees	4	105	83
Resettlement costs		268	550
Other		10 390	10 364
Total		10 763	10 997

5. Interest and rent on land

	Note	2019/20 R'000	2018/19 R'000
Interest paid		-	9
Total		-	9

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6. Payments for financial assets

	Note	2019/20 R'000	2018/19 R'000
Other material losses written off	6.1	110	965
Debts written off	6.2	752	724
Total		862	1 689

6.1 Other material losses written off

	Note	2019/20 R'000	2018/19 R'000
Nature of losses			
Irrecoverable fruitless & wasteful expenditure		110	965
Total		110	965

6.2 Debts written off

	Note	2019/20 R'000	2018/19 R'000
Nature of debts written off			
Other debts written off			
Irrecoverable staff debts written off		752	724
Total		752	724
Total debt written off		752	724

Staff debts were written off in accordance with the departmental debt management policy.

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7. Transfers and subsidies

	2019/20 R'000	2018/19 R'000
<i>Note</i>		
36 Provinces and municipalities	1 697	1 626
Annex 1A Departmental agencies and accounts	136 363	122 649
Annex 1B Higher education institutions	100	92
Annex 1C Public corporations and private enterprises	250 376	171 426
Annex 1D Households	21 064	25 022
Total	409 600	320 815

Increase against Public Corporation and private enterprises is in respect of projects that are implemented under the Direct Funding model

8. Expenditure for capital assets

	2019/20 R'000	2018/19 R'000
Tangible assets		
Buildings and other fixed structures	74 012	110 079
Machinery and equipment	56 846	63 166
Biological assets	17 166	46 694
Total	74 012	110 079

Decrease under Buildings and other fixed structures is due to slow progress by Public Works as well as the fencing and some irrigation projects that could not be finalised due to the department's procurement process not adhering to local content requirements. The decrease against machinery and equipment is in respect of departmental vehicles that were ordered but not delivered by 31 March 2020.

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8.1 Analysis of funds utilised to acquire capital assets – 2019/2020

	Voted funds R'000	Total R'000
Tangible assets		74 012
Buildings and other fixed structures	56 846	56 846
Machinery and equipment	17 166	17 166
Total	74 012	74 012

8.2 Analysis of funds utilised to acquire capital assets – 2018/19

	Voted funds R'000	Total R'000
Tangible assets		110 079
Buildings and other fixed structures	63 166	63 166
Machinery and equipment	46 694	46 694
Biological assets	219	219
Total	110 079	110 079

9. Cash and cash equivalents

	Note	2019/20 R'000	2018/19 R'000
Consolidated Paymaster General Account		97 157	40 523
Cash on hand		33	35
Total		97 190	40 558

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10. Prepayments and advances

	<i>Note</i>	2019/20 R'000	2018/19 R'000
Travel and subsistence		3	3
Total		3	3

10.1 Prepayments (Expensed)

	<i>Note</i>	Add: Current Year prepayments R'000	Amount as at 31 March 2020 R'000
Goods and services		3 093	3 093
Total		3 093	3 093

Payment in respect of Digital Pen subscription and support services for 12 month period, Jan 2020 to Dec 2020, budgeted for in 2019/20.

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11. Receivables

	Note	2019/20		2018/19		Total R'000	
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	
Claims recoverable	11.1	87	-	87	-	47	47
Staff Debts	11.2	393	4 435	4 828	4 468	1 107	5 575
Fruitless and wasteful expenditure	11.4	4	5	9	15	1	16
Other Receivables		97	65	162	1 015	62	1 077
Total		581	4 505	5 086	5 498	1 217	6 715

11.1 Claims recoverable

	Note	2019/20 R'000	2018/19 R'000
National departments		45	47
Provincial departments		42	-
Total		87	47

11.2 Staff debt

	Note	2019/20 R'000	2018/19 R'000
Staff overpayments and salary tax debts	11	4 433	5 161
Loss/damages		363	365
Bursary debt		32	49
Total		4 828	5 575

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		<i>Note</i>	2019/20	2018/19
			R'000	R'000
11.3	Other receivables			
Supplier debts		11	65	1 075
Salary Medical Aid			2	2
Salary Pension Fund			69	-
Salary Reversal			26	-
Online Travel				-
Total			162	1 077
11.4	Fruitless and wasteful expenditure			
Opening balance		11	16	1
Less amounts recovered			-15	-3
Transfers from note 26 Fruitless and Wasteful Expenditure			8	18
Total			9	16
11.5	Impairment of receivables			
Estimate of impairment of receivables			3 492	4 196
Total			3 492	4 196

Included are debts older than 3 years where probability of recovery is minimal

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12. Investments

	Note	2019/20 R'000	2018/19 R'000
Non-Current Shares and other equity			
1.Mjindi		8 757	8 757
2. Ntingwe Tea		27 800	27 800
3.Natal Trust Farms		-	-
Total		36 557	36 557
Total non-current		36 557	36 557
			2018/19 R'000
		36 557	36 557
		36 557	36 557

Analysis of non-current investments

Opening balance		36 557
Closing balance		36 557

1. In the absence of the payment documentation in the department from 2005, the cost of investment figure was taken from Mjindi financial statements 2014/15 Non-distributable Reserve R8,757m

2. This is the joint venture between the Department of Agriculture and Ithala Development Finance Corporation Ltd, whose main purpose is to provide funding investing and establishing a viable commercial tea business in Northern KwaZulu Natal. The company is the holding company of Ntingwe Farming (Pty) Ltd - the operating company. Department of Agriculture owns 62% of the shares in Ntingwe Tea (Pty)Ltd and Ithala owns 38%.

3. NATAL TRUST FARMS - Disclosed as zero cost as shares were inherited from DAFF, at no cost to the department. Cabinet Resolution 95/2017, the DARD was directed to amalgamate the 3 public entities under its control (ie, Mjindi Farming, Ntingwe Tea, Natal Trust Farms) and for the ADA to take over the functions of the said entities. This process is still underway.

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12.1 Impairment of investments

	Note	2019/20 R'000	2018/19 R'000
Estimate of impairment of impairment		36 557	36 557
Total		36 557	36 557

[No returns on investment are expected from Mjindi, Ntingwe or Natal Trust Farms.]

