

**SUBMISSION OF THE ANNUAL REPORT  
TO THE EXECUTIVE AUTHORITY**

**the Accounting Officer of the Department Agriculture Rural Development  
and Land Administration in Mpumalanga hereby submits this  
Department's 2008/9 Annual Report to the Executive Authority as per  
requirement of the Public Finance Management Act, Act 1 of 1999 as  
amended.**

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## PART 1: GENERAL INFORMATION

### 1.1 FOREWORD BY THE MEC



MEC: Mr M.T. Malinga

It is with pleasure to submit the 2008/2009 Annual Report for the department. This was a year to reassess the developments and the gains made since we ushered in the second decade of our new government of freedom.

Over the past years, a number of policies, platforms and projects that were introduced by our government to bring about changes in the broader society are coming to realisation. The department had the mandate of bringing prosperity through broader unity in agriculture and sustainable development.

This Annual Report reflects on the successes achieved in delivering the people's contract to fight poverty. This is particularly important in view of this being the midterm of the second decade in democracy. More still has to be done to close the gap between the First Economy and Second Economy. During the year under review the Department had an outstanding spirit of co-operation from the diverse range of stakeholders who collectively took interest in ensuring that there should be a consistent, coherent and united front on unifying the agricultural sector. A case in point is the broad participation of organized agriculture, government, non governmental organizations, academics and the community associations

The Department has seen a growing trend towards investment in agriculture, mentoring of emerging farmers, and more sectoral investment as a result of tenure upgrade and development which is environmentally sustainable.

Through the Masibuyele Emasimini programme the poor and destitute members of our communities were provided with means to till and plant their lands that have been laying fallow. By doing so, many of our community members were able to improve their nutrition and broader food security.

We have also through the Comprehensive Agricultural Support Programme (CASP) added the vital element of post settlement comprehensive agricultural support to previously disadvantaged farmers. This programme provided funding for building additional farm infrastructure to increase production and off the farm for improved market access.

Through the Land Administration Programme we continued to implement projects for tenure upgrading. This process assisted the land owners to get title deeds on their land thus improving their economic status, and access to credit in order to improve their facilities.

We continued to pay attention to build capacity and skill to institutions, communities and individuals in critical areas of environmental awareness, environmental management and biodiversity conservation.

Guided by Batho Pele principles we would like to recommit ourselves to continuously improve our service delivery in order to effectively contribute towards poverty alleviation and economic development.

A handwritten signature in black ink, appearing to read 'M. Malinga', written over a horizontal line. The signature is enclosed in a white rectangular box.

Mr MT Malinga  
MEC for Department of Agriculture and Land Administration

## 1.2 REPORT OF THE HEAD OF DEPARTMENT



HOD: Ms N.L. Sithole

The Department began the financial year (2008/09) under review by committing itself to *“business unusual with all hands on deck”*, through acting vigorously and decisively to combat hunger, poverty and underdevelopment. Even in the face of high fuel prices, veld fires and financial markets meltdown the department braced itself, remained on course and managed to achieve considerable success across the Department’s three broad categories of our mandate (Agricultural Development, Sustainable Environment and Land Development).

The Department had put highest considerations on the Provincial Growth and Development Strategy reviewed in 2008. Therefore in achieving the policy and legislative mandates of Department’s three broad mandates the Department ensured alignment to its four broad strategic goals of i) growing the economy, ii) reducing the level of poverty; and iii) reducing unemployment and iv) addressing the inequalities pervasive in all aspects of our lives. This was also reflected in the Department’s modus operandi where within the context of the public service management acts, the Department ensured good governance and spatial contextualization as reflected in the Department’s recent establishment of offices at municipal level to increase the level integrated planning.

The Department promoted continues to collaborate with other Government Departments both within all spheres of government in order to effectively improve service delivery in line with Batho Pele principles. In addition, the department took a decision to decentralize its services to ensure that our plans are informed by the reality at the coal face. Strengthening of local integrated planning has been achieved through capacitating all the eighteen municipalities. Despite an emphasis on land and agrarian reform beneficiaries the Department managed to effectively provide technical and professional services to the broader agricultural sector clients. Therefore I am proud to say the Department effectively demonstrated its capacity to effectively utilize public resources (financial and non financial) by achieving most of its targets for the reporting period 2008/09 as highlighted by the following key achievements discussed in this document.

The Department successfully initiated a participatory process for developing the Agricultural Sector Plan for Mpumalanga Province. By the end of the financial year most key stakeholders had already been consulted and a draft strategy circulated for initial comments.

Masibuyele Emasimini (ME) Programme remains the most important food security intervention that is aimed at assisting the hungry and vulnerable households. For the financial year 2008/09 there has been a breakthrough with the implementation of the revised ME support in providing ploughing and planting services to the legible households free of charge. Due to the limited capacity, the Department outsourced the management of the mechanization services. In addition, 11 ME campaigns were successfully conducted to mobilise the households and communities with regard to the importance of own food production. These events were part of the Ilima/litsema campaign that was launched by the Minister of Agriculture and Land Affairs and the MEC for DALA on the 11 October 2008. For the first time in four years ME has achieved visible and felt results in terms of the geographical spread, land ploughed and planted as well as the number of households benefiting from the programme.

In supporting sustainable livelihoods; youth, women and disabled members of our communities received skills development and employment opportunities from the Land Care Programme and other initiatives from the Expanded Public Works Programme. Collaboration with other public and private entities e.g. Independent Development Trust and Grain SA yielded the capacity building of more than 2000 emerging farmers.

The Department continued to support the following Anchor Projects in Enhlanzeni Municipality (macadamia, horticulture, sugarcane and poultry production); in Gert Sibande (apple, soya bean, poultry and cattle production); and in Nkangala Municipality (soya bean, poultry and goat production). The support included extension services, production inputs, agricultural infrastructure (farm sheds, earth dams, irrigation systems, and fencing), farm mechanization, and processing equipment. These are likely to be sustainable if the beneficiaries take advantage of the 24 additional market opportunities and 10 business opportunities identified by the Department during the reporting period.

Veterinary Services effectively controlled and prevented significant animal diseases through its vaccination Programme, which included more than 1 million vaccinations against anthrax, rabies, and foot and mouth disease among others. Additionally the Department increased access to animal health facilities through construction of mobile clinics and dip tanks in deep rural areas. Effective monitoring and risk management was achieved through almost 5 million animal health inspections, hygiene inspections to ensure public health and food safety. These activities are particularly important in order to protect the national export market threatened by the economic downturn.

The Department successfully supported the Land and Agrarian Reform Programme (LARP) despite the challenges faced in establishing the Land Reform Directorate. Such, success stories coupled with Lima – Letsema effectively assisted the Department to mobilize communities to utilize local resources thereby strengthening their livelihoods through asset seeking.

The Research and Development Programme continued to effectively respond to environmental and economic needs particularly through the Nguni cattle project and the crop trials that exceeded targets.

In view of challenges with regards to aging information, it is commendable that the Department was able to update almost all of its targeted data sets, was able to distribute more than 135 GIS data sets and carry out about 2000 agricultural potential investigations.

Our environment is continuously under threat and the Department continuous to play its part. To this effect, Air Quality Management Stations were installed in-order to monitor and manage massive emissions of carbon dioxide especially in the Highveld areas. Linked to this was the continued success of the Greening Programme whereby 178 080 were planted which contributes to management of high carbon emissions.

The Department met all its targets with regards to financial and training commitments for new and ongoing training. However, this is an interim performance measure that can be verified through number of passes and effective skills use, but mostly whether beneficiaries remain in the agricultural sector. Furthermore, it is important to note several training opportunities provided by the Department in-order to promote the successful implementation of anchor projects and promote sectoral growth. The Extension and Advisory Services Recovery Programme is a case in point.

My Team of highly dedicated Departmental Staff and myself will continuously strive to improve our services in line with Batho Pele principles. Additionally, the Department will continue to live our provincial motto of "A Pioneering Spirit" through innovative changes able to continuously improve service delivery to our communities.



**N.L. SITHOLE**  
**HEAD OF DEPARTMENT**

## 1.3 INFORMATION ON THE DEPARTMENT

### Summary of Work of the Department

The Department does work in three key sectors of Agricultural Development, Sustainable Environment and Land Development and the following are some of the key priorities delivered:

#### On Corporate and Human Capital Development

- Bursaries awarded to students to study in critical skills such as veterinary science, environmental management, agricultural engineering and agricultural economics.
- ABET learning for service officials
- Continuous professional development for veterinarians, engineers and technicians.
- Performance and Development system
- Sound labour relations and
- Communication to external and internal clients
- Policy formulation implementation and monitoring
- Financial Management and Systems
- Internal Auditing
- Transversal Services

#### On Agricultural Development

- Masibuyele Emasimini; a programme targeting poor households and farmers to assist with tractors, fertiliser and seed to optimise food security and contribute to poverty reduction.
- Value Adding Projects that include Food Processing, Packaging and Storage Facilities that stimulate economic activities in rural areas.
- Agriculture Starter Packs; provision of garden tools, seed and fertilizers for establishing backyard and community gardens
- Comprehensive Agricultural Support Programme for the provisioning of irrigation and other on-farm infrastructure to enhance farm productivity.
- LandCare for sustainable natural resource management including rehabilitation of land degradation.
- Emerging farmer empowerment and development through the public entity MADC.
- Extension and advisory support services to farmers particularly emerging farmers.
- Research and technology transfer to enhance agriculture production, adaptive research ranging from crop, range and forage to livestock production.
- Agriculture training for diploma, certificate and farmer training.
- Animal health, veterinary public health, laboratory diagnostic services and clinical services.
- Agriculture economics to optimise agri-development, market access and information.

#### On Sustainable Environment

- Greening programme
- Environmental Education and awareness including advocacy and capacity building.
- Authorisations of Environmental Impact Assessment (EIA).
- Pollution control and waste management services.
- Environmental planning. Co-ordination and systems development.

#### On Land Development

- Land and Agrarian Reform
- Tenure upgrading
- Town planning and surveying
- Processing of land use applications
- Town establishment

## Bills submitted to Legislature

None

## MEC's visits abroad

The MEC visited the following countries:

Place	Date	Purpose
None	None	None

## Institutions reporting to MEC:

Mpumalanga Agricultural Development Corporation (MADC).  
Mpumalanga Township Board  
Mpumalanga Development Tribunal  
Mpumalanga Development Appeals Tribunal

## 1.4 VISION AND MISSION

### Vision

The Department strives for Excellence in the promotion of:

- A united and prosperous agricultural sector
- Well conserved biosphere and ecosystems
- A healthy and sustainable environment

### Mission

Our mission is to contribute to poverty reduction and a better life for the people of the Province by:

- Building an efficient, internationally competitive, profitable and sustainable agricultural sector;
- Protecting, conserving and enhancing the quality of the environment for present and future generations;
- Conserving the Province's bio-diversity and ecosystems
- Sustainable land development.

### Department's Strategic Goals

- To manage and administer for improved quality service
- To facilitate access to agricultural resources by Previously Disadvantaged Individuals (PDI's)
- To improve the performance of the agriculture sector
- To enhance the quality and safety of the environment
- To promote and manage conservation as well as sustainable use of bio-diversity and natural resources
- To develop and promote competitive and appropriate technologies

### Values

The Department is committed to render services that:

- Are development oriented, fair, just and accessible to all
- Build trust based on open, transparent and honest interactions.
- Are value adding, effective and efficient



- Are guided by the principles of openness, transparency, equity and respect for human dignity
- Are particularly sensitive to the needs of all segments of the community, especially the poor, women, youth and the disabled.
- Promote environmental and economic sustainability

## 1.5 LEGISLATIVE AND OTHER MANDATES

### Key Agricultural and Veterinary Related Mandates

- White Paper on Agriculture, 1995
- Strategic Plan for South African Agriculture, 2001
- Land and Agrarian Reform Related Policies
- AgriBEE Framework Document
- Agricultural Product Standards, Act 1990 (Act 119 of 1990)
- Animal Diseases Act, 1984 (Act 35 of 1984)
- Animal Identification Act, 2002 (Act 6 of 2002)
- Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983).
- Meat Safety Act, 2000 (Act 40 of 2000)
- Mpumalanga Agricultural Development Corporation Act, 2007
- Higher Education Act, 1997(Act 101 of 1997)
- SAQA Act of 1995
- Further Education and training Act 98 of 1998

### Key Environment and Conservation Related Mandates

- National Environmental Management Act, 1998 (Act 107 of 1998)
- Environment Conservation Act, 1989 (Act 73 of 1989).
- Mpumalanga Conservation Act, 1998(Act 10 of 1998),

### Key Land Administration Related Mandates

- Development Facilitation Act, 1995 (Act 67 of 1995)
- Less Formal Township Establishment Act, 1991 (Act 113 of 1991)
- Upgrading of Land Tenure Act, 1991 (Act 112 of 1991)
- Town Planning and Townships Ordinance, 1986 (Ordinance 15 of 1986)
- The Division of Land Ordinance, 1986 (Ordinance 20 of 1986)
- The Removal of Restrictions Act, 1967 (Act 84 of 1967)
- The Roads and Ribbon Development Act, 1940 (Act 21 of 1940)
- The Subdivision of Agricultural Land Act, 1970 (Act 70 of 1970)
- Black Communities Development Act, 1984 (Act 4 of 1984)
- Mpumalanga Land Administration Act
- Physical Planning Act, 1967 (Act 88 of 1967)
- Proclamation R293
- Proclamation R188

## PART 2: PROGRAMME PERFORMANCE

### 2.1 Summary of the Programme Performance:

Department operates on 11 budget programmes. Through these programmes the Department has managed to achieve most of the targets set in its Strategic Plan.

The Department has managed to achieve an overall expenditure of R771, 465 million representing 99% of the allocated budget of R777, 813 million.

The detailed achievements by the 11 budget programmes are highlighted in the Section 2.2: Service Delivery Achievement in this report.

#### 1.1.1 Voted funds: (R'000)

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount Spent	Over/Under Expenditure
	741,576	777,813	771,465	6,348
Responsible Minister	MEC of Agriculture and Land Administration			
Administering Dept	Provincial Department of Agriculture and Land Administration			
Accounting Officer	Deputy Director-General of Agriculture and Land Administration			

#### 1.1.2 Aim of the vote:

To promote agricultural development, poverty eradication and sustainable development by the development of sustainable agriculture, conservation and environment through efficient and effective support services.

#### 1.1.3 Key Measurable Objectives:

The following are key measurable objectives of the Department:

- Promote sustainable utilisation of resources
- To render agricultural support services
- To enhance the quality and safety of the environment
- To promote sustainable land development

## 1.2 SUMMARY OF PROGRAMMES

### The following is the summary of the description of the programmes of the Department

#### **Programme 1: Administration**

The programme consists of the Office of the MEC, Management Services, Corporate Services and the Finance Services. Its main focus is in providing strategic leadership and governance issues enabling the Department to execute its mandate within the framework set by the government and to ensure accountability.

#### **Programme 2: Sustainable Resource Management**

The Programme consists of sub-programme of Engineering Services and LandCare. The programme provides agricultural infrastructure development services that ranges from planning and designing to physical construction of structures to enhance sustainable natural resource management. The programme plays a key role in promoting expanded Public Works Programme (EPWP) in the rehabilitation of degraded land.

Key services provided include initiating, planning, designing and implementing LandCare and Agricultural Engineering Services (projects).

#### **Programme 3: Farmer Support and Development,**

Programme 3 consists of sub-programmes of Post Farmer Settlement, Farmer Support, and Food Security. The programme provides agriculture extension support and advice; knowledge and technology transfer mainly to the farmers that were denied opportunities in the previous dispensation. It also plays a vital role in support to beneficiaries of land and agrarian farms. Key projects implemented included agricultural Anchor Projects and Masibuyele Emasimini and transfers to MADC.

Key services provided entail provision of agriculture and extension services and advice for, improved farm productivity and food security.

#### **Programme 4: Veterinary Services**

Veterinary Services consists of sub-programmes of Animal Health, Veterinary Public Health and Food Safety, Clinical Services, and Veterinary Laboratory Diagnostic Services. The Veterinary Services programme deals with animal health, veterinary public health laboratory diagnostic services, clinical services and export certification. The programme plays a key role of performing the regulatory functions to ensure animal health and the safety of agricultural products.

Key services included building of dip tanks and veterinary clinics in rural areas that were previously under serviced.