13. Loans

	Note	2019/20 R'000	2018/19 R'000
Private enterprises		12 200	12 200
Total		12 200	12 200

Analysis of Balance

Opening balance		12 200	12 200
Closing balance		12 200	12 200
Loan to Ntingwe Tea			

13.1 Impairment of loans

	Note	2019/20 R'000	2018/19 R'000
Estimate of impairment of loans		12 200	12 200
Total		12 200	12 200

[No repayments on loan expected from Ntingwe Tea]

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14. Voted funds to be surrendered to the Revenue Fund

	Note	2019/20 R'000	2018/19 R'000
Opening balance			164 279
Prior period error			
As restated		44 400	
Transfer from statement of financial performance (as restated)		98 648	
Add: Unauthorised expenditure for current year			-
Voted funds not requested/not received			-220 000
Transferred to retained revenue to defray excess expenditure (PARLIAMENT/LEGISLATURES ONLY)	1.1		-
Paid during the year			-44 400
Closing balance		98 648	44 400
[Funds not received in prior year were received in 2019/20 and surrendered - R53,512m]			
15. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
	Note	2019/20 R'000	2018/19 R'000
Opening balance			933
Prior period error			
As restated		1 741	
Transfer from Statement of Financial Performance (as restated)			
Paid during the year			-20 579
Closing balance		1 873	1 741
16. Payables – current			
	Note	2019/20	2018/19

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		R'000		R'000	
Amounts owing to other entities					
Clearing accounts	16.1	483	17		
Other payables	16.2	719	165		
Total		1 202	182		
16.1 Clearing accounts	<i>Note</i> 16	2019/20 R'000		2018/19 R'000	
Description					
Salary ACB Recalls		477	15		
Revenue payable to EDTEA		-	2		
Unallocated Receipts		6	-		
Total		483	17		
16.2 Other payables	<i>Note</i> 16	2019/20 R'000		2018/19 R'000	
Description					
Sal Income Tax		552	82		
Sal: Pension Fund		-	11		
Sal : GEHS Account		159	72		
Sal: Garnishee Account		8	-		
Total		719	165		
17. Net cash flow available from operating activities					
				<i>Note</i> 16	2018/19 R'000

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Net surplus/(deficit) as per Statement of Financial Performance		117 768	285 787
Add back non cash/cash movements not deemed operating activities		16 220	-302 905
(Increase)/decrease in receivables – current			-2 802
(Increase)/decrease in prepayments and advances			-11
(Increase)/decrease in other current assets			-
Increase/(decrease) in payables – current			-833
Proceeds from sale of capital assets			-4 480
Proceeds from sale of investments			-
(Increase)/decrease in other financial assets			-
Expenditure on capital assets			110 079
Surrenders to Revenue Fund			74 012
Surrenders to RDP Fund/Donor			- 63 388
Voted funds not requested/not received			-184 858
Net cash flow generated by operating activities		133 988	-220 000
			-17 118

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

	<i>Note</i>	2019/20 R'000	2018/19 R'000
Consolidated Paymaster General account		97 157	40 523
Cash on hand		33	35
Total		97 190	40 558

19. Contingent liabilities and contingent assets

Liable to	Nature	2019/20 R'000	2018/19 R'000
Claims against the department		79 826	99 243

Annex 3A

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Intergovernmental payables (unconfirmed balances)	Annex 5	2 831	4 196
Total		82 657	103 439

Contingent Liabilities cases are open until pending issues such as awaiting further instruction/and or pleadings/or supporting documentation and/or trial dates are finalised.

20. Capital Commitments

Note	2019/20 R'000	2018/19 R'000
Buildings and other fixed structures	48 128	83 993
Machinery and Equipment	6 908	-
Total Commitments	55 036	83 993

21. Accruals and payables not recognised

21.1 Accruals

	30 Days	30+ Days	Total	Total
Goods and services	34 512	1 376	35 888	25 412
Transfers and subsidies	55	55	-	-
Capital assets	2 155	2 155	2 155	1 063
Total	36 722	1 376	38 098	26 475

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	Note	2019/20 R'000	2018/19 R'000
Listed by programme level			
Administration		24 675	16 760
Agriculture		13 401	9 632
Rural Development		22	83
Total		38 098	26 475
 21.2 Payables not recognised			
 Listed by economic classification			
Goods and services	30 Days	11 243	Total
	41 604	9	52 847
Transfers and subsidies	30+ Days	-	9
	1 445		1 445
Capital assets			-
Total	43 049	11 252	54 301
	<i>Note</i>		<i>2018/19</i>
		<i>2019/20 R'000</i>	<i>2018/19 R'000</i>
 Listed by programme level			
Administration		3 023	1 603
Agriculture		51 250	25 863
Rural Development		28	25
Total		54 301	27 491
	<i>Note</i>	<i>2019/20 R'000</i>	<i>2018/19 R'000</i>

Included in the above totals are the following:

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		Annex 5	3 923	472
			<u>3 923</u>	<u>472</u>
Confirmed balances with other departments				
Total				
22. Employee benefits				
		Note	2019/20 R'000	2018/19 R'000
Leave entitlement			70 093	65 006
Service bonus (Thirteenth cheque)			30 611	29 365
Performance awards			6 637	7 007
Capped leave commitments			119 538	125 154
Other			2 090	2 316
Total			228 969	228 848

"Other" includes long service awards as well as salary costs owed to COGTA in relation to GN Dlamini (Act DDG:Corp Serv) seconded from COGTA.
Included in Leave entitlement is negative leave of R236k.