#### **Programme 5: Technology Research and Development Services**

Technology Research and Development Services consists of sub-programmes of Research, Information Services, and Infrastructure Support. The programme deals with agricultural research and the development and transfer of appropriate agricultural informative technologies. The programme conducts adaptive research to improve agricultural productivity. It is responsible for establishment and strengthening of the research partnerships.

Key services included research in crop and animal production, research in range and forage, and data collection in information.

#### **Programme 6: Agricultural Economics**

Programme 6 consists of sub-programmes of Marketing Services and Macro-Economics and Statistics. The programme deals with economic viability analysis, market access, agri-business development support, agricultural statistics and agricultural risk management.

Key services provided included support to value adding projects.

### **Programme 7: Structured Agriculture Training**

Structured Agriculture Training consists of sub-programme of Structured Agricultural Training, and Further Education and Training. This programme is responsible for providing agricultural training at the HET and FET levels. Training is offered at the Lowveld Agricultural College based in Nelspruit. The college focuses more on the HET programmes for students whilst Further Education and Training (FET) programmes are conducted throughout the province with farmers along commodity basis.

Key services provided included certificates and diploma courses on farm training and skills transfers.

### **Programme 8: Planning, Impact, Pollution & Waste Management**

Planning, Impact, Pollution & Waste Management consists of sub-programmes of Environmental Impact Management and Pollution and Waste Management. The programme is responsible for ensuring compliance to environmental legislation through integrated environmental planning, monitoring and control of polluting and waste generating socio-economic activities in the Province. It also approves and ensures compliance on any development in the province.

Key services provided included EIA, SOER, WIS Environmental Plans and EIP.

### **Programme 9: Ecosystem, Biodiversity and Natural Heritage**

The programme has since been transferred to the Department of Economic Development and Planning.

### **Programme 10: Environmental Development**

Programme 10 consists of sub-programmes of Environmental Education Services, and Strategic Environmental Management. The programme Environmental Education Management is responsible for environmental policy development and advocacy, environmental information management and reporting and co-operative governance for environmental management and sustainable development.

Key services provided are environmental commemoratives days, awareness and advocacy and CTC and Greening of the Province.

### **Programme 11: Land Administration**

Land Administration consists of sub-programmes Planning and Surveying Services, Land Use Administration, and Land Reform Support. The programme deals with land use administration and development. Its focus areas are in the tenure upgrading, town planning, land reform facilitation, and land use regulations.

Key services provided included tenure upgrading, title deeds and town planning.

### 1.3 SUMMARY OF ACHIEVEMENTS

As in previous years the Department continued to collaborate with other Government Departments both at National and Provincial level including Municipalities in order to effectively improve service delivery in line with Batho Pele principles. These are discussed in more detail in section 2.1: Service Delivery Achievements. It is also important to note that despite an emphasis on land and agrarian reform beneficiaries the Department has managed to effectively provide technical and professional services to the broader agricultural sector. The Department successfully achieved most of its targets for the financial year period 2008/09 as highlighted by the following key achievements.

The Department successfully initiated a participatory process for developing the Sector Plan for Mpumalanga Agriculture. Most key stakeholders had already been consulted by the end of the financial year and a draft strategy circulated for initial comments.

Masibuyele Emasimini, the household food production programme was refocused towards the most vulnerable households albeit continued to support other farming households where possible. In doing so, the Department was able to differentiate the programme as a household food production intervention and therefore promote further policy dialogue on the need to address food security as a whole.

The Department continued to support the following Anchor Projects in Ehlanzeni Municipality (macadamia, horticulture, sugarcane and poultry production); in Gert Sibande (apple, soya bean, poultry and cattle production); and in Nkangala Municipality (soya bean, poultry and goat production). The support provided included extension support, production inputs, agricultural infrastructure (farm sheds, earth dams, irrigation systems, and fencing), farm mechanization, and processing equipment. These are likely to be sustainable if the beneficiaries take advantage of the 24 additional market opportunities and 10 business opportunities identified by the Department during the reporting period. Additionally, it is important to note several training opportunities provided by the Department in order to leverage the success of the agricultural sector.

The Department through the chief directorate Veterinary Services effectively controlled and prevented significant animal diseases through its vaccination programme, which included more than one million vaccinations against anthrax, rabies, foot and mouth disease among others. Additionally the Department increased access to animal health facilities through construction of mobile clinics and dip tanks in deep rural areas. Effective monitoring and risk management was achieved through almost 5 million animal health inspections, hygiene inspections to ensure public health and food safety. These activities are particularly important in order to protect the national export market threatened by the economic downturn.

The Land and Agrarian Reform Programme (LARP) was successfully supported by the department despite the challenges faced in establishing the Land Reform Directorate. Such, success stories coupled with Llima – Letsema effectively assisted the Department to mobilize communities to utilise local resources thereby strengthening their livelihoods through asset seeking.

The Department continued to effectively respond to environmental and economic needs particularly through the Nguni cattle project and the crop trials.

In view of challenges with regards to aging information, it is commendable that the Department was able to update almost all of its targeted data sets, was able to distribute more than 135 GIS data sets and carry out about 2000 agricultural potential investigations.

The Department met all its targets with regards to meeting financial and training commitments for new and ongoing training. However, this is an interim measure that can be verified through number of passes and effective skills use and whether participants remain in the agricultural sector. This also includes the extension recovery programme.

## **1.4 OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT FOR 2008/09**

The economic downturn triggered by global financial markets considerably affected agricultural sectoral growth mainly through changes in production cost structures as influenced by the macro-economic environment. A weaker rand and high inflation affected cost of farming equipment and all inputs with imported content such as fertilisers and spare parts. Basic farming margins contracted as most commodity prices were depressed while interest rates and particularly fuel costs continued to increase.

The complex and changing environment challenged the Department's approach to service delivery. Additionally, this broadened the client base in that whilst the Department is normally focussed on the needs of the land and agrarian programme there was a need to effectively support the broader sector base.

It is also important to note an inherent degree of uncertainty that comes with elections, which naturally has a negative effect on service delivery that emanate from increased human capital management.

## **1.5 OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT FOR 2008/09**

The challenges emanating from the service delivery environment articulated above had a number of effects on Departmental operational structures. For instance, the commodity based projects approach and Agro-based LED model led to duplication, hence more pressure on officials. This was mainly due to an environment that requires a wider skills base and flexible job description that allows for multi tasking in responding to client needs. To this effect the Extension and Agricultural Advisory Service Recovery Plan had to be emphasised.

A number of senior and middle management posts remained unfilled mainly linked to scarce skills and the fact that the job market perceive government incentives to be less competitive relative to private sector. This is particularly so for Veterinary Services, economics and financial management. Additionally internal recruitment policies had a detrimental effect in populating the new LARP Directorate.

## **1.6 STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS FOR THE 2008/09**

Several policy changes faced challenges with regards to incorporating them in Departmental operational strategies. This is particularly so for LARP which was not fully funded, new acts such as the Air Quality Act, of 2004, the Waste Act of 2009 and the NEMA EIA Regulations of 2006.

## **1.7 DEPARTMENTAL REVENUE, EXPENDITURE AND OTHER SPECIFIC TOPICS**

The Department managed to verify, capture and reconcile all existing and additional assets during this period. All assets were serialized using the bar coding system. Inventory lists were printed and signed by the office occupants. Disposal lists were compiled, only one District managed to dispose assets through public auction and donations to schools and welfare organizations, the other remaining will be disposed in the 2009/10 financial year.

### 1.1.1. Collection of Departmental Revenue

The following table indicates the collection of Departmental revenue: (R '000)

	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Target	2008/09 Actual	% deviation from target
Tax revenue	-	-	-	-	-	-
Non-tax revenue	-	-	-	-	-	-
Sales of goods & services	4,598	4,329	4,425	3,278	5,603	70%
Sales of capital assets (Capital Revenue)	680	396	576	0	824	100%
Sales of fix assets through public auctions	680	396	576	0	824	100%
Financial transactions (Recovery of loans and advances)	1,947	2,640	2,458	1,514	3,685	143%
Total Departmental Receipts	7,225	7,365	7,459	4,792	10,112	111%

The Department projected to collect R4, 542 million in revenue and the actual collection was R7, 460 million. The over collection was recorded in items as indicated in the following table:

#### Over Collection Items: ('000)

Item	Revenue
Spot fines	0,985
Livestock	0,272
Disposal of M.G. vehicles	0,552
Sales of Fodder	0,558
Interests Accrued on Bank and Debtors	2,569
Total	4,936

### 1.1.2. Departmental Expenditure

The Department has spent R771, 465 million of the adjusted budget of R 777, 813 million this represents 99% expenditure. The under-spending is attributed to Infrastructure Grant to Provinces to the tune of R6, 348 million.

The Department's overall spending has improved from R618, 094 million which is 92% of allocated funds in the 2007/08 financial year to R771, 465 million representing 99% of the allocated funds. This improvement is largely attributed to the Re-launch of the Masibuyele Emasimini Concept.

The table below provides a breakdown of total voted funds, actual expenditure and variance (R'000)

Programmes	Voted for 2008/09	Roll-overs and adjustments	Virement	Total voted	Actual Expenditure	Variance
Administration	82,646		4,014	86,660	89,304	-2,644
Sustainable Resource Management	69,328		-21,828	47,500	47,814	-315
Farmer Support & Development	310,580		42,105	352,685	349,778	2,907
Veterinary Services	67,208		11,489	78,697	81,877	-3,180
Technology Research & Development	33,032		-1,476	31,556	32,650	-1,094
Agriculture Economics	31,063	28,704	10,178	41,241	30,232	11,009
Structured Agricultural Training	38,513		-3,058	35,455	34,233	1,222
Environmental Planning, Impact, Pollution & Waste Management	47,539		-913	46,626	46,290	336
Eco System, Biodiversity & Natural Heritage	0	0	0	0	0	0
Environmental Development	43,322		-3,126	40,196	42,168	-1,972
Land Administration	18,345		-1,148	17,197	17,119	78
<b>TOTAL</b>	<b>741,576</b>	<b>28,704</b>	<b>36,237</b>	<b>777,813</b>	<b>771,465</b>	<b>6,348</b>

The 1% under-expenditure reported is as a result of invoices that were still waiting to be paid. The service was rendered therefore the under expenditure did not have any impact on service delivery with regards to the targeted communities. A total of 99% of the allocated resources were spent.



### 1.1.3. Summary of Programme Expenditure

#### Programme 1: Administration

The programme spent 103% of its allocated budget. It spent R2, 644 more than its R89, 304 million allocated budget,

This program over-spent by 3% of the total allocated budget. This over expenditure resulted from the under-projection of the annual general increment on compensation of employees.

#### Programme 2: Sustainable Resource Management

The programme's expenditure is 101% of its R47, 500 million allocated budget. This is an improvement from the previous financial year's (2007/08) expenditure of 98%.

This program over-spent by 1% of the total allocated budget. This over expenditure resulted from the under-projection of the annual general increment on compensation of employees.

#### Programme 3: Farmer Support and Development Services

The programme has spent 99% (R349, 778 million) of its R352, 685 million allocations. This is a slight dip from last year's 100% spending of R258, 485 million. Considering the R94, 200 million increase in the allocation this is a significant improvement from the previous year. The programme demonstrated an improved capacity to spend additional budget allocation. This is a welcomed development particularly for emerging farmers.

The over expenditure on Current Payments resulted from the under-projection of the annual general increment on compensation of employees and the change of approach in response to food crisis and effectiveness of the Masibuyele Emasimini (maintenance of tractors and tractor drivers).

#### Programme 4: Veterinary Services

This programme has spent 104% of its allocated budget of R78, 697 million. The slight over spending is due to the high escalation cost, the scarce skill salary adjustment and the annual cost of living adjustments which were 5% higher than the projected estimates.

The program over-spent by 4% of the total allocated budget. The overspending on the allocated budget resulted from the under-projection of the annual general increment on compensation of employees and an under projection on the construction of Veterinary Clinics.

#### Programme 5: Technology Research & Development

The programme has spent 103% of its budget allocation of R31, 556 million. This is due to the increase in the salaries emanating from the upgrading of scarce skills, the 10.5% annual cost of living adjustments which were 5% higher than the projected estimates and the escalation cost due to inflation.

The program over-spent by 3% of the total allocated budget. The overspending on the allocated budget resulted from the under-projection of the annual general increment on compensation of employees

#### Programme 6: Agricultural Economics

The programme managed to spend 73% of its total allocation of R41, 241 million. This is a significant improvement from the 46% spending of R32, 006 million allocation for the 2007/08 financial year.

The program under-spent by 27% of the total allocated budget. The under-spending resulted from the Disaster Relief Grant Fencing Projects due to the cashflow challenges following the over expenditure on compensation.

### **Programme 7: Structured Agricultural Training**

The programme has spent 97% of its R35, 455 million allocated budget which is similar to the last financial year's performance of 97% spending.

The program under-spent by R 1, 222 million (3%) of the total allocated budget. The under-spending resulted due to the cashflow problems and the invoices for the tractors could not be honoured.

### **Programme 8: Planning, Impact & Pollution & Waste Management:**

The programme has spent 99% of its R46, 626 million budget allocation. This is a 32% spending improvement in comparison to the 67% spending of the 2007/08 financial year.

The program under-spent by 1% of the total allocated budget. The under-spending resulted from funded vacant posts, which could not be filled due to scarcity of the required skill.

### **Programme 9: Ecosystems, Biodiversity and Natural Heritage Management**

This function was transferred during the 2006/07 reporting period to Mpumalanga Parks Board (MPB) which was later merged with Mpumalanga Tourism Agency (MTA) to form Mpumalanga Tourism and Parks Agency (MTPA) a public entity now subsidiary of the Department of Economic Development and Planning.

### **Programme 10: Environmental Development**

The programme has spent 105% of R40, 196 million of its allocated budget. The over spending is due to cost escalation and the salary adjustment for scarce skills.

The program over-spent by 5% of the total allocated budget. The over-spending on the allocated budget resulted from the under-projection of the annual general increment on compensation of employees.

### **Programme 11: Land Administration**

The programme has spent 100% of its R17, 197 million allocated budget. This is a significant improvement on its 81% spending of the previous year.

#### **1.1.4. Virement**

The details of the projected unspent funds on the various programmes are as follows:

#### **Programme 1: Administration**

The projected unspent funds on Transfers and Subsidies (Households) for the amount of R0,341 million from this programme was utilised to defray shortfalls on programme 4 (Households) for the amount of R0,033 million, Programme 5 (Households) for the amount of R0,051 million, Programme 7 (Households) for the amount of R0,098 million and Programme 10 (Households) for the amount of R0,159 million.

The projected unspent funds on Capital Payments (Machinery and Equipment) for the amount of R0, 242 million from this programme was utilised to defray shortfall on Programme 2 (Building and other Fixed Structures).

#### **Programme 2: Sustainable Resource Management.**

The projected unspent funds on Goods and Services for the amount of R3,170 million from this programme was utilised to defray shortfalls on programme 1 (Goods and Services) for the amount of R2,430 million, Programme 3 (Goods and Services) for the amount of R0,100 million, Programme 4 (Goods and Services) for the amount of R0,410 million.

The projected unspent funds on transfers and subsidies (Households) for the amount of R1,000 million, from this programme was utilised to defray shortfalls in Programme 3 (Goods and Services).

### **Programme 5: Technology, Research and Development Services**

The projected unspent funds on Goods and Services for the amount of R1,527 million from this programme was utilised to defray shortfalls on Programme 3 (Goods and Services) for the amount of R0,207 million and on Programme 4 (Goods and Services) for the amount of R1,320 million.

### **Programme 6: Agriculture and Economics**

The projected unspent funds on Goods and Services for the amount of R1,121 million from this programme was utilised to defray shortfalls on Programme 3 (Goods and Services).

### **Programme 7: Structured Agriculture Training**

The projected unspent funds on Goods and Services from this programme for the amount of R0,075 million was utilised to defray shortfalls on Programme 1 (Goods and Services).

The projected unspent funds on Capital Payments (Machinery and Equipment) for the amount of R3,081 million from this programme was utilised to defray shortfalls on programme 3 (Goods and Services).

### **Programme 8: Planning, Impact, Pollution and Waste Management**

The projected unspent funds on Goods and Services from this programme for the amount of R2,295 million was utilised to defray shortfalls within the programme on Machinery and Equipment for the amount of R1,495 million and again defrayed shortfalls on Programme 3 (Machinery and Equipment).