	Buildings and other fixed structures	Machinery and equipment	Total R'000
	2019/20		
Lease commitments			
Operating leases			
Not later than 1 year			
Later than 1 year and not later than 5 years			
Later than five years			
Total lease commitments	32 573	3 045	35 618

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	Buildings and other fixed structures	Machinery and equipment	Total
2018/19			
Not later than 1 year	17 537	5 065	22 602
Later than 1 year and not later than 5 years	25 850	5 763	31 613
Later than five years		-	
Total lease commitments	43 387	10 828	54 215

Buildings and other fixed structures relates to Office accommodation leased through Public Works. There are leases operating on a month to month basis which are not included in the above.
Machinery and equipment relates to Photocopier leases contracted on a 3 year basis

23.2 Finance leases **

	Machinery and equipment	Total
2019/20		
Not later than 1 year	2 153	2 153
Later than 1 year and not later than 5 years	1 156	1 156
Later than five years	-	-
Total lease commitments	3 309	3 309
2018/19		
Machinery and equipment		Total
		3 813
Not later than 1 year		

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Later than 1 year and not later than 5 years	5
Later than five years	-
Total lease commitments	<u>3 818</u>

**This note excludes leases relating to public private partnership as they are separately disclosed in note no. 35.

Relates to cell phone leases on 2 year contracts. Not included are expired cell phone leases.

24. Accrued departmental revenue

	Note	2019/20	2018/19
		R'000	R'000
Sales of goods and services other than capital assets		9 538	12 563
Total		<u>9 538</u>	<u>12 563</u>

24.1 Analysis of accrued departmental revenue

	Note	2019/20	2018/19
		R'000	R'000
Opening balance		12 563	6 679
Less: amounts received		11 555	8 394
Add: amounts recognised		8 530	14 278
Closing balance		<u>9 538</u>	<u>12 563</u>

25. Irregular expenditure

25.1 Reconciliation of irregular expenditure

	Note	2019/20	2018/19
		R'000	R'000
Opening balance		734 627	590 397

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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Prior period error		18 087
As restated	608 484	
Add: Irregular expenditure – relating to prior year		-
Add: Irregular expenditure – relating to current year	26 065	
Less: Prior year amounts condoned	-1 102	
Less: Current year amounts condoned		
Less: Amounts not condoned and recoverable		
Less: Amounts not condoned and not recoverable		
Closing balance	759 590	734 627

Analysis of awaiting condonation per age classification

	26 065	126 143
	733 525	608 484
Total	759 590	734 627

25.2 Details of irregular expenditure – added current year (relating to current and prior years)

Incident	Disciplinary steps taken/criminal proceedings	2019/20 R'000
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Total	26 065
Contract Expired	5
Month to Month	39
Local Content	12 038
Non Compliance with Scm Processes	5 895
Implementing Agent:Non Compliance with Scm Processes	8 088

25.3 Details of irregular expenditure –condoned

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Incident	Disciplinary steps taken/criminal proceedings	2019/20 R'000	2018/19 R'000
Competitive Bidding Process Not Followed	Provincial Treasury	1 102	-
Total		1 102	-
25.4 Prior period error	<i>Note</i>	2018/19	2018/19
Nature of prior period error			
Relating To 2017/18 and prior years			
Deviation from SCM processes - Payment amount captured incorrectly		18 087	
Implementing Agent non-compliance with SCM processes		516	
Total		17 571	
Relating to 2018/19		783	
Implementing Agent non-compliance with SCM processes		783	
Total		18 870	
26. Fruitless and wasteful expenditure			
26.1 Reconciliation of fruitless and wasteful expenditure	<i>Note</i>	2019/20 R'000	2018/19 R'000
Opening balance		112	1 037
Prior period error		-	-
As restated		112	1 037

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	Fruitless and wasteful expenditure – relating to prior year	5	5	3
Fruitless and wasteful expenditure – relating to current year		10	10	55
Less: Amounts resolved		-8	-8	-18
Less: Amounts transferred to receivables for recovery	11.4	-115	-965	
Closing balance		4	112	
<hr/>				
26.2 Details of current and prior year fruitless and wasteful expenditure – add current year (under determination and investigation)				
Incident	Disciplinary steps taken/criminal proceedings			
Damage to hired vehicle		9	9	
Interest on overdue account		1	1	
No Show Accommodation		5	5	
Total		15	15	
<hr/>				
26.3 Details of Fruitless and Wasteful Expenditure recoverable				
Incident				
No Show Accommodation		8	8	
Total		8	8	
<hr/>				
26.4 Details of Fruitless and Wasteful Expenditure written off				
Incident				
Damages to hired vehicle		29	29	
Total		29	29	

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Interest paid	12
No show: accommodation	6
Pension fund interest paid	64
Damage to hired vehicle - charges reversed by Supplier	4
TOTAL	115

27. Related party transactions

The following are related parties to the Department: Mjindi Farming (Pty) Ltd ; Agric Development Agency; Ntingwe Tea (Pty)Ltd; Natal Trust Farms. Refer to Annexure 1A,1CD,2A and 2B for details of transactions with the above entities .
NR SHEZI (Act HOD) was seconded from Provincial Treasury, salary paid by Provincial Treasury.

28. Key management personnel

	No. of Individuals	2019/20	2018/19
	R'000	R'000	R'000
Political Office Bearers (Provide Detail Below)			
Officials:			-
Exco Members	20	20 983	21 866
Other	22	17 768	16 410
Family Members Of Key Management Personnel	4	1 512	1 800

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Total	42 210	42 054
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Change of political office bearers during the year, thus two included in disclosure. NR SHEZI (Act HOD) was seconded from Provincial Treasury, salary expenditure reflected by Provincial Treasury, only acting allowance paid by DARD. GN DLAMINI (Act DDG - CORP SERV) seconded from COGTA, salary expenditure reimbursed to COGTA.

29. Provisions

Note	2019/20 R'000	2018/19 R'000
<i>Infrastructure Projects</i>	-	3 549
Total	-	3 549

29.1 Reconciliation of movement in provisions – 2019/20

	Provision 1 R'000	Total provisions R'000
Opening balance	3 549	3 549
Settlement of provision	-2 508	-2 508
Unused amount reversed	-1 041	-1 041
Closing balance	-	-

Reconciliation of movement in provisions – 2018/19

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	Provision 1	Total provisions
	R'000	R'000
Opening balance	650	650
Increase in provision	2 899	2 899
Closing balance	3 549	3 549

30. Non-adjusting events after reporting date

Nature of event	2019/20
	R'000
Budget cuts due to Covid-19	174 077
Total	174 077

The 2020/21 budget for Vote 3 - Agriculture and Rural Development has been cut by R174.077 million for which Equitable Share is R112.419 million and Conditional Grants is R61.658 million. The cut will have impact on the filling of vacant posts as only 48 of the 212 critical posts and 45 financial management posts will be filled in the current year. The cut on the Conditional Grants will impact on the number of agriculture development projects supported, infrastructure improvement at Colleges as well as mentorship programme.