### **Programme 10: Environmental Development**

The projected unspent funds on Goods and Services from this programme for the amount of R2,285 million defrayed shortfalls on Programme 3 (Goods and Services).

The projected unspent funds on Capital Payment (Machinery and Equipment) from this programme for the amount of R1,000 million was utilised to defray shortfalls on Programme 3 (Machinery and Equipment).

### **1.1.5. Shifting Of Funds within Main Items**

#### **Programme 3: Farmer Support Services**

An amount of R20, 000 million for Capital Payments (Machinery and Equipment) Food Security shifted within main item to Capital Payments (Machinery and Equipment) Farmer Support Services.

An amount of R7, 533 million form Goods and Services (Food Security) shifted within main item to Transfers and Subsidies (Households) Farmer Support Services.

An amount of R17, 405 million from Capital Payments (Building and Other Fixed Structures) shifted within main item to Transfers and Subsidies (Households).

#### **Programme 4: Veterinary Services**

An amount of R0, 600 million from Capital Payments (Building and Other Fixed Structures) shifted within main item to Capital Payments (Machinery and Equipment) within the programme.

### **1.8 Comments on Significant Events that have taken Place during the financial year**

As part of promoting the integrated rural development, tractors, power hoes, fertilisers and seeds were purchased for peasant farmers for the aggressive tilling of the land. The MEC led five Masibuyele Emasimini campaigns where the tractors and power hoes were handed over of the communities were held at Kwaggafontein (Thembisile Municipality), Mkhuhlu (Bushbuckridge Municipality), Mgobodzi (Nkomazi Municipality), Glenmore (Albert Luthuli) and Daggakraal

(Pixley KaSeme Municipality).

Environmental Services also undertook responsibility of four projects under the Mpumalanga Greening Programme namely; Tree Planting Programme, Climate Change Programme, Cleanest Town Competition/Programme and the Waste Cleanup Programme.

The Department also implemented Land Care programme, and these follows the principles of the Expanded Public Works Programme. This programme supported projects addressing land degradation and is funded through a National Grant.

### **1.9 Comments on Major Projects undertaken or completed during the financial year**

The following major projects were implemented by the Department

#### **1) Comprehensive Agricultural Support Programme (CASP) Programme and Infrastructure Grant for Provinces (IGP)**

Completion of five multi-year apple projects and five new ones have been initiated in Gert Sibande. Two environmentally controlled broiler projects (Thembehle and Zenzeleni) with 40 000 stocking rate per project have been completed. Sinamuva Poultry project with 120 000 environmentally controlled poultry houses has been completed and commissioned. Production is already taking place under contract farming with DayBreak abattoir in Delmas. A 280 hactors citrus project at Saringwa has started and 50% to completion

The goat projects have also been initiated and completed (Barolong and Tsogang) with only one project that did not progress as expected due to conflict of project members. However, the budget was redirected to KwaMhlanga Young Farmers which has activities of similar nature and located within the same municipality.

Three household food production projects were equipped with irrigation infrastructure and one storage shed was completed for youth project and the disabled. Other 7 broiler and layer projects have also been completed in Nkangala and Gert Sibande districts.

Training and Capacity Building - About 300 CASP beneficiaries received accredited training on taxation and book keeping from the accredited service providers. About 13 beneficiaries also received training on broiler production from KwaZulu-Natal. The Lowveld College of Agriculture also offered informal broiler production training to 215 CASP beneficiaries.

On and off infrastructure - All the planned infrastructure projects have been completed and some projects are overlapping (multi year projects) to the 2009/10 financial year (mainly apple projects and horticulture irrigation project). The Department is implementing all the infrastructure projects and three of them have been completed i.e. (Fencing on Mantjolo essential oils, irrigation infrastructure at Simulation Center and Sozama youth project). Employment opportunities have been created.

Overall the province has spent all its budget allocation on 29 projects. (19 of these projects have been completed and 10 are multi-year projects)

#### **2) Masibuyele Emasimini**

A total number of 101 tractors and 55 power hoes, seeds and fertilizers were purchased and distributed to the three districts around the province to the ultra poor households. These benefited 19 960 households and 114 525 beneficiaries (11% of the hungry & vulnerable). 23 952 ha of land have been cultivated and 7 098 planted during the 2008//09 financial year.

#### **3) Disaster Relief**

The department requested R28 million from the National Grant to assist farmers affected by veldt fires. 1930 farmers benefited from the supply and delivery of fodder/lucerne purchased. 55 farmers also benefited from the 429 km fencing projects. A total of 562 cattle were delivered to compensate 120 farmers who lost their stock due to veld fires.

#### 4) Greening Mpumalanga & Tourism Flagship Programme

178 030 trees were planted during 2008/09. 641 community based educators were trained & deployed. Under the Climate Change Programme 179 schools participated in the programme. 284 educators were trained to implement the programme and 1 130 learners were involved in the programme. 15 local municipalities took part in the Cleanest Town Competition. 194 Waste Cleanup were conducted in all 18 municipalities

##### 1.1 Capital Investment: (R'000)

Description	Budget	Expenditure	Balance Available
CASP	76,032	75,290	742
LandCare	13,407	11,802	1,605
Infrastructure Fund	34,335	23,093	11,242
Agri-Business	5,757	5,757	0
Other Projects	59,608	64,921	-5,313
<b>TOTAL</b>	<b>189,139</b>	<b>180,863</b>	<b>8,276</b>

##### 1.2 Conditional Grants: (R'000)

Name of Conditional Grant	Payments 2007/08	Amount Budgeted 2008/09	Budget (Payment Schedule) 2008/09	Actual Received 2008/09	% Deviation from (amount budgeted to Receipts)
CASP	41,133	53,019	53,034	53,019	0%
LandCare	4,205	4,407	4,407	4,407	0%
Agricultural Disaster Management Grant	0	28,704	18,156	28,704	37%
Provincial Infrastructure Grant	31,099	34,335	23,093	34,335	33%
<b>TOTAL</b>	<b>121,534</b>	<b>120,465</b>	<b>98,690</b>	<b>120,465</b>	<b>18%</b>

##### 1.3 Transfer payments: (R'000)

Name Of Institution/ Beneficiary	Purpose	Amount Transferred	Need To Comply With Section 38(1) J
Mpumalanga Agric Development Corporation	Monthly Transfer	39,251	Complying
Development Bank of SA	Serving of DPSA Loan	12,000	Complying

Name Of Institution/ Beneficiary	Purpose	Amount Transferred	Need To Comply With Section 38(1) J
<b>TOTAL</b>		<b>51,251</b>	

#### 1.4 Asset Management

During the financial year 2008/9, asset verification was done for the entire Department with the assistance of Silulu Consulting. All assets purchased during the year under review were updated on the assets register (including farm equipment, i.e. Tractors and Implements) which were updated without order details due to incorrect initial capturing of the order. Some updates were done to clear out the dummy. The remaining assets are to be cleared with assets to be auctioned.

#### The disposals for the year were as follows

##### Departmental Assets:

Description	Method	Date	Place	Amount
Transport Assets	Public Auction	19/09/2007	Head Office	849,000.00
Other Machinery and equipment	Public Auction	27/03/2009	Gert Sibande	72,000.00
Biological Assets	Transferred to community-Disaster	31/03/2009	Gert Sibande	8,409,010.20
<b>TOTAL</b>				<b>9,330,000.20</b>

## PART 3: SERVICE DELIVERY ACHIEVEMENTS

### SECTOR: ADMINISTRATION DEVELOPMENT

#### PROGRAMME 1: ADMINISTRATION

##### Purpose:

To provide administrative support

##### Strategic objectives:

- Provide strategic political leadership.
- To administer for improved service delivery

##### Service delivery Objectives and indicators:

- Provision of strategic political leadership at all times
- Strategy, project and policy implementation
- To provide communication services
- Implementation of PFMA requirements
- Human resource management and development

##### Service Delivery Achievements.

During the financial year under review, the Department developed a new structure that would best respond effectively to its mandates and responsibilities. The structure was submitted to Department of Public Service and Administration (DPSA) for verification and is awaiting feedback from DPSA. About 115 posts were upgraded in line with the DPSA recommendations.

The Department was also able to develop an Employment Equity Plan, Human Resource Plan, Recruitment and Selection Policy, and Retention and Succession Policy approved and implemented. A total of 65 Occupational Health and Safety representatives were appointed to deal with the OHS issues in the Department.

To address the challenges of the scarce skill shortages, the Department had allocated bursaries to mainly needy students to study in the fields that are considered scarce skills. In the year under review 12 students who benefited from these support were able to complete their studies. These students were then placed in directorates through internship programme for a year. In the intern programme, in January 2008 the Department was able to have a total of 101 interns place in different programmes according to their specialties. From the January 2008 intake and 29 (11 in DALA) got permanent employment.

The Department was able to achieve about 80% of the planned training as per 2008/09 WSP. A total of 1116 officials were taken through various In-service training.

To improve on its financial management, the Department decentralized the Financial Administration to district offices.

The Department was successful in conducting a youth summit in that lead to the development of the resolutions that will constitute the development of the Youth in Agriculture Strategy. From the summit, the youth structure was formed called the Youth in Agriculture and Rural Development (YARD) that will drive the programmes that touches the youth in the agricultural sector. However, due to capacity challenges the strategy could not be further developed.

## Sub-programmes 1:1 Member of the Executive Council

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Member of the Executive Council	Legislative functions performed	Budget speech delivered	1 Budget Speech delivered	1 Budget Speech delivered
		Responses prepared for the Legislature	4 Response prepared for the Legislature	4 Written and oral responses prepared for legislature
	Quarterly implementation monitoring sessions	Quarterly implementation monitoring sessions	4 quarterly implementation monitoring sessions held	4 quarterly review sessions held with senior officials to assess performance
				4 Executive Council Makgotla attended progress reports and plans presented
	MINMEC attended	MINMEC (Land; Environment, Agriculture and Water)	4 MINMEC (Land; Environment, Agriculture)	4 MINMEC (Land; Environment, and Agriculture)
MUNMEC meetings held	MUNMEC meetings held	2 MUNMEC meetings held	None	

## Sub-programmes 1.2: Management Support Services

Sub-programmes	Output	Output Performance Measures	Target Output: 2008/09	Actual Outputs: 2008/09
Management Support Services	Performance reports compiled	Performance reports compiled and submitted in time per quarter	4 Departmental quarterly reports submitted in time	4 Departmental quarterly reports submitted (EXCO Lekgotla, Provincial Treasury, Department of Agriculture)
	Internal audit conducted	Internal audit conducted according to plan	4 Internal audit conducted	4 Internal audits conducted (Supply Chain, Bookkeeping, Expenditure & Veterinary Services)
	Youth in Agriculture Strategy developed	1 Youth in Agriculture Strategy developed	1 Youth in Agriculture Strategy developed	Provincial Youth Summit held Draft report developed
	16 days of Activism campaign implemented	16 days of Activism campaign implemented	16 days of Activism campaign implemented	Not done
	Mainstreaming of HIV/AIDS.	HIV/AIDS strategy developed	1 HIV/AIDS strategy developed	Not done
	Evaluation reports of state of target groups:	4 evaluation reports of state of target groups:(50% Departmental programmes targeting women, 2 %disabled and 30%youth)	4 evaluation reports of state of target groups:(50% Departmental programmes targeting women, 2 %disabled and 30%youth)	Not done



Sub-programmes	Output	Output Performance Measures	Target Output: 2008/09	Actual Outputs: 2008/09
Management Support Services	Awareness workshops on mainstreaming of focus groups, EAP	4 Awareness workshops on mainstreaming of focus groups, EAP	4 Awareness Workshops conducted on mainstreaming of focus groups, EAP	Not done
	Integrated plans developed	1 Strategic Plan developed	1 Strategic Plan developed	1 Strategic Plan developed
	Integrated Development Plan (IDP) processes attended	Integrated Development Plan (IDP) processes attended to and strengthened	IDP forums attended to and inputs presented	IDP forums attended and inputs presented
	Performance reports plans and procedures developed	4 project performance reports developed	4 Project performance report developed	4 Project performance reports developed
	Human Resource (HR) Policies developed	3 Human Resource (HR) Policies developed	3 Human Resource (HR) Policies developed	1 Recruitment and Selection Procedure Manual, 1 Retention Strategy and 1 Succession Plan developed and approved
	Occupational Hygiene Safety implemented	Occupational Hygiene Safety implemented	Occupational Hygiene/ Medical Surveillance done	Not done
	Filling of funded vacant posts	Filling of 198 funded vacant posts	Filling of 198 funded vacant posts	282 posts advertised and 189 funded vacant posts filled and the recruitment process overlapped into 2009/10
	Conduct work-study investigations	Conduct work-study investigations and compile quarterly reports	Conduct work-study investigations and compile quarterly reports	Proposed organizational structure approved by the Executive Authority and submitted to DPSA for rectification 7 Ad-hoc work study investigations conducted
Training workshops facilitated for staff	36 Training workshops facilitated	36 Training workshops facilitated evaluation report	82 Training workshops facilitated and coordinated for 1116 officials	

Sub-programmes	Output	Output Performance Measures	Target Output: 2008/09	Actual Outputs: 2008/09
Management Support Services	Monitoring of existing bursaries	Monitoring of existing 80 bursaries	Monitoring of existing 80 bursaries	90 bursaries monitored at different universities & Lowveld College of Agriculture
	New bursaries awarded to address scarce skills and respond to Vule'matfuba	New bursaries awarded to address scarce skills and respond to Vule'matfuba	Screening and evaluation of new bursaries (21 external 49 internal)	76 New bursaries awarded to address scarce skills
	Adult Basic Education and Training (ABET) centres implemented	13 Adult Basic Education and Training (ABET) centres implemented	13 ABET learning centres monitored and assessment report done	9 ABET centres monitored for 109 learners
	Public Media releases provided	Public Media releases provided	Media releases per demand	36 media releases provided
	Community Outreach Programmes provided	12 Community Outreach Programmes provided	12 Community outreach facilitated	Participated in 12 Community Outreach Programmes Exhibited in 15 campaigns
Management Support Services	Departmental News letters published	2 Departmental News letters published	2 Departmental News letters to be published in 4 <sup>th</sup> quarter	Published 3 external newsletters and 2 internal newsletters
	Legal and Labour relations services rendered per demand	Legal and Labour relations services rendered per demand	Legal and labour relations services rendered per demand	13 litigation matters handled. 34 cases of misconduct investigated. 6 grievances attended. 10 disputes handled.

#### Sub-programmes1.4: Financial Management

Sub-programmes	Output	Output Performance Measures	Target Output: 2008/09	Actual Outputs: 2008/09
Financial Management	Budget Planning	1 Departmental budget planning	1 Departmental Budget compiled	Departmental Budget compiled
	Accurate expenditure reports	4 Accurate expenditure reports per quarter	4 Expenditure reports compiled per quarter	4 Expenditure reports compiled per quarter
	Assets Management Strategy developed	Assets Management Strategy developed	Asset Management Strategy finalised	Asset Management Strategy not developed
	Asset Register updated	Asset Register updated	Asset Register report prepared	Asset Register updated

# SECTOR: AGRICULTURAL DEVELOPMENT

## PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

### Purpose:

To provide agricultural engineering, soil and veld conservation services to farmers to ensure sustainable utilization and management of agricultural and natural resources.

### Strategic Objective

Improving agricultural productivity.

### Service delivery Objectives and indicators:

- Improving agricultural productivity
- To conserve soil by surveying designs and constructing soil conservation structures and LandCare.

### Indicators

- Number of plans and designs developed on dams, drainage and irrigation systems
- Number of plans and designs developed on soil conservation structures, catchments, waterways, stock water systems and contours.

### Sub-programme 2.1: Engineering

#### Service delivery Achievements.

Agricultural engineering support services are provided to farmers, with special focus on poorly resourced farmers and this involves agricultural water, soil and veld management. Irrigation systems for crop production and water systems for livestock are provided as part of improving water availability and accessibility in areas which are water stressed.

Through this sub-programme agricultural infrastructure plans and designs for 24 Agricultural Projects were developed. Small scale and emerging farmers were able to implement properly planned irrigation systems, leading to efficient irrigation water use.

Soil Conservation and Veld Management plans and designs were also developed and implemented for 30 projects for small scale farmers and projects in communal areas.

Well developed farm plans enabled small scale farmers and communal livestock owners to provide proper watering, waterways, drainage and contour systems. Communal projects where proper farm plans were developed, livestock owners are able to manage their livestock and veld productively.

In addition, 320km of farm roads were rehabilitated and constructed to facilitate access to farms for the supply of production inputs and the transportation of the produce.

## Sub-programme 2.1: Engineering

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Engineering Services	28 plans and designs of agricultural engineering structures completed	Agriculture engineering structures planned and designed for farmers	8 farm dams planned and designed	7 Farm dams planned and designed
			8 drainage systems planned and designed	5 drainage systems planned and designed
			12 Irrigation systems planned and designed	12 irrigation systems planned and designed
	28 designs and plans of soil conservation structures completed	Soil conservation structures planned and designed	14 farms planned and designed	15 farm plans designed
			6 waterways planned and designed	6 waterways designed
			4 stock watering systems planned and designed	9 stock watering systems were designed
			160km contours planned and designed	142.7km contours designed
	Installation and construction of Engineering structures completed	Rehabilitated agricultural engineering projects and structures	310km farm roads rehabilitated and constructed	320km farm roads constructed and rehabilitated
			6 dam inspections conducted	5 dams inspections conducted and repaired

### Challenges:

The Department continues to fall short of adequate engineering capacities needed to meet the demand of farmers especially in the areas of planning, and effective monitoring and evaluation.

Targets set for LandCare projects were not achieved as planned because of, among other things, the availability of material to be used in those projects were a challenge. The increase of prices also affected the quantities that could be purchased. Proper planning of selected projects was also a challenge in that it started very late during the course of the year. And as a result, part of the budget was diverted to other programmes that were in need of additional funding.

### Response:

In the short-term, service providers are appointed to deal with these challenges, however, for the long-term; a permanent solution is still being worked on within the Department

## Sub-programme 2.2: LandCare

### Service delivery Achievements.

This sub-programme focuses on the conservation and protection of soil through the promotion and implementation of effective soil conservation measures. The LandCare programme is utilised to drive veld and soil management projects.

Plans and designs based on catchments and area wide planning continues to be the primary focus of this programme. During the year under review, 23 Community Awareness Sessions were conducted. Members of the communities where these campaigns were conducted have started to show better understanding as to how best could the soil and veld be utilized, managed and conserved.

The implementation of Landcare projects in the 6 selected municipalities, created 1095 job opportunities, as part of the Expanded Public Works Program (EPWP).

### Sub-programme 2.2: Land Care (Soil Conservation)

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Land Care	Develop the Provincial LandCare Strategy	Develop the Provincial LandCare Strategy	Development of Provincial LandCare Strategy finalized by March 2009	LandCare Strategy not completed. To be concluded in 2009/2010 financial year.
	20 awareness campaigns conducted on soil conservation practices	20 awareness campaigns conducted on soil conservation practices	20 Awareness campaigns conducted on soil conservation practices	23 Awareness campaigns conducted on soil conservation practices and veld management
	Hectares of virgin soil approved to be ploughed	Hectares of virgin soil approved to be ploughed	Hectares of virgin soil approved to be ploughed on demand	None, no requests made
	Rehabilitation of the degraded land sites in 6 municipalities ( Albert Luthuli, Bushbuckridge, Mbombela, Nkomazi, Thembisile Hani and Dr JS Moroka)	Rehabilitation of the degraded land sites in 6 municipalities ( Albert Luthuli, Bushbuckridge, Mbombela, Nkomazi, Thembisile Hani and Dr JS Moroka)	LandCare projects implemented in 6 Municipalities	LandCare projects implemented in 6 Municipalities - Albert Luthuli - Nkomazi - Mbombela - Bushbuckridge - Dr J S Moroka - Thembisile Hani
1550 jobs created targeting 1823 beneficiaries (40% women, 30% youth and 2% disabled)	1550 jobs created targeting 1823 beneficiaries (40% women, 30% youth and 2% disabled)	1550 jobs created. (40% women, 30% youth and 2% disabled)	1139 jobs created. Bushbuckridge – 610 Nkomazi – 330 Mbombela – 60 Albert Luthuli – 55 Dr JS Moroka – 72 Thembisile Hani - 12	

### Challenges:

Could not source a service provider with the required capacity to develop the Land Care strategy. Due to reprioritization of projects and up-scaling of the Masibuyele Emasimini project, funds were moved to prioritised projects.

### Response:

Collaborate with other government institutions with relevant expertise to assist in developing Land Care Strategy.

# PROGRAMME 3: FARMER SUPPORT AND DEVELOPMENT

## Purpose

The programme's main purpose is to provide agricultural support services to farmers and empower them to respond to opportunities in agriculture. The programme promotes sustainable farmer settlement and food security towards wealth creation.

The programme provides much needed technical support in the form of agricultural extension services and advice to enhance farm productivity.

## Measurable Objectives

- To render pre and post settlement support services.
- To provide farmer advice on crop, plant and stock.
- To co-ordinate and implement various food security projects.

## Service Delivery Objectives and Indicators

- To render pre-settlement and post-settlement support of participants in land reform.
- To expand the extension services.
- To continually improve the effectiveness of the extension services.
- To increase the number of needs based farmer-training opportunities.
- To strengthen the capacity of communities (particularly women, children and the disabled) to respond to opportunities of Agriculture as a household food security safety net for the poor.
- To improve the sustainability of food security and poverty alleviation projects.
- To expand communal vegetable gardens and backyard food gardens.

## Service delivery Achievements.

The following are some of the achievements that the programme made.

### Masibuyele Emasimini

Through this programme the Department was able to purchase 101 tractors with implements and 55 power hoes. With these tractors and implements the Department was able to provide the ploughing and planting services for over 19 960 households in 16 municipalities (Dr JS Maroka; Thembisile, Mkhondo; Albert Luthuli; Govan Mbeki; Pixley ka Seme, Bushbuckridge, Thaba Chweu; Mbombela; Umjindi, Nkomazi, Steve Tshwete, Emalahleni, Msukwaligwa, Dipaliseng, Lekwa) of the Mpumalanga Province. The Department also managed to conduct 8 Food Security Awareness campaigns in the three districts

### Soya Bean production for Bio Fuel

To assist the land reform beneficiaries farmers to actively take part in the bio-fuel industry, the Department fenced and purchased 19 tractors with implements to be used in the ploughing of over 8000 ha and planting of over 3042 ha of soya, maize and sunflower on farms in Gert Sibange and Nkangala. The Department continued to provide extension services to the farmers and conducted technical feasibility studies for soil suitable for more farms. The soya production plan was also concluded of the farms.

### Apples Orchards

By the end of the financial year 2007-08, the Department was able to construct irrigation infrastructure and provide site establishment for the 10 apple sites, 2x Ermelo, 2x Caroline, Breyten, and Albert Luthuli: Goedhoop, Kalkkloof, Droogvallei, Msukaligwa: Holland and Mooiplaats and planted 2 orchards in the Ermelo

### Broiler

To stimulate Agri-Business development through rural infrastructure in the rural areas of the province, the

Department constructed environmentally controlled broiler houses 4 areas in Standerton, Secunda, Leandra, and Delmas. The Department was able to secure markets contracts for some of the broiler projects. The marketing contracts (contract farming) negotiated and concluded with Early Bird (Gert Sibande) and Day-Break (Nkangala).

### Livestock Production

To stimulate the agri-business in the line of animal production, the Department provided handling facilities for the goats productions. The Department established new goats handling facilities on 2 new sites in Nokaneng and Lefisoane in the Nkangala District. The Department also provided fencing for the Songimvelo Livestock Projects.

### Sub-Programme 3.1: Farmer Settlement

#### Purpose

To conduct training and coordination of land reform beneficiaries programmes.

### Sub-Programme 3.1: Farmer Settlement

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Farmer Settlement	Maintenance of macadamia projects	Maintenance of 11 macadamia projects	Maintenance of 11 macadamia projects	Maintenance of 11 macadamia projects not done
	Maintenance of vegetable projects	Maintenance of 3 vegetable projects	Maintenance of 3 vegetable projects (Sibange (Nkomazi), Mosley (Umjindi), abundant life skills (Mbombela).	3 Vegetable projects maintained with Sibange receiving financial support the remaining 2 provided with Extension Support
	Rehabilitation of irrigation infrastructure on vegetable and fruit projects	Rehabilitation of 2 irrigation infrastructure on vegetable and fruit projects	Planting of vegetable and fruit trees	Planting of vegetable and fruit trees
	Upgrading of livestock project	Upgrading of livestock project	Upgrading of livestock project	Maintenance of 3 broiler projects
Construct and equip 4 broiler houses				6 Environmentally controlled broiler houses completed
Construct 29 Km fence , 2 handling facilities, 3 animal overnight facilities and 2 boreholes for goats projects				Project completed for the 2 sites
50 Km fence supply				Fencing material supplied

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Farmer Settlement	Bee hives projects Honey production	250 bee hives projects Honey production	Extension support services given on bee hive projects	Extension support services given including purchase of vehicle
	Establishment of apple orchards	Establishment of 25ha of apple orchards	25 ha Apples orchard completed	40 % Apple Orchard completed
	Maintenance of existing of apple orchards	Maintenance of existing 48ha of apple orchards	Maintain existing 48ha	Maintenance of 48 ha done
	Establishment of and maintenance of essential oils	Establishment of 30ha and maintenance of 22ha essential oils	30 ha of establishment completed and maintenance of essential oils	Projects were put on hold
	Establishment of on Soyabeans for farmers (Biofuel)	Establishment of 8 000ha on Soyabeans for 70 farmers (Biofuel)	Crop maintenance of 8000 ha for soya production.	4485 hectares of crop established of (2211 ha maize, 820 ha sunflower and 392 ha of soya , 1062 ha other crops (drybean)
	Facilitate establishment of Mentorship Programmes	Facilitate establishment of 16 Mentorship Programmes	16 mentorship programmes established (macadamia, essential oils, horticulture, livestock & apple)	8 mentorship programmes established macadamia, soya beans, sugarcane, horticulture, and livestock.
	SMME businesses supported	5 SMME businesses supported (1 Maize milling, 2 pack houses and a poultry abattoir.)	Project monitoring	5 SMME businesses supported
	Agri-BEE ventures facilitated	2 Agri-BEE ventures facilitated	Facilitate training and capacity building Project handover and monitoring	2 Agri-BEE ventures ongoing No project handover and monitoring
	Jjobs created targeting 4848 beneficiaries (50% women, 20 % youth and 2% disabled)	3 607 jobs created targeting 4848 beneficiaries(50% women, 20 % youth and 2% disabled)	3 607 jobs created(50% women, 20 % youth and 2% disabled)	1400 EPWP related jobs created

### Challenge

The Department has undergone extensive re-planning of projects and some projects will be completed in 2009/10 financial year.



## Sub-Programme 3.2: Farmer Support Services

### Purpose

To provide and facilitate training of commercial and emerging farming, including the coordination of rural and agricultural projects.

### Strategic Objectives

- To render pre and post settlement support services.
- To provide farmer advice on crop, plant and stock.
- To co-ordinate and implement various food security projects.

### Service Delivery Objectives and Indicators

1. To expand the extension services.
2. To continually improve the effectiveness of the extension services.
3. To increase the number of needs based farmer-training opportunities.
4. To strengthen the capacity of communities (particularly women, children and the disabled) to respond to opportunities of Agriculture as a household food security safety net for the poor.
5. To improve the sustainability of food security and poverty alleviation projects.
6. To expand communal vegetable gardens and backyard food gardens.

### Sub-programme 3.2: Farmer Settlement Support

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Farmer Settlement Support	Training sessions targeting emerging farmers provided	Training sessions targeting 3 850 emerging farmers provided	Training sessions targeting 3 850 emerging farmers offered	Training sessions targeting 5501 emerging farmers offered
	Training sessions targeting commercial farmers	Training sessions targeting 130 commercial farmers	Training sessions targeting 130 commercial farmers offered	Training sessions targeting 152 commercial farmers offered
	Emerging farmers supported with advice	4200 emerging farmers supported with advice	4 200 emerging farmers supported with advice	13932 emerging farmers supported with advice
	Commercial farmers supported with advice	385 commercial farmers supported with advice	385 commercial farmers supported with advice	7867 commercial farmers supported with advice
	Contacts sharing research related information	120 contacts sharing research related information	120 contacts sharing research related information	172 contacts sharing research related information
	Municipality Development Plans in place	5 Municipality Development Plans in place	Development plans in place	5 Municipal Agriculture Forums established
	Extension support given to Land Redistribution Projects	Extension support given to 159 Land Redistribution projects	Extension support continued on the 159 Land Redistribution projects	Extension support continued on the 264 Land Redistribution Projects
	Tenure Reform supported	Tenure Reform (23 projects) supported	Extension support continue to be given to 23 tenure Reform projects	Extension support continue to be given to 18 tenure Reform projects
	Land Restitution (39 projects)	Land Restitution (39 projects)	Extension support continue to be given to 39 Restitution projects	Extension support continue to be given to 43 Restitution projects
	Business plans developed on Land Redistribution	Business plans developed on Land redistribution	120 Business plans developed on Land Redistribution	90 Business plans developed on Land Redistribution
Resource Surveys done for the projects	Resource Surveys done for the projects	105 Resource Surveys done for the projects	98 Resource Surveys done for the projects	

## Sub-Programme 3.3: Food Security

### Purpose

Implementation of Integrated Food Security and Nutrition Programme (IFSNP)

### Strategic objectives:

Ensure the implementation of the integrated food security strategy.

### Service delivery objectives and indicators

#### Service delivery objectives

To provide support of mechanisation, infrastructure and production inputs to the poor and hungry.

#### Indicators

- Number of households and beneficiaries assisted.
- Food security status
- Number of awareness campaigns on food security conducted

### Summary of Key Achievements and Challenges

#### Sub-programme 3.3: Food Security and Poverty Alleviation

The Directorate spearheaded three major events, namely:

- The Provincial World Food Day – a culmination of three District World Food Day events held at Barberton (Umjindi Municipality), Balfour (Dipaliseng Municipality) and Victor Khanye municipality.
- The official launch of the Letsema/Ilima Campaign by the Minister for Agriculture and Land Affairs which was held on the 11th October 2008 at Kwaggafontein in Nkangala District.
- Four Masibuyele Emasimini mechanization support hand over events held at Mkhuhlu (Bushbuckridge Municipality), Mgobodzi (Nkomazi Municipality), Kwaggafontein (JS Moroka Municipality) and Dundonald (Albert Luthuli Municipality).

A total of 2000 households were supported with Agricultural Starter Packs (ASP) for vegetable production. The ASP was also distributed to Home Base Care givers, schools, clinics and communal vegetable production projects.

### Sub-Programme 3.3: Food Security

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Food Security and Poverty Alleviation	83 tractors with implements and production inputs distributed	Support of Masibuyele Emasimini sites with mechanization, infrastructure and production inputs.	83 Tractors with implements and production inputs distributed	101 tractors with implements, 55 power hoes and production inputs distributed
	Personnel appointed		Appointed a dedicated officials to deal with Masibuyele Emasimini	None. Have assigned other extension officers.
	Land ploughed and planted	15 500 ha of land ploughed and planted on 9 sites targeting 5916 beneficiaries	15 500 ha of land ploughed and planted on 9 sites, targeting 5916 beneficiaries	23 952 ha of land ploughed and planted in 16 municipalities and 19 960 House holds and 114 525 beneficiaries reached
	Storage sheds built	3 Storage sheds built	3 storage sheds built	1 Storage shed built
	Food In-security and Vulnerability Information Management System (FIVIMS) study conducted	A FIVIMS study report produced	A FIVIMS study conducted	The FIVIMS study was not conducted
	Conduct Impact assessment on Household Food Production Support Programmes	Conduct Impact Assessment on Household Food Production Support Programmes	Conduct Impact Assessment on Household Food Production Support Programmes	Impact assessment conducted on Agricultural Starter Packs
	6 Food Security awareness campaigns implemented	Number of food Security awareness campaign done	6 Food Security awareness campaigns implemented	11 Food security awareness campaigns implemented
	1200 Household Food Gardens established (Agricultural Starter Pack (ASP) distributed)	Number of household food gardens established.	1200 Household Food Gardens established (Agricultural Starter Pack ASP distributed)	2800 ASP food gardens established

#### Challenges

The directorate intended to conduct one of the most important studies – the Food In-security and Vulnerability Information Management System (FIVIMS) study but such study could not take place due to financial constraint. If everything goes according to plan, this study will be conducted in the 2009/10 financial year.