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31. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT					
Transport assets	201 922	539	3 349	4 034	201 776
Computer equipment	112 410	-1 042	4 675	10 799	105 244
Furniture and office equipment	21 514		1 248	1 761	21 001
Other machinery and equipment	353 699	-394	6 273	9 100	350 478
BIOLOGICAL ASSETS					
Biological assets	6 240	-1 760	-	909	3 571
	6 240	-1 760	-	909	3 571
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	695 785	-2 657	15 545	26 603	682 070

Movable Tangible Capital Assets under investigation

Number	Value R'000
3 903	124 415

Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:
Machinery and equipment

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During the asset verification the assets were not seen by the verification team and will be investigated in the new financial year

31.1 Additions

	Cash*	Total
	R'000	R'000
MACHINERY AND EQUIPMENT		
Transport assets	3 349	3 349
Computer equipment	4 675	4 675
Furniture and office equipment	1 248	1 248
Other machinery and equipment	6 273	6 273
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	15 545	15 545

The difference between the General Ledger and the value of asset additions is due to the Exclusion List items that are not loaded onto the Asset Register

31.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

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	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
MACHINERY AND EQUIPMENT				
Transport assets		4 36	25 258	25 694
Computer equipment			4 034	4 034
Furniture and office equipment			10 799	10 799
Other machinery and equipment			1 734	1 761
	27	8 691	9 100	20
	409			
BIOLOGICAL ASSETS				
Biological assets	381	528	909	329
	381	528	909	329
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS				
	817	25 786	26 603	349

**31.3 Movement for 2018/19
MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH
2019**

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT				
Transport assets	656 801	46 421	13 677	689 545
Computer equipment				
	181 900	31 174	11 152	201 922
	104 354	8 686	630	112 410

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Furniture and office equipment	19 661	2 017	164	21 514
Other machinery and equipment	350 886	4 544	1 731	353 699

BIOLOGICAL ASSETS

Biological assets

	8 838	219	2 817	6 240
	8 838	219	2 817	6 240
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	665 639	46 640	16 494	695 785

31.4 Minor assets

	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Opening balance	15	26 146	4 357	30 518
Value adjustments		-149	2 853	2 704
Additions		826		826
Disposals	5	1 729	721	2 455
TOTAL MINOR ASSETS	10	25 094	6 489	31 593

	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets			16 416	16 416
Number of minor assets at cost	4		18 112	22 156

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TOTAL NUMBER OF MINOR ASSETS	4	34 528	4 040	38 572
Minor Capital Assets under investigation				
		Number	Value R'000	
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:				
Intangible assets	4	4	10	
Machinery and equipment	7 777	7 777	7 374	

Included in the above total of the minor capital assets per the asset register are assets that are under investigation:

Intangible assets
Machinery and equipment

The difference between the General Ledger and the value of asset additions is due to the Exclusion List items that are not loaded onto the Asset Register. During the asset verification the assets were not seen by the verification team and will be investigated in the new financial year

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2019

	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	43	25 218	6 036	31 297
Prior period error	-	-	-	-
Additions	-	1 245	-	1 245
Disposals	28	317	1 679	2 024
TOTAL MINOR ASSETS	15	26 146	4 357	30 518

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	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	19 161	-	19 161
Number of minor assets at cost	6	18 438	2 741	21 185
TOTAL NUMBER OF MINOR ASSETS	6	37 599	2 741	40 346

32. Intangible Capital Assets

	Opening balance	Disposals	Closing Balance
	R'000	R'000	R'000
Software	1 779	285	1 494
TOTAL INTANGIBLE CAPITAL ASSETS	1 779	285	1 494

Included in the above total of the intangible capital assets per the asset register are assets that are under investigation:

SOFTWARE
23 1 487

During the asset verification the assets were not seen by the verification team and will be investigated in the new financial year

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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32.1 Disposals		Non-cash disposal	Total disposals
		R'000	R'000
SOFTWARE		285	285
TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS		285	285

32.2 Movement for 2018/19

	Opening balance	Disposals	Closing Balance
	R'000	R'000	R'000
SOFTWARE	2 274	495	1 779
TOTAL INTANGIBLE CAPITAL ASSETS	2 274	495	1 779

33. Immovable Tangible Capital Assets

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	82 543	121 663	62 778	141 428
Dwellings	-	-	-	-

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Non-residential buildings	82 543	121 663	62 778	141 428
Other fixed structures	-	-	-	
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	82 543	121 663	62 778	141 428

One project is still to be handed over to the community and 4 projects await section 42 transfer finalisation

33.1 Additions	Cash	Non-cash (Capital Work in Progress current costs and finance lease payments)	Total	
			R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	56 847	121 663	121 663	121 663
Non-residential buildings	56 847	121 663	-56 847	121 663
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	56 847	121 663	-56 847	121 663
<hr/>				
33.2 Disposals		Non-cash disposals	Total disposals	
			R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES			62 778	62 778
Non-residential buildings			62 778	62 778

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS	62 778	62 778
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The disposal of infrastructure relates to Infrastructure Projects that were handed over to the beneficiaries for the 2017/18, 2018/19 and the 2019/20 financial years.

33.3 Movement for 2018/19

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000	
BUILDINGS AND OTHER FIXED STRUCTURES	56 897			25 646	82 543	
Non-residential buildings	56 897			25 646		82 543
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	56 897			25 646	82 543	

33.4 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020

	Opening balance 1 April 2019	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2020
<i>Note</i>				

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Annexure 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures	523 910	56 847	325 458	255 299
TOTAL	523 910	56 847	325 458	255 299

Infrastructure projects include projects undertaken by the department and implementing agents. The ready for use amount includes projects that were terminated with Ezemvelo KZN Wildlife totalling R199,908

Age analysis on ongoing projects	Planned, construction not started	Planned, construction started	2019/20 Total
			R'000
0 to 1 year	2	5	1 854
1 to 3 year(s)	13	2	30 110
3 to 5 years	8	4	80 179
Longer than 5 years	21	9	143 156
TOTAL	44	20	255 299

Infrastructure project include projects undertaken by the Department and also by implementing agents .