Due to the approach to Masibuyele Emasimini being revised and funds transferred to accelerate implementation of the programme.

The impact assessment on CASP was not conducted because the implementation plan was adjusted due new priorities that were introduced during the course of the year.

#### Response

In the interim the Department will use existing government and community structures to store tractors. In each municipality dedicated extension advisor has been appointed to deal with Masibuyele Emasimini activities.

## PROGRAMME 4: VETERINARY SERVICES

### Purpose

To facilitate and provide Animal Disease control services in order to protect the animal population against highly infectious and economic diseases, through the implementation of the Animal Disease Act (Act 35 of 1984) or Animal Health Act (Act 7 of 2002) and Primary Animal health programme/projects.

To provide control measures including Health Certification, in order to facilitate the importation and exportation of animals and animal products.

To implement Risk Assessment measures in order to assess the impact of various Animal Disease outbreaks and the risk of importing or exporting animals or animal products from/to other countries.

### Strategic Objectives

- To control and prevent animal diseases
- To promote veterinary public health and food safety
- To render a diagnostic laboratory service
- To certify the export of live stock and animal products
- To render clinical services

### Service Delivery Objectives and Indicators

- To control and prevent 33 controlled animal diseases annually in order to ensure healthy livestock and wildlife in Mpumalanga.
- To promote sound animal health practices and disease control procedures according to OIE guidelines of the 94 list B and 34 list C diseases annually to contribute to the development of the livestock, poultry, wildlife and freshwater fish industry.
- To control and combat the most important zoonotic diseases annually and to thereby contribute towards improved human health in Mpumalanga.
- To supply a veterinary laboratory diagnostic service for the Chief Directorate of Veterinary Services, 60 private practitioners, 30 000 farmers and other role players involved in animal production.
- To promote veterinary public health and food safety through abattoir inspections, hygiene assessment system (HAS) audits. Combat illegal slaughter, the sale of meat unfit for human consumption and relevant consumer awareness programs.
- To render a veterinary epidemiological service, including contingency planning, emergency response and risk assessments for notifiable avian influenza, foot-and-mouth disease, rabies, tuberculosis, African swine fever and classical swine fever.
- To provide primary animal health care and clinical services to resource poor communities throughout Mpumalanga.
- To facilitate, develop, maintain and operate 220 cattle dip tanks and 135 livestock handling facilities annually.
- To monitor imports and certify exports of animals and agricultural products on demand.
- To facilitate Veterinary extension and training.

### Service delivery Achievements

The year under review was a resounding success characterized by the successful and total integration of 158 personnel from Limpopo who are articulating well in the Ehlanzeni Animal Health team.

Veld fires during spring had a severe impact on livestock production and thousands of hectares of grazing were lost. The total extent of damage could not be quantified but several livestock farmers whose losses could be verified were compensated through the Provincial Disaster fund.

A number of interesting case studies and disease outbreaks, (Rift Valley fever, rabies, corridor disease, tuberculosis and Babesia gibsoni) kept our veterinarians and para-veterinarians focused throughout the year.

The most significant disease outbreak in 2008 was the rabies epidemic in Nsikazi and Bushbuckridge. Rabid dogs were encountered in areas where no outbreak had ever been recorded previously. 432 specimens were submitted and 121 dogs were diagnosed positive (compared to an annual average of 30). In response the Chief Directorate immediately mounted a massive vaccination and awareness campaign. 84 960 dogs and cats were vaccinated at 1 011 venues. In addition, the following steps were taken. 22 newspaper articles published, 94 452 pamphlets distributed, 358 schools visited and 95 862 learners reached. 28 private practitioners and all SPCA branches assisted the Chief Directorate.

Representatives from VPH and Animal Health were nominated to participate in the adjudication of a speech competition held in the 3 districts. This exciting competition was initiated by HRD & Training and aimed at recruiting learners skilled in Mathematics & Science to pursue careers in Veterinary Science & Para Veterinary fields. The first round was held in Gert Sibande district where 4 schools with a total of 65 learner's participated.

Participants could choose from the following topics: Meat Safety, Herd Health & Pet Care. 30 learners were rewarded with prizes & 10 were selected based on the score to represent their District at the Provincial competition. Feedback was given to the learners on the criteria used for selection and principles on public speaking were also addressed. The best presentations were on Meat Safety.

### **Sub-Programme 4.1: Animal Health**

#### **Purpose**

To facilitate and provide Animal Disease control services in order to protect the animal population against highly infectious, trade sensitive and economic diseases, through the implementation of the Animal Disease Act (Act 35 of 1984).

#### **Summary of Achievements**

The rabies epidemic in Ehlanzeni will continue to receive priority attention throughout 2009/2010. Six diptanks were planned. Only one could be built.

## Sub-Programme 4.1: Animal Health

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Animal Health	Diseases controlled	18 diseases controlled	18 diseases managed	18 diseases managed
	Auctions attended to inspect livestock	418 Auctions attended to inspect livestock	418 Auctions attended to inspect livestock	505 Auctions attended to inspect livestock
	Test done (Serology, TB, Skin scrapings etc.)	299 484 Test done (Serology, TB, Skin scrapings etc.)	299 484 Test done (Serology, TB, etc.)	352 013 Test done (Serology, TB, etc.)
	Vaccinations administered Anthrax, Rabies, FMD, NCD, CA	505 876 Vaccinations administered Anthrax, Rabies, FMD, NCD, CA	505 876 Vaccinations administered Anthrax, Rabies, FMD	1 366 951 Vaccinations administered Anthrax, Rabies, FMD, RVF, NCD
	Inspections performed according to OIE requirements 7	6 132 024 Inspections performed according to OIE requirements 7	6 132 024 Inspections performed OIE requirements	4 442 032 Inspections performed OIE requirements
	Individual clinical cases treated	34 575 Individual clinical cases treated	34 575 Individual clinical cases treated	103 059 Individual clinical cases treated
	Vaccinations (non controlled) LSD, HW, RW	158 750 Vaccinations (non controlled) LSD, HW, RW	158 750 Vaccinations (non controlled) LSD, HW, RW	191 561 Vaccinations (non controlled) LSD, HW, RW
	Extension sessions	3 966 Extension sessions	3 966 Extension sessions conducted	5 455 Extension sessions conducted
	Training sessions conducted	375 Training sessions conducted	375 Training sessions conducted	271 Training sessions conducted
	Dip tanks built	6 Dip tanks built	6 Dip tanks built	1 Dip tank built at Walda
	Animals certified	Animals certified	Animals certified unpredictable	2 039 870 Animals certified
	Animal products certified	Animal products certified	Animal products certified unpredictable	3 151 866 Animal products certified
	Census conducted on 40% of farms	Census conducted on 40% of farms	Census conducted on 40% of farms	Census conducted on 20% of farms

□33 Controlled diseases (FMD, Anthrax, TB etc.) are internationally very important for trade, economy or zoonotic implications. 18 of these are common to Mpumalanga. 18 controlled diseases were managed during 2008/09.

### Challenges

Rift Valley Fever, Rabies and New Castle disease outbreaks required an immediate and intensive response leading to increase vaccinations, which also accounted for the fewer inspections.

## Sub-Programme 4.2: Veterinary Public Health

### Purpose

To co-ordinate and implement various Food Safety projects, including the implementation of Meat Safety Act (Act 40 of 2000) and prevention of Zoonotic or food borne diseases.

### Service delivery Achievements

Together with SAPS, the Department of Health and local municipalities, VPH will continue to address the illegal slaughter of meat, the sale of meat at pension pay points and stock theft, particularly in the Bushbuckridge area where 36 illegal slaughter sites are giving the chief directorate serious problems, and where co-operation from the community is very poor.

### Sub-programme 4.2: Veterinary Public Health

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Veterinary Public Health	Conduct Red meat and poultry abattoirs hygiene audits.	264 red meat and poultry abattoirs hygiene audits conducted.	264 red meat and poultry abattoirs hygiene audits conducted.	288 red meat and poultry abattoirs hygiene audits conducted.
	Hygiene assessment report (Export abattoirs)	2 Hygiene Assessment Report (HAR) on export meat and poultry export abattoirs conducted	2HAR demand driven by industry. A requirement to qualify for export.	2HAR done. 1 each at Karan Beef (Balfour) and Early Bird Farms Poultry Abattoir (Standerton) respectively.
	Routine abattoir Inspections:	477 Red meat & Poultry abattoirs inspected	477 Red meat & Poultry abattoirs inspected	807 Red meat & Poultry abattoirs inspected
	Red meat & Poultry abattoirs inspections	7 Meat safety scheme projects inspected	7 Meat safety projects continue	2 Meat Safety projects completed 5 projects ongoing. Abattoir Waste Management guidelines drawn up according to Meat Safety Act and Environmental Management Act. Abattoir Procedure Manual completed.
	Meat safety projects	1 Red Meat Abattoir Information Day conducted	1 Red Meat Abattoir Info Day conducted	Red Meat Abattoir Day conducted in Third Quarter.
	Food Control Committees	8 Food Control Committees established	8 Food Control Committees established	Total 7. 3 Food Control Committees established. One in each district. 4 Meat Safety Forums were also established. One each in Ehlanzeni and Nkangala Districts and Two in Gert Sibande District.
	Meat examiner courses facilitated	3 Meat Examiner Courses facilitated	3 Meat Examiner Courses facilitated	None.
	Newsletter published	4 Newsletters published	4 Newsletters published	4 Newsletters published



## Challenges

Outputs were generally exceeded because the sub-program managed to fill several vacancies. The meat examination course and abattoir workshop could not be held because HRD skills development funds were depleted.

## Sub-Programme 4.3: Veterinary Laboratory Services

### Purpose

To provide support service to the Veterinary personnel, medical practitioners and farmers with regard to Diagnostic service and Epidemiological investigations of Animal Disease outbreaks

### Summary of Achievements

Veterinary Laboratory Services (VLS) had finally appointed a Quality Co-ordinator and it is in the process of implementing the quality system, which will lead to accreditation for the tests that are performed in Mpumalanga Provincial Veterinary Laboratory (MPVL), Ehlanzeni District Veterinary Laboratory (EDVL) and Lydenburg State Veterinary Laboratory (LSVL).

The change of ALS to ANATECH as Bentley agent in South Africa has caused some problems in the Udder Health and Milk Hygiene section, due to the fact that cecalait samples (controls) are not delivered on time and it also take time to get a technician to fix the machine when there is a problem.

On the 21st May 2008 MPVL, EDVL and LSVL were temporally suspended to do Bovine Brucellosis Serology tests by DoA due to non-conformances. After complying with the DoA standards the three laboratories were allowed to continue with the tests, but will have to address all of the non-conformances still outstanding.

## Sub-Programme 4.3: Veterinary Laboratory Services

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Veterinary Laboratory Services	Number of submissions:	3 250 submission	3 250 submission	3 426 submission
	Laboratory tests	237 547 lab tests	237 547 Number of laboratory tests	225 440 Number of laboratory tests
	Anat path: number animals for pm & or histo	400 diagnosis pm & or histo	400 Anat path: number animals for pm & or histo	251 Anat path: number animals for pm & or histo
	Interpretation lab results & advise (Nr. Submissions)	600 interpreted results & advise (submissions)	600 interpreted results & advise (Nr. submissions)	379 interpreted results & advise (Nr. submissions)
Veterinary Laboratory Services	School visits	6 School visits undertaken	6 School visits undertaken	1 School visit undertaken
	Information days held	1 information Day held	1 Information Day held	0 Information Day held
	Exhibits/ demonstrations held	2 Exhibits/ Demonstrations held	2 Exhibits/ Demonstrations held	2 Exhibits/ Demonstrations held

## Challenges

Many services are demand driven and influenced by external factors.

### Sub-Programme 4.4: Veterinary Clinical Services

#### Purpose

To render clinical services, primary animal health care and animal welfare services to communities in remote and unserved areas and to render support to Departmental livestock projects.

#### Summary of Achievements

This programme which was established in 2006 continues to be severely under budgeted both on Compensation of Employees and Goods and Services. The programme which provides an essential service to the most needy has critical capital needs to build and equip animal health centres, to equip mobile hospitals and to provide for accommodation for new veterinary graduates expected to under-go compulsory community development. No CASP funds were received in 2008/2009 and none have been provided for 2009/2010.

In addition, capital funds had to be utilised to ensure that all the existing animal health centres are upgraded and comply with the South African Veterinary Council minimum requirements to render services.

In conclusion we believe that the Chief Directorate has successfully fulfilled its mandate at local, provincial, national and international levels by controlling existing and emerging animal diseases.

### Sub-Programme 4.4: Veterinary Clinical Services

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Veterinary Clinical Services	Out patients cases attended to	4 500 out patients cases attended to	4 500 out patients cases attended	7 759 out patients cases attended
	Referral cases attended	250 referral cases attended	250 referral cases attended	410 referral cases attended
	Farm calls/ ambulatory service	810 farm calls/ ambulatory service	810 farm calls/ ambulatory service	5 122 farm calls/ ambulatory service
Veterinary Clinical Services	Routine vaccines (Dogs, Cats, Cattle & Equines)	3 000 routine vaccines (Dogs, Cats, Cattle & Equines)	3 000 Routine vaccines (Dogs, Cats, Cattle & Equines)	6 552 routine vaccines (Dogs, Cats, Cattle & Equines)
	New veterinary clinic/ consulting room built	1 New veterinary clinic/ consulting room built	1 New veterinary clinic built	1 New veterinary clinic under construction, in the process of roofing (Malekutu)
	Mobile clinic points established	40 Mobile clinic points established	40 mobile clinics points established	38 mobile clinics points established
	Mobile ambulances purchased	3 Mobile ambulances purchased	3 Ambulances purchased	3 ambulances under construction
	Isolation facilities within (clinics) erected	3 Isolation facilities within (clinics) erected	3 Isolation facilities within (clinics) erected	5 isolation kennels within clinics erected

## Challenges

In all components, our major challenge is recruiting and retaining appropriately qualified veterinary and para-veterinary staff. Staff members are constantly being "poached" by other provinces, particularly Gauteng, where

access to Onderstepoort Veterinary Faculty for further professional studies and CPD opportunities is easily acquired.

Rollout of the National Abattoir Rating Scheme (NARS) in the Province after stakeholder meetings. The NARS is a voluntary meat safety scheme that uses the results of the Hygiene Assessment Score (HAS) of each abattoir.

## **PROGRAMME 5: TECHNICAL RESEARCH AND DEVELOPMENT SERVICES**

### **Purpose**

The purpose of the programme is to develop or adapt appropriate technologies for improved agricultural productivity as well as development and dissemination of natural resource information.

This programme is organized into the following three sub-programmes:

Sub-programme 5.1: Research

Sub-programme 5.2: Agricultural Information Services

Sub-programme 5.3: Infrastructure Support Services

### **Strategic Objectives**

- Develop and transfer appropriate agricultural technology to farmers and relevant stakeholders.
- Develop and update agricultural database for improved decision making.
- Maintain and develop research infrastructure and appropriate research facilities.

### **Service delivery objectives and indicators**

#### **Service delivery objectives**

- Conduct adaptive research to improve agricultural productivity.
- Improving agricultural decision-making processes.
- Provide maintenance and support to research farms.

#### **Indicators**

- Number of animal and crop trials conducted
- Number of stakeholders reached.
- Number of datasets developed.

#### **Service delivery Achievements.**

The crop unit conducted 57 crop trials and exceeded their target with 12 trials due to innovativeness of the research and development personnel. A foliar disease resistant groundnut variety has been released and has been added to the National Variety list as INKANYEZI.

The Range and Forage division is part of the National Veldt and Forage Working Group (NVFWG) established in 2005. Mpumalanga Province hosted the 43<sup>rd</sup> Annual Grassland Society of Southern Africa congress at Badplaas from the 21<sup>st</sup> to 25<sup>th</sup> July 2008. The purpose of the NVFWG is to establish and national focus towards sustainable management of veldt and forage resources through participatory involvement and cooperation of all stakeholders to ensure a sustainable animal production sector in the country.

During the 2008/2009 period 715 farmers were assisted with technical advice on pastures and veldt management.

### Sub-Programme 5.1: Research

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Research	Crop trials developed to support identified commodities	45 Crop trials	45 Crop trials	57 Crop trials established
	Animal trials developed in support of the livestock improvement program	8 Animal trials	8 Animal trials	5 Animal trials established
	Range and Forage trials developed in support of veldt and pasture improvement	7 Range and Forage trials	7 Range and Forage	5 Range and Forage trials established
	Aquaculture development in support of the fishing industry	1 Cage culture Unit	1 Cage culture Unit	1 Cage culture unit established
	Establishment of cage culture unit	Hatchery and circulation unit development	1 Hatchery and circulation unit development	Hatchery and circulation unit not implemented

### Sub-programme 5.2: Agricultural Information Services

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Information Services	GIS datasets updated	100 GIS datasets updated	100 GIS datasets updated	100 GIS datasets updated
	New GIS datasets created	10 New GIS datasets created	10 New GIS data sets created	7 New GIS datasets created
	GIS Information distributed to clients (on request)	GIS Information distributed to clients (on request)	GIS information distributed to clients on request	129 GIS Information distributed to clients (on request)
	Sub-division of land done on request	Sub-division of land done on request	Sub-division of land done on request	263 sub-division of land done on request
	Agricultural potential investigations done on request	Agricultural potential investigations done on request Number of agricultural potential investigations done	Agricultural potential investigations done on request	1913 ha agricultural potential investigations done on request

### Sub-Programme 5.3: Infrastructure Support Services

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Infrastructure Support Service	Hectors prepared for planting	130 ha prepared for planting	130 ha prepared for planting	131 ha prepared for planting
	Tons of hay produced	500 tons of hay produced	500 tons of hay produced	266 tons of hay produced
	Kilometres of roads maintained	20 km of roads maintained	20 km of roads maintained	48 km of roads maintained
	Kilometres of fence erected	30 km of fence erected	30 km of fence erected	50 km of fence erected
	Kilometers of firebreaks constructed	70 km of firebreaks constructed	70 km of firebreaks constructed	61 km of firebreaks constructed

#### Challenges

With regard to the research sub-directorate, five animal trials were implemented out of a target of 8 trials focusing mainly on animal improvement and converting feed intake to meat production. The set target was not met due to staff turnover and 3 trials were shelved. The IDC and DALA Nguni cattle project planning process was ultimately finalized and will be implemented in the new financial year.

The Range and Forage Unit conducted 5 trials out of the set target of seven. The trials mainly focused on evaluation of the nutritive value of winter and summer forage and determining the carrying capacity of the veldt. The set target was not met due to staff turnover.

286 tons of hay was harvested which is 214 tons short of the set target due to non favourable climatic conditions encountered at the beginning and at the end of the growing season.

61 km of firebreaks were made pm 2 research farms. A target of 70 km firebreaks was set but could not be made due to bad weather conditions during July 2008.

The Aquaculture Unit implemented the pilot cage culture unit at the Agricultural College dam to serve as a demonstration unit. The availability of tilapia fingerlings is currently major drawback in the promotion of Aquaculture as a farming enterprise.

The hatchery and recirculation unit were also confronted by challenges. Service providers with the relevant skills were almost impossible to secure for the expected job.

The new technology cage culture to be implemented on the Nooitgedacht dam and Driekoppies dam is on hold due to certain requirements of the National and Environmental Management Act (NEMA) and its regulations hence the matter has been referred back to DEAT for review.

Only 7 new GIS datasets were created out of a target of 10 that was set. The target was not reached due to inexperienced and shortage of personnel.

# PROGRAMME 6: AGRICULTURE ECONOMICS

## Purpose

To provide economic support to internal and external clients with regards to marketing, statistical information.

This programme is constituted by two sub-programmes, i.e.

Sub-programme 6.1: Marketing Services

Sub-programme 6.2: Macro-economics and Statistics

## Strategic objective

- Promote trade and investment in agricultural sector.
- Ensure development of entrepreneurs in the agricultural sector, particularly the youth, women and people with disability.

## Service delivery objectives and indicators

Provide agricultural marketing information services to farmers.

Provide agricultural statistical information services to farmers.

Provide agri-business development support to emerging farmers.

Provide agricultural risk and disaster management services to farmers.

## Sub-programme 6.1: Marketing Services

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Marketing services	Market opportunities identified	15 market opportunities identified	15 market opportunities identified	24 market opportunities identified
	Business opportunities identified for value addition	8 Business opportunities identified for value addition	8 business opportunities identified for value addition	10 business opportunities identified
	Business models developed	2 Business models developed	2 business models developed	None
	Training sessions on the Cooperatives Act conducted	14 training sessions on the Cooperatives Act conducted	14 Training sessions on the Cooperatives Act conducted	14 training sessions on cooperatives act
	Training workshops on AgriBEE conducted	4 workshops on AgriBEE conducted	4 training workshops on AgriBEE conducted	7 workshops on AgriBEE scorecard conducted

## Sub-Programme 6.2: Macroeconomics and Statistics

### Purpose

To develop a database on various economic statistics and trends, develop and analyse various economic models and evaluate international/National and local policies on the Agriculture Sector

### Sub-Programme 6.2: Macroeconomics and Statistics

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Improve Agricultural Productivity	Macro-economic indicators analysed.	4 quarterly analysis on macro-economic indicators analysed	4 quarterly analysis on macro-economic indicators analysed	4 quarterly analysis on macro-economic indicators analysed
	Economic statistical databases available	2 economic statistical database available	2 economic statistical database available	None
	Reports drafted on marketing information	12 reports drafted on marketing information	12 reports drafted on marketing information	12 reports drafted on marketing information
	Clients provided with marketing information	350 clients provided with marketing information	350 clients provided with marketing information	400 clients provided with marketing information

**Challenges**

Reprioritization of projects resulted in officials assigned with different responsibilities.

**Response**

Activities in this area of work will be resumed in 2009/10 financial year.

## Programme 7: Structured Agricultural College

### Purpose

To enhance economic development to improve quality of life by maximum exploitation of agricultural potential and opportunities through sound and relevant agricultural training

The activities of the programme are organised in to the following sub-programmes, namely:

Sub-programme 7.1. Higher Education and Training (HET)

Sub-programme 7.2. Further Education and Training (FET)

### Strategic objectives

- Enhance skills development in the agricultural sector.
- Improving agricultural productivity

### Service delivery objectives and indicators

#### Service delivery objectives

- Provide agricultural tertiary education and training to people with post grade twelve (12) qualifications
- Provide non-formal training to emerging farmers, farm workers and land reform beneficiaries
- Enhance and maintain the infrastructure of the farm and the Agricultural College

#### Indicators

- Number of graduates from the Agricultural College
- Number of beneficiaries trained on non-formal courses
- Number of training sessions offered to beneficiaries
- Number of in-service training offered to educators

### Service delivery Achievements

#### Sub-Programme 7.1: Higher Education and Training (HET)

With regard to formal training, enrolment of grade 12 students continues to increase gradually every year. The primary contributing factor to this trend is due to our intensified campaign conducted to high schools and other related education and training institutions.

We have also set in motion a process of investigating possibilities of introducing new courses at the College – courses such as forestry and animal production. It is in this context as to why educators were subjected to curriculum development training sessions during the course of the year on which we are reporting.

In addition, the infrastructure of the College was given a facelift to create an environment conducive to learning and teaching. This includes, inter alia, the construction of a brick-wall around the college as part of upgrading the security system of the College, purchasing of new implements for students' practical activities and the upgrading of some of the teaching facilities.



### Sub-Programme 7.1: Structured Agricultural Training

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Higher Education Training	Skilled agriculturalists	205 Higher Certificate and Diploma course in Plant Production offered	205 Higher Certificate and Diploma course in Plant Production offered	Higher Certificate and Diploma courses in Plant Production offered to 212 students
	Surveys conducted within farmer groups, land reform beneficiaries, and schools.	100 visits to schools, farms and projects	100 visits to schools, farms and projects	131 surveys conducted within farmer groups, land reform beneficiaries, and schools
	Prospective agricultural students registered	180 students attending the formal courses	180 students attending the formal course	212 students attending the formal course
	In-service training programmes attended by educators	10 in-service training on competency based learning for higher education	10 in-service training on competency based learning for higher education	7 Meetings on Policy and Curriculum development
	Completed infrastructure	Complete initiated infrastructure on farm and the College	Complete initiated infrastructure on farm and the College	infrastructure projects completed

### Sub-Programme 7.2: Further Education Training (FET)

#### Purpose

To provide non-formal training within the proviso's of NQF levels 1 to 4 and in the form of short courses to anybody who desires to participate with special emphasis on emerging farmers and farm workers.

#### Service delivery Achievements

The FET sub-programme, among other things, managed to achieve the following:

- 97 training events to the benefit of 836 Masibuyel`Emasimini participants
- 417 training events to the benefit of 4029 Food Security programme participants
- 193 training events to the benefit of 1782 CASP participants
- 84 training events to the benefit of 806 Land Reform programmes` participants; and
- 31 Trainings on Capacity building courses to the benefit of 244 office bearers, executive committee members and participating members of various projects and farmer organizations.

The sub-programme also managed to make some positive strides towards the finalization of the accreditation processes. The vegetables courses from HEQF 1 to 3 have been finalized and presented to the Agri-SETA for accreditation. The section is currently engaged with the process of getting the animal production training accredited too and the process is envisaged to be finalized by the end of the September 2009.

## Sub-Programme 7.2: Further Education Training (FET)

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Further Education Training	Training on Masibuyele Emasimini programme	93 training events for 820 participants	93 training events for 820 participants	97 training events to the benefit of 836 participants
	Training on food security programme	420 training events for 4000 participants	420 training events for 4000 participants	417 training events to the benefit of 4029 participants
	Training on CASP related programme	190 training events for 1800 participants	190 training events for 1800 participants	193 training events to the benefit of 1782 participants
	Training offered on Land Reform programmes	82 training events for 780 participants	82 training events for 780 participants	84 training events to the benefit of 806 participants
	Capacity building courses	23 Training on Capacity building courses for 230 participants	23 Training on Capacity building courses for 230 participants	31 training on capacity building courses to the benefit of 244 participants

### Challenges

The Sub-programme (HET) at the College planned to register 42 first years students, 75 second years students (certificate) and 54 third years students (diploma) registered in Plant Production, 205 students were expected to register in Plant Production but eventually only 171 managed to register for the 2008/09 academic year. The reason for this situation is that applicants did not meet the selection criteria of 23 points required for admission at the College.

The College is in the process of exploring various mechanisms that could be applied at high school level to improve this situation especially in those schools of the historically marginalized communities.

Poor infrastructure of the training centres in the Districts is still a challenge. However, attention is already paid in this regard.

The re-location of sixteen (16) houses following the construction of the N4 by-pass route also posed a challenge to accommodation infrastructure. Attention is also given to these new developments.

# SECTOR: ENVIRONMENTAL SERVICES

## PROGRAMME 8: ENVIRONMENTAL SERVICES

### Sub-Programme 8.1: Environmental Impact Management

#### Purpose

To enhance the quality and safety of the environment.

#### Strategic Objectives

- Environmental Planning and co-ordination
- Environmental impact management
- Integrated pollution and waste management
- Environmental awareness and capacity building
- Biodiversity management

#### Service Delivery Objectives and Indicators

- The management of activities that can have a significant impact on the environment through the implementation of environmental legislation
- The development of environmental management frameworks
- Enhance environmental capacity and literacy
- 

#### Service delivery Achievements

The Directorate performs a regulatory function with performance being driven by applications received for environmental authorizations. Compliance monitoring is driven by proactive investigations of conditions attached to authorizations as well as complaints received from the public.

332 authorisations were issued during the year. This is 32 or 5 percent less than planned. One hundred and twenty two authorization conditions were monitored for compliance while forty eight complaints were investigated. These are 18 and 31% percent less than planned. Fourteen appeals against authorizations were received and processed

### Sub-Programme 8.1: Environmental Impact Management

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Environmental Impact Management	Records of Decision (ROD's) issued	350 Records of Decision (ROD's) issued	350 ROD's issued	332 Records of Decisions(ROD's) issued
	Records of Decision (ROD's) Monitored	150 Records of Decision (ROD's) Monitored	150 ROD's monitored	122 ROD's monitored
	Mine applications evaluated	100 Mine applications evaluated	100 mine applications evaluated	277 mine applications evaluated
	Appeals reviewed	16 Appeals reviewed	16 Appeals reviewed	11 Appeals reviewed
	Environmental Complaints attended	70 Environmental Complaints attended	70 Complaints investigated	48 Environmental Complaints investigated

## Challenge

Deviation from targets cannot be avoided as the Directorate: Environmental Impact Management does not have a control on the number of applications submitted for all the performance measures.

In addition to the above targets the Directorate has reviewed 764 EIA application documents and conducted 455 Site Visits on proposed new developments, Reviewed 107 Environmental Management Plans and commented on 89 applications for subdivision of agricultural land.

## Sub-Programme: 8.2: Pollution and Waste Management

### Purpose

The purpose is to regulate the impact of polluting and waste generating socio-economic activities on the environment and on human health and well-being. The objective is to minimize and manage the impact of air pollution on the atmosphere, climate and human health and to minimize and manage the impact of the build up of waste on the natural environment.

### Strategic Objectives

- To promote environmental sustainability
- To prevent negative impacts on the environment

### Service Delivery objectives and indicators

- Provincial Hazardous Waste Management Plan (HWMP) Development
- Progress with the Development of Municipal Integrated Waste management Plans
- Progress with the Promotion of cleaner production technology in industry
- Development of a Municipal Integrated Pollution Control (IPC) Model
- Development of a Provincial Air Quality Management Plan
- Progress on the Development and Maintenance of Municipal Air Quality Management Plans

### Service delivery Achievements

The Directorate successfully executed the procurement and installation of four ambient air quality monitoring stations for the Highveld Priority Area. In total, there are now nine state-owned monitoring stations in the HPA in Mpumalanga (Three in Steve Tshwete municipality; two in Emalahleni municipality and one each in Dipaliseng, Govan Mbeki, Lekwa and Msukaligwa municipalities). A web-site has also been developed to report on ambient air pollutant levels in the monitored air-shed. The web-site is accessible to the general public ([www.mpumalangaair.org.za](http://www.mpumalangaair.org.za)) and data is also reported through the South African Air Quality Information System (SAAQIS) web-site ([www.saaqis.org.za](http://www.saaqis.org.za)). The second national Air Pollution Priority Area was officially launched in Middelburg, Steve Tshwete municipality.

A significant time was also spent on the execution of the feasibility studies for the construction and operation of shared and centralised waste management facilities, one in each of the three districts. A major drawback is a lack of suitable municipal or state-owned land for the construction of the proposed central waste disposal facility in Gert Sibande (the proposed construction site is around Secunda). Discussions with SASOL and mining houses have commenced to determine the availability of land within their estates. The project is on track in Nkangala and a number of potential sites have been identified. A final site selection report will be submitted in April 2009 for the Nkangala project. Municipal participation in the projects is also problematic and will have to improve in 2009/10. This is a current priority for the directorate.

## Sub-Programme: 8.2: Pollution and Waste Management

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Pollution and Waste Management	Provincial Hazardous Waste Management Plan (HWMP) Implementation	Provincial Hazardous Waste Management Plan (HWMP) Implementation	Implementation of the Plan	Implementation of the Plan commenced
	Maintenance of 21 Municipal Integrated Waste management Plans (IWMP's)	Facilitate the development and maintenance of 21 Municipal Integrated Waste management Plans (IWMP's)	21 Monitoring Reports on Implementation and Development of IWMP's	Progress Reports compiled on 21 Municipal Integrated Waste Management Plan
	Adoption of cleaner production (CP) technology in industry	Promote the adoption of cleaner production (CP) technology in industry	Reports on (CP) implementation in Refinery and Cement Industry Facilities	Reports compiled on CP implementation in Refinery and Cement Industry Facilities
	Integrated Pollution Control (IPC) Model Pilot Project	Integrated Pollution Control (IPC) Model Pilot Project	Preparation of Pilot Project Plan of implementation	IPC Model Plan of Implementation formulated
	Provincial Air Quality Management Plan (AQMP)	1st Draft Provincial Air Quality Management Plan (AQMP)	Draft Air Quality Management Plan	Not compiled
	7 municipality air quality management plans	Facilitate the development and maintenance of 7 municipality air quality management plans	Training Provided	National AQMP Manual compiled and distributed

### Sub-Programme 8.2.1: Greening Mpumalanga Programme

#### Service delivery Achievements

#### Greening Mpumalanga

The Greening Mpumalanga projects in the Heritage, Greening Mpumalanga and Tourism Flagship were implemented. The Department was able to plant 178 030 trees. During this process, over 456 community-based educators trained. A total of 194 waste clean-up campaigns were conducted and the Mpumalanga Office Paper Programme Resource Pack developed and printed. 90 Cleanest Town Competition monitoring sessions conducted in 18 local municipalities in the Province and the 1st prize was awarded to Steve Tshwete municipality. 179 schools are part of the Climate Change programme, 284 Educators trained to conduct the programme and 1130 learners are participants. The Department also managed to rolled-out the feasibility Study and Design projects for Centralized Waste Management Facilities in Nkangala and Gert Sibande Districts Ambient Air Quality Monitoring network equipment completed in Emalahleni, Steve Tshwete, Lekwa and Dipaliseng.