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The Ready for Use amount includes projects that were terminated with Ezemvelo KZN Wildlife totalling R199 908.

Payables not recognised relating to Capital WIP	2019/20 R'000	2018/19 R'000
Infrastructure invoices received not paid	3 442	3 737
Total	3 442	3 737

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2019

Note Annexure 7	1 April 2018 R'000 501 942	Prior period error R'000 -	Current Year WIP R'000 63 166	Ready for use (Assets to the AR) / Contracts terminated R'000 -41 198		Closing balance 31 March 2019 R'000 523 910
				Contracts terminated R'000	Current Year WIP R'000 63 166	
Buildings and other fixed structures						
TOTAL	501 942	-	63 166	-41 198	523 910	

Age analysis on ongoing projects	Planned, construction not started	Planned, construction started	2018/19 Total
			R'000
0 to 1 year		7	4
1 to 3 years(s)	11	11	6

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3 to 5 years	4	17	318 240
Longer than 5 years	7	18	161 085
TOTAL	29	45	523 910

A large number of the projects have remained in the Departments infrastructure plan for more than 5 years awaiting implementation through Department of Public Works. In some instances budget constraints has held up projects as the cost of projects escalates.

33.5 S42 Immovable assets
Assets subjected to transfer in terms of S42 of the PFMA – 2019/20

	Number of assets	Value of assets
		R'000
BUILDINGS AND OTHER FIXED STRUCTURES		
Non-residential buildings	4	104 968
Other fixed structures		
TOTAL	4	104 968

Section 42 transfer for Dannhauser, Loskop Local Office, Juncao Mushroom Upgrade and the Redline Fencing Project

34. Principal-agent arrangements

Department acting as the principal	Fee paid	2019/20
		2018/19

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	R'000	R'000
Management Fees for Implementing Agents	745	890
Total	745	890

The department has a principal-agent arrangement with IDT, KZN Ezemvelo and Department of Public Works who manage infrastructure projects. No management fees are charged by Department of Public Works.

35. Prior period errors

	34.1 Correction of prior period errors	Note	Amount before error correction	2018/19	Prior period error	Restated Amount
			R'000	R'000	R'000	R'000
Other						
Irregular Expenditure incurred 2018/19 and prior	25		715 757	18 870	734 627	
Net effect				715 757	18 870	734 627

Irregular expenditure incurred in prior years, detected in 2019/20, majority by implementing agents

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36 STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION				SPENT				2018/19		
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Over)spending	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Land Care Grant	12 418	2 697	-	-	15 115	15 115	-	-	100%	21 866	18 682
Comprehensive Agricultural Support Programme	199 351	68 304	-	-	267 655	267 655	220 332	47 323	82%	239 266	170 962
Ilima/Letsema Projects	75 253	26 424	-	-3 451	98 226	98 226	68 352	29 874	70%	94 079	67 655
EPWP Integrated Grant for Provinces	4 842	-	4 842	4 842	4 842	4 842	-	-	100%	7 308	7 308
291 864	97 425	-	-3 451	385 838	385 838	308 641	77 197	80%	362 519	264 607	

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37 STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				2018/19	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual Transfer	
									R'000	R'000
PD: Vehicles Licences	2 121	-	-1	2 120	1 667				2 058	1 601
Mun B/Acc: Mun Rates & Taxes	38	-	-	38	30				34	25
2 159	-	-1	2 158	1 697	-	-	-	-	2 092	1 626

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38 BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

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

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER			2018/19
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred	Final Appropriation R'000	
Agri Business Development Agency	133 653	-	-	133 653	133 653	100%	120 014	
Com: Licences (Radio & TV)	1	-	1	2	2	100%	3	
Skills Development Levy	2 831	-	-	2 831	2 708	96%	2 823	
TOTAL	136 485	-	1	136 486	136 363		122 840	

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ANNEXURE 1B
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

NAME OF HIGHER EDUCATION INSTITUTION	TRANSFER ALLOCATION			TRANSFER			2018/19 Final Appropriation R'000
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Amount not transferred R'000	
	% of Available funds Transferred %	% of Available funds Transferred %					
Donations & Gifts High Edu Inst	100	-	-	100	100	100	92
TOTAL	100	-	-	100	100	100	92

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

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2018/19	
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Final Appropriation	
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
Public Corporations										
Transfers	62 094	-	-	62 094	62 094	100,0%	-	-	62 094	58 801
Mjindi Farming	62 094	-	-	62 094	62 094	100,0%	-	-	62 094	58 801
Ithala Development Finance										23 557
Subsidies										
	-	-	-	-	-	-	-	-	-	-
Total	62 094	-	-	62 094	62 094	100,0%	-	-	62 094	82 358
Private Enterprises										
Transfers	98 246	-	91 761	190 007	188 282	99,1%	115 142	73 140	91 817	2 645
SA Sugar Research Institute	2 718	-	-	2 718	2 718	100,0%	-	2 718		
Soil Conservation Subsidy				-						
Dreyer PJ	602	-	-	602	602	100,0%	-	-	602	-
RMH Plantmaster	1 213	-	-	1 213	1 213	100,0%	-	-	1 213	-
Unallocated	-	-	-	-	-	-	-	-	-	1 817
Mpofana Land Reform Cluster	-	-	-	-	-	-	-	-	-	793
Mbangweni Beef Project	-	-	-	-	-	-	-	-	-	2 765
Nozinkaniso C - Beef Production	3 338	-	-	3 338	3 338	100,0%	3 338	-	-	2 765
Senzokuhle - Piggery (AMD Farming)	325	-	-	325	325	100,0%	-	-	325	1 700
Bangwati Catering & Services	-	-	-	-	-	-	-	-	-	1 023
CebolaKhe Piggery and Projects	2 000	-	-	2 000	2 000	100,0%	1 550	450	450	2 000