### Sub-Programme 8.2.1: Greening Mpumalanga Programme

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Greening Mpumalanga Programme	Trees planted	150,000 trees planted	150 000 trees planted	178 030 trees planted
	Waste clean ups campaigns	Conduct 150 waste clean ups campaigns	Conduct 150 waste clean ups campaigns	194 waste clean ups campaigns conducted
	Cleanest Town Programme implemented	Cleanest Town Programme implemented	Cleanest Town Programme implemented	Cleanest Town Programme implemented
	Climate Change Programme implemented	Climate Change Programme implemented	Climate Change Programme implemented (150 participating school planned)	Climate Change Programme implemented (179 schools participated)
	Central Waste Sites	Development of 3 Central Waste Sites	Permit application for 2 sites	Feasibility Studies commenced for 2 sites
	Ambient Air Quality Monitoring Network equipment procured and installed	Ambient Air Quality Monitoring Network equipment procured and installed	Ambient Air Quality Monitoring Network and Web-site	Ambient Air Quality Monitoring Network and Web-site developed and in operation
	Provincial Environmental GIS database for Environmental Management Framework (EMF) developed	Provincial Environmental GIS database for Environmental Management Framework (EMF) developed	GIS Database development commenced	Inception report; Status quo report ; GIS database development commenced

#### Challenge

Most of the above outputs are in the form of projects which have just commenced. Nuisance, emergency incidents and EIA authorisations are dependent on the reports or applications received per month.

It should be pointed out that fewer applications for authorization for listed activities, appeals and environmental complaints were received than projected and planned. This deviation from the planned and projected targets cannot be avoided as applications are demand driven.

#### Response

The Department will engage Mbombela Municipality to pass a resolution to participated in the Central Waste Management project for Ehlanzeni district.

## Programme 9: Ecosystems, Biodiversity and Natural Heritage

This function was transferred during the reporting period to Mpumalanga Parks Board a parastatal for the Department of Economic Development and Planning.

## Programme 10: Environmental Development

### Purpose

To ensure environmental sustainability through environmental awareness and education as well as strategic environmental

The programme Environmental Development is responsible for Environmental Awareness, environmental capacity building, environmental policy development, environmental advocacy, environmental information management & reporting and co-operative governance in support of environmental management and sustainable development.

Key services provided are environmental programmes such as community based awareness programme; youth based environmental awareness programmes and Mpumalanga greening programme.

The programme further provides environmental policy development services, environmental management frameworks, integrated municipal environmental programme support services and provincial environmental implementation management and support services.

### Strategic objectives

- To provide environmental information and capacity building
- Ensure compliance to environmental legislation
- Promote the sustainable management of biodiversity

### Service delivery objectives and indicators

To provide environmental awareness and education and ensure strategic environmental management.

### Sub-Programme 10.1: Environmental Awareness and Education

#### Purpose

To provide environmental awareness, information and advisory services for environmental capacity building that ensures environmental action to achieve sustainable development.

#### Service delivery Achievements

The Directorate attended the Environmental Education Association of Southern Africa (EEASA) annual conference in Swaziland with a delegation of 24 officials from the Directorate Environmental Education. The Chief Director for Environmental Services, Mr. Maluleka lead the delegation and presented a paper on the Implementation of Decade for Education on Sustainable Development (DESD) in Mpumalanga Province. Five other papers were presented i.e. The Concept of the DESD in Mpumalanga and the Cleanest Town Competition (CTC) in Mpumalanga, The School and Community Greening Programme in Mpumalanga, The Water programme for pre-schools in Mpumalanga and the Climate Change programme in Mpumalanga. The Directorate also exhibited during the conference. The annual DESD conference was very successfully facilitated.

A total of 75 media articles and radio slots were facilitated to create environmental awareness. 135 674 people were reached with environmental presentations and workshops and 59 environmental education and awareness resources were compiled

### Sub Programme: 10.1: Environmental Education

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Environmental Education and Awareness	DESD plan implemented	Programme implemented (targets achieved)	Programme implemented (targets achieved : 4x quarterly reports and 1x annual conference)	Programme implemented (targets achieved : 4x quarterly reports and 1x annual conference)
	Community based awareness programmes	6 Community Based Awareness Programmes implemented (Adopt a Spot, &5 Commemorative Days)	6 Community Based Awareness Programmes implemented (Adopt a Spot, &5 Commemorative Days)	6 Community Based Awareness Programmes implemented (Adopt a Spot, &5 Commemorative Days)
	Youth based awareness programmes	3 Youth based awareness Programmes implemented (Adopt –a- schoolyard, waste management and water programme)	3 Youth based awareness Programmes implemented (Adopt –a- schoolyard, waste management and water programme)	3 Youth based awareness Programmes implemented (Adopt –a- schoolyard, waste management and water programme)

### Sub-Programme 10.2: Strategic Environmental Management

#### Purpose

To provide strategic environmental management

#### Summary of Achievements

The Department managed to meet most of the targets set in this area of work. The development of Environmental Management Framework (EMF) for Emakhazeni municipality yielded a status quo report, 6 specialist studies and a desired state of the environment report. The EMF will guide the Environmental Impact Assessment (EIA) in terms of land development. Terms of reference was compiled for Albert Luthuli and Msukaligwa EMF. These EMF's are developed as part of the strategy of implementation of the Mpumalanga Biodiversity Conservation Plan (MBCP). A MBCP land use guide manual was developed to guide the users on the plan. An issues report was developed for the provincial state of the environment report.

The Department has conducted 21 municipal environmental capacity assessments to quantify the problems faced by municipalities in terms of implementing the environmental management legislation. These assessments were done as part of the environmental implementation plan. The Nkangala environmental policy was developed and terms of reference for environmental management plan was compiled for the implementation of the policy. The policy will guide the municipalities' operations to guide environmental sustainability



## Sub-Programme 10.2: Strategic Environmental Management

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Strategic Environmental Management	Environmental Management mechanisms developed	EIP gazetted and implemented	4 EIP Workshops	4 EIP Workshops conducted; Plan approved by the CEC (DEAT);
Strategic Environmental Management	Mpumalanga Biodiversity Conservation Plan (MBCP)	Implementation of the Mpumalanga Biodiversity Conservation Plan (MBCP)	Plan roll-out	3 MBCP workshops facilitated; MBCP Stakeholder Forum established; MBCP implementation plan developed for Gert Sibande EMF
	Environmental Management Framework (EMF)	Emakhazeni Environmental Management Framework (EMF) developed	Plan for EMF implementation	Plan for EMF Implementation developed
	Integrated Municipal Environmental Programme (IMEP) facilitated	Nkangala Environmental Management Plan (EMP) developed	EMP developed	EMP developed
	State of the Environment Report (SoER)	Provincial SoER Developed	SOER summary report	SOER draft report

### Challenges

Co-operation amongst stakeholders and the Department in submitting inputs.

Accessing data from private institutions to complete specialist studies on the SOER

### Response

Established a forum for stakeholders and private institutions to ensure co-operation with the Department.

## SECTOR: LAND ADMINISTRATION:

### Programme 11: Land Administration

#### Purpose

To provide planning, surveying, land use administration and tenure upgrading services.

This programme is subdivided into three sub-programmes, that is:

Sub-programme 11.1: Planning and Surveying Services

Sub-programme 11.2: Land Use Administration

Sub-programme 11.3: Land Reform

#### Strategic objectives

- Facilitate formalisation of towns and settlements in the Province.
- Regulate land use outside formal towns
- Rationalise existing planning legislation
- Formalisation of existing R 188 rural settlements under tribal jurisdiction
- Provide assistance with validation and implementation of restitution and land reform projects

#### Service delivery objectives and indicators:

##### Service delivery objectives

- Increase title deeds of beneficiaries in towns and settlements.
- Increase availability of erven for development.
- Administer processes of land use change.
- Provide support to municipalities on spatial planning.
- Facilitate state land released on communal areas.
- Assist with validation and implementation of restitution and land reform projects.

##### Indicators

- Number of title deeds handed out to beneficiaries.
- Number of sites formalised.
- Number of land use applications processed.
- Number of community resolutions facilitated.
- Number of restitution and land reform projects assisted.

### Sub-Programme 11.1: Planning and Surveying Services

#### Summary of Key Achievements

During the year under review, the sub-programme managed to achieve the following:

- 278 technical evaluations completed on development applications throughout the Province.
- 5673 sites are being upgraded (currently at Milestone 7) for security of tenure and those title deeds will be distributed to residents in the various areas. These areas are Ekangala F (1351 sites), Gutswa A (1088 sites) and Kwaggafontein A (3234 sites).
- 1746 stands would become available in the following areas since the town establishment process are being finalised, Mashising Extension 8 (656 sites), Wesselton Extension 7 (686 sites) and Kwa Zamukuhle Extension 8 (404 sites).

The surveying project at Dipaleseng Municipality is only 80% complete. It is expected that the project would be finalised in the first quarter of the next financial year.

**Sub-Programme 11.1: Planning and Surveying Services**

Sub-programmes	Output:	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Planning and Surveying Services	Title deeds handed out to beneficiaries	3400 title deeds handed out to beneficiaries (milestone 5 to 8)	3400 title deeds handed out to beneficiaries (milestone 5 to 8)	3400 title deeds at milestone 7
	Sites provided	3000 sites formalised	3000 sites formalised	3000 sites at milestone 4
	Sites surveyed	600 sites surveyed (milestone 1 to 4)	600 sites surveyed (milestone 1 to 4)	600 sites at milestone 3
	Applications evaluated	200 applications evaluated	200 applications evaluated	278 applications evaluated

**Tenure Upgrading Milestones**

- Milestone 1: Scoping study (Scoping reports for Town Planning, Land Surveying, Conveyancing & Engineering and Participation preparation)
- Milestone 2: Community Resolution (Community resolution)
- Milestone 3: Technical Investment (Town Planning, Land Surveying, Conveyancing, Community participation and Engineering)
- Milestone 4: Land Rights Enquiry (Community participation)
- Milestone 5: Dispute Resolution (Community participation, Conveyancing and legal aspects)
- Milestone 6: Town Establishment ( Town planning submission and approvals, Land surveying preparation and approval and Conveyancing preparation)
- Milestone 7: Opening of Town Register and Transfer (Town planning co- ordination, Conveyancing preparation, Transfer registration)
- Milestone 8: Hand over and Close Out Phase (Final report for Town planning, surveying, conveyancing and engineering, Community participation)

**Town Establishment Milestones**

- Milestone 1: Mapping and completion of base plan with contours
- Milestone 2: Completion of geotechnical and environmental impact
- Milestone 3: Submission of application for town establishment calculation and pegging of general plan
- Milestone 4: Approval of General Plan
- Milestone 5: Submission and opening of Town Register
- Milestone 6: Completion of transfer of erven to beneficiaries

**Surveying Milestones**

- Milestone 1: Appointment of Service Provider
- Milestone 2: Surveying 40% complete
- Milestone 3: Surveying 80% complete
- Milestone 4: Approval of General Plan by Surveyor General

## Sub-Programme 11.2: Land Use Administration

The effective functioning of the Mpumalanga Townships Board, Mpumalanga Development Tribunal as well as the Mpumalanga Development Appeal Tribunal is also the responsibility of this section.

With regard to this sub-programme, the following was achieved:

- 259 land use change and subdivisions applications approved in areas outside formal town planning schemes which significantly contributed to growth within the Provincial economy.
- The Directorate also finalised the land use plan for the Province which will assist in decision making processes on land use, subdivisions and town establishment applications.

## Sub-Programme 11.2: Land Use Administration

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Land Use Administration	Applications processed	200 change in land use application process	200 change in land use application process	259 applications processed
	Hearings conducted	24 hearings conducted by Mpumalanga Development Tribunal and Mpumalanga Townships Board.	24 hearings conducted by Mpumalanga Development Tribunal and Mpumalanga Townships Board.	26 tribunal hearings conducted. 2 appeal hearings conducted. 11 townships board hearings conducted.
	Planning legislation developed	Development of Provincial Planning Legislation (30%)	Development of Provincial Planning Legislation (30%)	Status quo report on different planning legislations compiled.

## Sub-Programme 11.3: Land Reform

Through the Land Reform sub-programme, 41 land reform settlement cases relating to Restitution and Redistribution were facilitated. Options workshops (Vulamehlo) with beneficiaries of 11 cases were also finalised.

### Sub-Programme 11.3: Land Reform Support

Sub-programmes	Output	Output Performance Measures:	Target Output: 2008/09	Actual Outputs: 2008/09
Land Reform Support	Community resolutions taken	20 community resolutions taken.	20 community resolutions taken.	0 Community resolutions (No new state land released) 11 Vulamehlo workshops conducted.
	Restitution and land reform projects assisted	30 cases facilitated.	30 cases facilitated.	41 cases on restitution and Land Reform projects facilitated.

#### Challenges

The programme had its share of challenges and this includes, among other things, the following:

- The establishment of Standerton Extension 8, which would have been finalised by the end of the year, was delayed due to the fact that an environmental appeal was lodged against the approval of the said development. The development would contribute 3000 residential in the Lekwa Municipality
- Many of the original pilot projects (historical) projects are not yet finalised, and thus places a burden on the Directorate to spend time and resources on these projects which should have been completed.
- The large number of existing acts and policies makes integrated development planning a challenge, since all municipalities and areas are not on the same planning level. The delayed introduction of the land Use Management Bill has however further complicated the current situation, since it had to provide the necessary regulatory framework to develop Provincial Planning Legislation

#### Response

The town establishment process would be finalised as soon as the environmental appeal was adjudicated on.

It is expected that the closure of TUPP 1, 2 and 3 projects, which would be undertaken in the next financial year, would enable the Directorate to finalise the tenure upgrading implementation manual which could be utilised by municipalities to implement their own projects.

The Department plan to embark on a process of developing Provincial Planning Legislation over a three year period. A task team was established between the Departments of Agriculture and Land Administration, Local Government and the Office of the Premier to implement the promulgation of Planning Legislation.