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Copper Sunset Trading	360	-	-	-	-	-	-	-	605
Coastal Cashew	-	-	-	-	-	-	-	-	1 850
Emihle Agric Primary	-	-	-	-	-	-	-	-	2 250
Enhlahleni Primary Co-Op - Beef	1 150	-	-	1 150	1 150	100,0%	150	1 000	2 500
Production	2 000	-	-	2 000	2 000	100,0%	-	2 000	2 000
Esayidi Tea Tree - Tea Tree	-	-	-	-	-	-	-	-	-
Production (Kmd Essential Oils Pty Ltd)	-	-	-	1 340	1 340	100,0%	1 170	170	2 500
Isinganga Piggery	1 340	-	-	4 976	4 976	100,0%	2 500	2 476	3 525
Khukhza Farming 01	-	-	-	-	-	-	-	-	1 420
Kwazi-Gugu Investments	-	-	-	4 813	4 813	100,0%	2 188	2 625	2 650
Liberty Farmers Co-Operative Ltd - Beef Production	-	-	-	-	-	-	-	-	1 023
Lulu-T & S-B Trading & Projects	-	-	-	-	-	-	-	-	2 100
M and T Generations (Pty) Ltd	-	-	-	3 870	3 870	100,0%	3 375	495	2 614
Mampontsho Farming & Fencing Cc - Piggery	3 870	-	-	-	-	-	-	-	-
Mandalay Farm Agric Primary Coop	3 000	-	-	3 000	2 800	93,3%	1 520	1 280	1 200
Piggery	-	-	-	-	-	-	-	-	-
Masande Youth Piggery - Piggery	2 000	-	-	2 000	2 000	100,0%	1 410	590	2 000
Masinga Investment Cooperative - Piggery	1 025	-	-	1 025	1 025	100,0%	480	545	900
MIG Investments Pty (Ltd)	-	-	-	-	-	-	-	-	1 521
Minzsize Pty (Ltd)	-	-	-	-	-	-	-	-	1 023
Mkhize Farm	-	-	-	-	-	-	-	-	700
Mthabela Estates (Pty) Ltd - Beef Production	820	-	-	820	820	100,0%	-	820	3 000
Mthethuyavuma Trading & Projects	-	-	-	-	-	-	-	-	1 023
Ndisi Nduna Multipurpose Co-Op	-	-	-	-	-	-	-	-	1 500
Njojo Construction - Beef Production	2 000	-	-	2 000	2 000	100,0%	500	1 500	2 000

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Summerdays(Awuzwe Health Communications Pty)	-	-	1 875	1 875	1 875	100,0%	1 020	855	-
Benzeleni Primary Coop Ltd	-	-	2 000	2 000	2 000	100,0%	1 564	436	-
Bergvillet4 - Livestock Production (Ze Mbaniwa Properties)	724	-	-	724	724	100,0%	724	-	-
Bongi-Mpumelelo Pty Ltd	-	-	3 421	3 421	3 421	100,0%	3 421	-	-
Bumbanani Matimande Primary Coop	-	-	2 000	2 000	2 000	100,0%	1 690	310	-
Kopjiskraal (C&B Dickens Transport&PlantHire)	-	-	2 100	2 100	2 100	100,0%	2 100	-	-
Chemdora - Beef Production	2 100	-	-	2 100	2 100	100,0%	1 130	970	-
Clothier Farm - Vegetable Production (Mhente Ohlabayo Pty Ltd)	1 300	-	-	1 300	1 300	100,0%	1 300	-	-
Confluence Farm - Beef Production (Inselo Supplies&Services Pty Ltd)	2 000	-	-	2 000	2 000	100,0%	2 000	-	-
Dhemi Farms (Pty) Ltd	-	-	700	700	700	100,0%	700	-	-
Ekuphileni Poultry&Projects Coop	-	-	2 950	2 950	2 950	100,0%	2 500	450	-
Emketeni Project- Beef Production (Gabhisa Holding)	1 000	-	-	1 000	1 000	100,0%	-	1 000	-
Esiddekeni Poultry Farming Co-Op Ezekhethelo Products - Beef Production	-	-	2 824	2 824	2 824	100,0%	1 100	1 724	-
Gobelah (Pty) Ltd	3 100	-	-	3 100	3 100	100,0%	1 487	1 613	-
Gugulethu Project - Crops And Vegetable Production	-	-	2 600	2 600	2 600	100,0%	2 600	-	-
Hlubi Projects Primary Coop Ltd	1 023	-	-	1 023	1 023	100,0%	500	523	-
Ibutto Tunnels - Vegetable Production	-	-	1 000	1 000	1 000	100,0%	900	100	-
Imbo Mapholoba (Pty) Ltd	1 799	-	-	1 799	1 799	100,0%	1 669	130	-
Impandane Agric Produc Prim Coop	-	-	1 699	1 699	1 699	100,0%	1 450	1 699	-
	-	-	2 100	2 100	2 100	100,0%	-	650	-

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Mtolo Farming Co-Op - Vegetable Production	600	-	-	600	575	95,8%	533	42	-
Mush Global - Leased Land Lethukuthula Dumakude (Nkonyane Agricultural Proj Coop)	1 500	-	-	1 500 2 200	1 500 2 200	100,0% 100,0%	-	1 500 2 100	100
Ntombikazazi Corporation - Beef Production	3 151	-	-	3 151	3 151	100,0%	-	3 151	-
Nyamayengwe - Beef Production Olwasini Macademia Nursery - Nursery	2 480 1 170	-	-	2 480 1 170	2 480 1 170	100,0% 100,0%	740 880	1 740 290	-
Peppers & Veggies - Crop Production	1 788	-	-	1 788	1 788	100,0%	1 641	147	-
Phangela Trading - Beef Production Phivo's Piggery - Piggery Profound Agric Building&Road Ser Qhawe - Poultry Production (Ukukhanyakweqhawe Trading&Projec)	3 000 250 - 1 000	-	-	3 000 250 1 535 - 1 000	3 000 250 1 535 - 1 000	100,0% 100,0% 100,0% - 100,0%	2 290 250 1 535 920 80	710 250 - 80	-
Shayimamba -Piggery Sikhangane Enterprise Pty Ltd Sinekhono Poultry Farming Cc Siphulwazi Youth Piggery&Proj Cc Sizisizwe Trading Enterpris Coop Skhathi Trading Enterprise Cc Sofoco Gehazi Fish Farming Coop Sigubha Piggery (Soguba Farming Pty Ltd) Still Mac Printing And Trading - Beef Production	2 000 - - - - - - - - 4 000	-	-	2 000 4 010 750 2 300 4 200 2 000 500 4 600 - - - - - - - - - 4 000	2 000 4 010 750 2 300 4 200 2 000 500 4 600 - - - - - - - - - 4 000	100,0% 100,0% 100,0% 100,0% 100,0% 100,0% 100,0% 100,0% 100,0% 100,0% 100,0% 100,0% 100,0% 100,0% 100,0% 100,0% 100,0% 100,0%	1 800 2 370 670 1 880 4 200 2 000 500 4 600 - - - - - - - - - 1 350	200 1 640 80 420 - - - 400 3 300 - - - - - - - - 2 650	-

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Tasma Estate - Vegetable Production (Qalakahle Farming Services)	3 000	-	-	3 000	3 000	100,0%	2 350	650	-
Thabzo Holdings Pty Ltd	-	-	4 004	4 004	4 004	100,0%	1 535	2 469	-
Concur Farm (Zahlanza Trading (Pty) Ltd)	-	-	2 859	2 859	2 859	100,0%	2 859	-	-
Zithenjwa Agricultural Coop Ltd	-	-	1 100	1 100	1 100	100,0%	1 000	100	-
Tembe Traditional Council	-	-	1 500	1 500	-	-	-	-	-
 Subsidies	 -	 -	 -	 -	 -	 -	 -	 -	 -
Subtotal: Private enterprises	98 246	-	91 761	190 007	188 282	99,1%	115 142	73 140	91 817
 TOTAL	 160 340	 -	 91 761	 252 101	 250 376	 99,3%	 115 142	 135 234	 174 175

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ANNEXURE 1D
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION			EXPENDITURE			Final Appropriation % of Available funds Transferred R'000
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	R'000	
	R'000	R'000	R'000	R'000	R'000	R'000	
Transfers							
Injury on Duty	61	-	123	184	184	100%	173
Leave Gratuity	11 392	-	5 593	16 985	16 985	100%	21 904
Claims Against State	46	-	-	46	46	100%	-
Bursaries (Non Employees)	5 200	-	-200	5 000	3 849	74%	4 800
Donations & Gifts (Cash)	-	-	-	-	-	-	100
TOTAL	16 699	-	5 516	22 215	21 064		26 977

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ANNEXURE 1E
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2019/20	2018/19
		R'000	R'000
Received in cash			
Mmela Motor Scheme	Donation towards food for Women's day event	-	3
Nissan South Africa (Pty) Ltd	Donation towards flowers for Women's day event	-	6
Subtotal		-	9
Received in kind			
Mtn	IT Training room and equipment	-	1 156
Agriseta	Capacity building Osca College	-	522
Subtotal		-	1 678
TOTAL		-	1 687

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ANNEXURE 1F
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

Made in kind	NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation	2018/19	2019/20
		R'000	R'000
Agricultural Colleges Choir Competition -6 Sheep		6	
Hlongwane family bereavement- A goat and a sheep		3	
Donation for Service Excellence and long service awards - 2 cattle & 10 Sheep		34	
Endumeni Rural Horse riding for Dundee July -30 bales		8	
Slaughter goats for Cultural Day (OSCA) - 3 Goats		4	
Slaughter a Steer and sheep for Cultural Day (Cedara) -1 cattle and 4 Sheep		17	
Donated to His Majesty the King -2 cattle		6	
World Food Day at Harry Gwala - 5 goats		5	
Office of the Premier's Buyelekhaya Programme -1 Cattle		6	
Chief Whip Khumbulekhaya program Impendle -1 Cattle		11	
Lunwabo Consortium Hlangana 'Theku Event-1 Cattle		7	
King Zwelithini MEC Visit -1 cow		4	
5 Goats - Gayede Goat Project		5	
30 Goats - NgamaChunu GoatProject		24	
30 Goats - Esentu Goat Project		31	
30 Goats - Mavika Goat Project		25	
6 Goats - Thandani Mkhize		7	
6 Goats - Mbulelo Makhaye		6	
6 Goats - Nontokozo Majola		3	
6 Sheep - Cedara/OSCA College Rugby week		9	
1 Cow - His Majesty, King Goodwill Zwelithini		6	
1 Cow and 4 Sheep - Cedara/OSCA College Cultural Day event		14	

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4 cattle - His Majesty, King Goodwill Zwelithini	21
30 Goats - Esikhaleni Goat Project	42
Kitchen appliances for prizes - Traditional Food Awareness Competition	11
4 Goats - OSCA Goats for tasting/promotion of goatmeat	7
Payment made - Amakhosazane Project	100
2 sheep - Dlomo Family	1
TOTAL	111
	312

Made in Cash	
Funds towards Post graduate research symposium - UKZN College of Agriculture	92
Funds towards Post graduate research and innovation day - UKZN College of Agriculture	
Research Symposium prizes - University of KwaZulu Natal	
SUBTOTAL	100
TOTAL	100
	92
	211
	404

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ANNEXURE 1G
STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

Grant Type	Apr 2019 R'000	May 2019 R'000	Jun 2019 R'000	Jul 2019 R'000	Aug 2019 R'000	Sept 2019 R'000	Oct 2019 R'000	Nov 2019 R'000	Dec 2019 R'000	Jan 2020 R'000	Feb 2020 R'000	Mar 2020 R'000	Total R'000
Old age													
War Veterans													
Disability													
Grant in Aid													
Foster Care													
Care Dependency													
Child Support Grant													
Other	21 399	12 640	37 523	7 911	6 519	24 750	8 855	38 902	10 066	64 090	32 652	43 334	308 641
TOTAL	21 399	12 640	37 523	7 911	6 519	24 750	8 855	38 902	10 066	64 090	32 652	43 334	308 641

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ANNEXURE 2A
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of Public Entity	State Entity's PFMA Schedule type (state year end if not 31 March)	% Held 31/03/2020	% Held 31/03/2019	Number of shares held 31/03/2020	Cost of investment R'000 31/03/2020	Net Asset value of investment R'000 31/03/2019	Profit/(Loss) for the year R'000			Losses guaranteed Yes/No
							31/03/2020	31/03/2019	31/03/2019	
National/Provincial Public Entity										
MJINDI FARMING (PTY)LTD	Schedule 3D	100	100	100	8 757	8 757	75 137	70 987	2 870	(3 217) NO
Subtotal					100	100	8 757	8 757	75 137	70 987
TOTAL					100	100	8 757	8 757	75 137	70 987
										2 870
										(3 217)

Cabinet Resolution 95/2017, the DARD was directed to amalgamate the 3 public entities under its control (ie, Mjindzi Farming, Ntingwe Tea, Natal Trust Farms and for the ADA to take over the functions of the said entities. This process is still underway.

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ANNEXURE 2B
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)

Name of Public Entity	Nature of business		Cost of investment R'000	Net Asset value of Investment R'000	Amounts owing to Entities R'000		Amounts owing by Entities R'000	
			31/03/2020	31/03/2019	31/03/2020	31/03/2019	31/03/2020	31/03/2019
Controlled entities								
Ntingwe Tea (Pty) Ltd	This is the joint venture between the Department of Agriculture and Ithala Development Finance Corporation Ltd, whose main purpose is to provide funding investing and establishing a viable commercial tea business in Northern KwaZulu Natal. The company is the holding company of Ntingwe Farming (Pty) Ltd - the operating company. Department of Agriculture owns 62% of the shares in Ntingwe Tea (Pty) Ltd and Ithala owns 38%		40 000	40 000	(89 906)	(87 973)		
Natal Trust Farms (Pty) Ltd	The main business of the company is to engage in all aspects farming and marketing of farming products. Department of Agriculture is sole share holder and inherited the shares from		-	-	-	16 508	16 465	
Total			40 000	40 000	(73 398)	(71 508)		

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ANNEXURE 3A
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2020

Nature of Liability	Opening Balance 1 April 2019 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2020 R'000
Claims against the department					
ACCIDENT CLAIMS	1 296	60	- 259	1 097	
DAMAGE TO PROPERTY	8 427	- 8 427	-	-	
GOODS AND SERVICES	56 261	7 192	-20 052	43 401	
LEASE AGREEMENT DISPUTE	66			66	
GENERAL CLAIMS	33 193		- 1 373	31 820	
REMUNERATION		3 442		3 442	
TOTAL	99 243	10 694	- 30 111	79 826	

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ANNEXURE 4
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2019/20 *	
	31/03/2020 R'000	31/03/2019 R'000	31/03/2020 R'000	31/03/2019 R'000	31/03/2020 R'000	31/03/2019 R'000	Receipt date up to six (6) working days after year end	Amount R'000
Department								
DEPARTMENT OF WORKS			33		33		-	
DEPARTMENT OF HEALTH	3				3		-	
DEPARTMENT OF TRANSPORT			6		6		-	
DEPARTMENT OF NATIONAL WORKS		45			45		-	
DEPARTMENT OF LABOUR			19		-		19	
	3	19	84	-	87	19		

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ANNEXURE 5
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	Cash in transit at year end 2019/20 *		
	31/03/2020	R'000	31/03/2019	R'000		31/03/2020	R'000	31/03/2019 R'000
DEPARTMENTS								
Current								
DEPT OF WORKS	3 208		2 773		2 431	5 981	2 431	
DEPT OF TRANSPORT					1 651	-	1 651	
KZN TREASURY		472			114	-		586
DEPARTMENT OF COOPERATIVE GOVERNANCE & TRADITIONAL AFFAIRS		713			713	-		
DEPT HEALTH	2				2	-		
DEPT JUSTICE					58	-	31/03/2020	58
TOTAL	3 923	472	2 831	4 196	6 754	4 668		58

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ANNEXURE 6
INVENTORIES

	CHEMICALS AND MEDICINES	FERTILIZER AND SEED	FEED	FENCING AND FUEL	TOTAL
INVENTORIES FOR THE YEAR ENDED 31 MARCH 2020	R'000	R'000	R'000	R'000	R'000
Opening balance	3 393	47 503	795	2 129	53 820
Add/(Less): Adjustments to prior year balance					-
Add: Additions/Purchases - Cash	4 387	25 204	7 784	464	37 839
Add: Additions - Non-cash					-
(Less): Disposals					-
(Less): Issues	(3 393)	(47 503)	(795)	(2 129)	(53 820)
Add/(Less): Received current, not paid (Paid current year, received prior year)					
Add/(Less): Adjustments					
Closing balance	4 387	25 204	7 784	464	37 839

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INVENTORIES FOR THE YEAR ENDED 31 MARCH 2019	CHEMICALS AND MEDICINES	FERTILIZER AND SEED	FEED	FENCING AND FUEL	TOTAL
	R'000	R'000	R'000	R'000	R'000
Opening balance	3 184	18 243			21 427
Add/(Less): Adjustments to prior year balance					-
Add: Additions/Purchases - Cash	3 393	47 503	795	2 129	53 820
Add: Additions - Non-cash					-
(Less): Disposals					-
(Less): Issues	(3 184)	(18 243)			(21 427)
Add/(Less): Received current, not paid (Paid current year, received prior year)					-
Add/(Less): Adjustments					-
Closing balance	3 393	47 503	795	2 129	53 820

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 7
MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	523 910	56 847	(325 458)	255 299
Non-residential buildings	523 910	56 847	(325 458)	255 299
TOTAL	523 910	56 847	(325 458)	255 299

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance R'000	Prior period error R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	501 942		63 166	(41 198)	523 910
Non-residential buildings	501 942		63 166	(41 198)	523 910
TOTAL	501 942		63 166	(41 198)	523 910