## HUMAN RESOURCES OVERSIGHT - APRIL 2008 to MARCH 2009

TABLE 1.1 - Main Service for Service Delivery Improvement and Standards

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
Farmer Support Services	Small scale farmers Commercial farmers Households Agriculture students	Prospective farmers	Advice and technology transfer	Training Skills transfer Technology transfer, Extension and advice
Veterinary Services	Live stock farmers Exporters Importers	Prospective farmers	Professional and scientific	Animal disease control Animal product certificate
Environmental Impact Assessment	Developers Industries Municipalities	None	Response time to requests Quality decision on authorizations	Responded to 90 % of the request
Communication with clients	Public Farmers Households	None	Efficient and cost effective	Imbizo, community meeting, IDP reviews

TABLE 1.2 – Consultation Arrangements for Customers

Type of Arrangement	Actual Customer	Potential Customer	Actual Achievements
Farmers Days	Farmers	Prospective farmers	Response positive
Dipping Days	Live stock farmers	Private sector	Regular dipping
Municipality/MEC forum meetings	Municipalities Developers	Industries	Meetings held
Environmental Commemorative days	Schools Community members	Industries	Meetings attended
Workshops and meeting	Stakeholder Role players	-	Meetings held

TABLE 1.3 - Service Delivery Access Strategy

Access Strategy	Actual Achievements
Consultation meetings	Regularly
Field workers	Workshops Demonstrations Campaigns
Communication	Electronic Print

TABLE 1.4 – Service Information Tool

Type of Information Tool	Actual Achievements
Newspapers	Inserts Advertisements

TABLE 1.4 – Service Information Tool

Type of Information Tool	Actual Achievements
Radio	Interviews Promotions Adverts
Pamphlets	Awareness

TABLE 1.5 - Complaint Mechanism

Complaint Mechanism	Actual Achievements
Public forums	Response to publics concerns
Letters from the public	Response to public concerns

TABLE 2.1 – Personnel Costs by Programme

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)	Employment
1. Administration	89,304	40,805	0	0	45.7	22	1885
2. Sustainable resource manage	47,814	23,088	0	0	48.3	12	1885
3. Farmer support & development	349,778	87,500	0	0	25	46	1885
4. Veterinary Services	81,877	57,277	0	0	70	30	1885
5. Technical Research & Development	32,650	20,942	0	0	64.1	11	1885
6. Agriculture Economics	30,233	4,292	0	0	14.2	2	1885
7. Structured Agriculture Training	34,233	21,394	0	0	61.9	11	1885
8. Planning, Impact, Pollution & Waste Management	46,290	12,224	0	0	26.4	7	1885
10. Environmental development	42,168	27120	0	0	64.3	14	1885
11. Land administration	17,119	11310	0	0	66.1	6	1885
Z=Total as on Financial Systems (BAS)	771,465	305,952	0	0	39.7	162	1885

**TABLE 2.2 - Personnel costs by Salary band**

Salary Bands	Compensation of Employees Cost (R'000)	Percentage of Total Personnel Cost for Department	Average Compensation Cost per Employee (R)	Total Personnel Cost for Department including Goods and Transfers (R'000)	Number of Employees
Lower skilled (Levels 1-2)	41,526	12.3	71,720	336,817	579
Skilled (Levels 3-5)	37,538	11.1	90,453	336,817	415
Highly skilled production (Levels 6-8)	108,602	32.2	190,196	336,817	571
Highly skilled supervision (Levels 9-12)	92,597	27.5	320,405	336,817	289
Senior management (Levels 13-16)	17,576	5.2	703,040	336,817	25
Contract (Levels 6-8)	742	0.2	148,400	336,817	5
Contract (Levels 9-12)	2,361	0.7	337,286	336,817	7
Periodical Remuneration	2,998	0.9	2,176	336,817	1378
Abnormal Appointment	2,012	0.6	34,690	336,817	58
<b>TOTAL</b>	<b>305,952</b>	<b>90.8</b>	<b>91,960</b>	<b>336,817</b>	<b>3327</b>



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

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Over time (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme (R'000)
Administration	30,452	74.6	347	0.9	747	1.8	1,685	4.1	40,805
Sustainable resource management	16,024	69.4	0	0	1,321	5.7	1,073	4.6	23,088
Farmer support and development services	56,598	64.7	34	0	2,661	3	4,104	4.7	87,500
Veterinary Services	38,519	67.3	398	0.7	1,505	2.6	2,143	3.7	57,277
Technical Research & Development	14,239	68	98	0.5	785	3.7	1,088	5.2	20,942
Agriculture Economics	3,763	87.7	6	0.1	92	2.1	171	4	4,292
Structured Agricultural Training	14,571	68.1	4	0	946	4.4	927	4.3	21,394
Planning Impact Pollution & Waste Management	8,518	69.7	0	0	223	1.8	408	3.3	12,224
Environmental Development	17,032	62.8	0	0	752	2.8	1,253	4.6	27,120
Land Administration	7,500	66.3	0	0	234	2.1	669	5.9	11,310
<b>TOTAL</b>	<b>207,217</b>	<b>67.7</b>	<b>887</b>	<b>0.3</b>	<b>9,266</b>	<b>3</b>	<b>13,521</b>	<b>4.4</b>	<b>305,952</b>

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

Salary bands	Salaries (R'000)	Salaries as % of Personnel Cost	Over time (R'000)	Over time as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Salary Band (R'000)
Lower skilled (Levels 1-2)	26,383	62.7	33	0.1	3,197	7.6	1,967	4.7	42,045
Skilled (Levels 3-5)	24,229	62.1	77	0.2	2,257	5.8	2,415	6.2	39,032
Highly skilled production (Levels 6-8)	73,459	69	577	0.5	2,765	2.6	5,401	5.1	106,388
Highly skilled supervision (Levels 9-12)	63,677	71.3	198	0.2	1,021	1.1	3,360	3.8	89,332
Senior management (Levels 13-16)	14,688	70.3	0	0	0	0	346	1.7	20,886
Contract (Levels 6-8)	540	69.3	1	0.1	26	3.3	32	4.1	779
Contract (Levels 9-12)	2,341	94.4	1	0	0	0	0	0	2,480
Periodical Remuneration	0	0	0	0	0	0	0	0	2,998
Abnormal Appointment	1,899	94.4	0	0	0	0	0	0	2,012
<b>TOTAL</b>	<b>207,217</b>	<b>67.7</b>	<b>887</b>	<b>0.3</b>	<b>9,266</b>	<b>3</b>	<b>13,521</b>	<b>4.4</b>	<b>305,952</b>

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

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Programme 1: Administration, Permanent	196	163	16.8	0
Programme 2: Sustain Resource Management, Permanent	234	233	0.4	46
Programme 3: Farmer Support and Development Services, Permanent	577	521	9.7	28
Programme 4: Veterinary Services, Permanent	375	333	11.2	0
Programme 5: Technical Research and Development, Permanent	163	160	1.8	2
Programme 6: Agricultural Economics, Permanent	27	16	40.7	1

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

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Programme 7: Structured Agriculture Training, Permanent	194	190	2.1	0
Programme 8: Planning Impact, Pollution & Waste Management, Permanent	59	54	8.5	0
Programme 9: Ecosystem Biodiversity & Natural Heritage cur, Permanent	1	1	0	0
Programme 10: Environmental Development, Permanent	182	164	9.9	14
Programme 11: Land Administration, Permanent	58	56	3.4	4
<b>TOTAL</b>	<b>2,066</b>	<b>1,891</b>	<b>8.5</b>	<b>95</b>

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

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2), Permanent	833	801	3.8	64
Skilled (Levels 3-5), Permanent	276	253	8.3	19
Highly skilled production (Levels 6-8), Permanent	641	567	11.5	12
Highly skilled supervision (Levels 9-12), Permanent	276	235	14.9	0
Senior management (Levels 13-16), Permanent	28	23	17.9	0
Contract (Levels 6-8), Permanent	5	5	0	0
Contract (Levels 9-12), Permanent	7	7	0	0
<b>TOTAL</b>	<b>2,066</b>	<b>1,891</b>	<b>8.5</b>	<b>95</b>

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

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administrative related, Permanent	55	49	10.9	4
Agricul animal oceanography forestry & other scien, Permanent	86	75	12.8	2
Agriculture related, Permanent	200	176	12	1
All artisans in the building metal machinery etc., Permanent	13	13	0	0
Appraisers-valuers and related professionals, Permanent	2	2	0	0
Architects town and traffic planners, Permanent	20	20	0	0
Auxiliary and related workers, Permanent	42	39	7.1	1

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

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Biochemistry pharmacol. zoology & life scie.techni, Permanent	100	87	13	0
Biologists botanists zoologists & rel professional, Permanent	3	3	0	0
Building and other property caretakers, Permanent	92	86	6.5	1
Bus and heavy vehicle drivers, Permanent	3	3	0	2
Cartographers and surveyors, Permanent	5	5	0	0
Civil engineering technicians, Permanent	1	1	0	0
Cleaners in offices workshops hospitals etc., Permanent	121	115	5	10
Client inform clerks(switchb recept inform clerks), Permanent	7	5	28.6	0
Communication and information related, Permanent	17	14	17.6	0
Conservation labourers, Permanent	26	24	7.7	1
Dieticians and nutritionists, Permanent	3	3	0	0
Economists, Permanent	28	19	32.1	1
Engineering sciences related, Permanent	4	4	0	0
Engineers and related professionals, Permanent	1	1	0	0
Farm hands and labourers, Permanent	471	457	3	39
Farming forestry advisors and farm managers, Permanent	9	9	0	0
Finance and economics related, Permanent	38	27	28.9	0
Financial and related professionals, Permanent	26	22	15.4	1
Financial clerks and credit controllers, Permanent	23	22	4.3	0
Food services aids and waiters, Permanent	18	17	5.6	2
General legal administration & rel. professionals, Permanent	1	1	0	0
Head of Department/chief executive officer, Permanent	1	1	0	0
Health sciences related, Permanent	5	5	0	3
Horticulturists foresters agricul.& forestry techn, Permanent	102	93	8.8	1
Household and laundry workers, Permanent	7	6	14.3	0
Human resources & organisat developm & relate prof, Permanent	6	6	0	1
Human resources clerks, Permanent	40	37	7.5	0
Human resources related, Permanent	34	27	20.6	0

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

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Information technology related, Permanent	1	1	0	0
Language practitioners interpreters & other commun, Permanent	2	2	0	0
Legal related, Permanent	5	5	0	0
Librarians and related professionals, Permanent	1	1	0	0
Library mail and related clerks, Permanent	13	9	30.8	0
Life sciences related, Permanent	1	1	0	0
Light vehicle drivers, Permanent	57	56	1.8	12
Logistical support personnel, Permanent	8	8	0	0
Material-recording and transport clerks, Permanent	20	20	0	7
Messengers porters and deliverers, Permanent	4	3	25	0
Meteorologists statistical & related technicians, Permanent	4	4	0	0
Motor vehicle drivers, Permanent	2	2	0	1
Motorised farm and forestry plant operators, Permanent	9	9	0	2
Nature conservation and oceanographical rel.techni, Permanent	70	68	2.9	0
Other administrat & related clerks and organisers, Permanent	85	75	11.8	3
Other administrative policy and related officers, Permanent	23	20	13	0
Other occupations, Permanent	3	3	0	0
Safety health and quality inspectors, Permanent	7	7	0	0
Secretaries & other keyboard operating clerks, Permanent	37	35	5.4	0
Security guards, Permanent	34	32	5.9	0
Senior managers, Permanent	15	13	13.3	0
Trade labourers, Permanent	1	1	0	0
Veterinarians, Permanent	52	40	23.1	0
Veterinary assistants, Permanent	2	2	0	0
<b>TOTAL</b>	<b>2066</b>	<b>1891</b>	<b>8.5</b>	<b>95</b>

TABLE 4.1 - Job Evaluation

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Lower skilled (Levels 1-2)	833	0	0	0	0	0	0

TABLE 4.1 - Job Evaluation

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Contract (Levels 6-8)	5	0	0	0	0	0	0
Contract (Levels 9-12)	7	0	0	0	0	0	0
Skilled (Levels 3-5)	276	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	641	40	6.24	40	6.24	0	0
Highly skilled supervision (Levels 9-12)	276	7	2.53	7	2.53	0	0
Senior Management Service Band A	6	0	0	0	0	0	0
Senior Management Service Band B	15	0	0	0	0	0	0
Senior Management Service Band C	5	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
<b>TOTAL</b>	<b>2066</b>	<b>47</b>	<b>8.77</b>	<b>47</b>	<b>8.77</b>	<b>0</b>	<b>0</b>

TABLE 4.2 - Profile of employees whose positions were upgraded due to their posts being upgraded

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

TABLE 4.3 - Employees whose salary level exceed the grade determined by Job Evaluation [i.t.o PSR 1.V.C.3]

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation	No of Employees in Dept
N/A	0	0	0	0	0
N/A	0	0	0	0	0
Total	0	0	0	0	0
Percentage of Total Employment	0	0	0	0	0

TABLE 4.4 - Profile of employees whose salary level exceeded the grade determined by job evaluation [i.t.o. PSR 1.V.C.3]

Beneficiaries	African	Asian	Coloured	White	Total
Female	27	0	0	3	30
Male	16	0	0	1	17
Total	43	0	0	4	47
Employees with a Disability	0	0	0	0	0

TABLE 5.1 - Annual Turnover Rates by Salary Band

Salary Band	Employment at Beginning of Period (April 2007)	Appointments	Terminations	Turnover Rate
Lower skilled (Levels 1-2), Permanent	588	22	29	4.9
Skilled (Levels 3-5), Permanent	433	19	31	7.2
Highly skilled production (Levels 6-8), Permanent	561	43	25	4.5
Highly skilled supervision (Levels 9-12), Permanent	268	13	12	4.5
Senior Management Service Band A, Permanent	20	1	1	5
Senior Management Service Band B, Permanent	6	0	3	50
Other, Permanent	1	0	0	0
Contract (Levels 6-8), Permanent	5	0	2	40
Contract (Levels 9-12), Permanent	3	9	5	166.7
<b>TOTAL</b>	<b>1885</b>	<b>107</b>	<b>108</b>	<b>5.7</b>

TABLE 5.2 - Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period (April 2007)	Appointments	Terminations	Turnover Rate
Administrative related, Permanent	44	3	2	4.5
Agriculture animal oceanography forestry & other scientist, Permanent	53	9	2	3.8
Agriculture related, Permanent	192	8	7	3.6
All artisans in the building metal machinery etc., Permanent	15	0	4	26.7
Appraisers-valuers and related professionals, Permanent	1	0	0	0

TABLE 5.2 - Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period (April 2007)	Appointments	Terminations	Turnover Rate
Architects town and traffic planners, Permanent	4	2	0	0
Artisan project and related superintendents, Permanent	17	0	3	17.6
Auxiliary and related workers, Permanent	27	1	1	3.7
Biochemistry pharmacology. zoology & life scientist technician, Permanent	82	10	3	3.7
Biologists botanists zoologists & related professional, Permanent	2	0	0	0
Building and other property caretakers, Permanent	56	2	1	1.8
Bus and heavy vehicle drivers, Permanent	10	0	0	0
Cartographers and surveyors, Permanent	1	0	0	0
Cartographic surveying and related technicians, Permanent	2	0	0	0
Civil engineering technicians, Permanent	1	0	0	0
Cleaners in offices workshops hospitals etc., Permanent	88	4	6	6.8
Client inform clerks (switchboard reception inform clerks), Permanent	6	0	0	0
Communication and information related, Permanent	4	0	0	0
Conservation labourers, Permanent	40	3	3	7.5
Economists, Permanent	17	3	1	5.9
Engineering sciences related, Permanent	2	0	0	0
Engineers and related professionals, Permanent	3	0	0	0
Environmental health, Permanent	1	0	0	0
Farm hands and labourers, Permanent	417	17	22	5.3
Farming forestry advisors and farm managers, Permanent	42	0	3	7.1
Finance and economics related, Permanent	15	0	0	0
Financial and related professionals, Permanent	24	3	3	12.5
Financial clerks and credit controllers, Permanent	20	1	0	0
Food services aids and waiters, Permanent	4	1	0	0
Forestry labourers, Permanent	86	0	4	4.7
General legal administration & related. professionals, Permanent	4	0	0	0
Health sciences related, Permanent	6	0	1	16.7
Horticulturists foresters agriculture. & forestry technician, Permanent	132	5	5	3.8
Household and laundry workers, Permanent	10	0	1	10
Human resources & organisation development & relate professional Permanent	7	0	0	0



TABLE 5.2 - Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period (April 2007)	Appointments	Terminations	Turnover Rate
Human resources clerks, Permanent	20	4	3	15
Human resources related, Permanent	19	0	2	10.5
Information technology related, Permanent	1	0	0	0
Language practitioners interpreters & other communication, Permanent	3	0	0	0
Legal related, Permanent	1	0	0	0
Librarians and related professionals, Permanent	2	0	1	50
Library mail and related clerks, Permanent	18	0	0	0
Life sciences related, Permanent	2	0	0	0
Light vehicle drivers, Permanent	20	0	5	25
Logistical support personnel, Permanent	11	0	0	0
Material-recording and transport clerks, Permanent	9	2	0	0
Mathematicians and related professionals, Permanent	1	0	0	0
Messengers porters and deliverers, Permanent	7	1	2	28.6
Meteorologists statistical & related technicians, Permanent	3	0	0	0
Motor vehicle drivers, Permanent	15	0	2	13.3
Motorised farm and forestry plant operators, Permanent	15	0	0	0
Natural sciences related, Permanent	1	0	0	0
Nature conservation and oceanographically related technician, Permanent	3	1	0	0
Other administration & related clerks and organisers, Permanent	80	5	1	1.3
Other administrative policy and related officers, Permanent	18	0	0	0
Other occupations, Permanent	109	0	4	3.7
Rank: Unknown, Permanent	2	0	0	0
Risk management and security services, Permanent	1	0	0	0
Safety health and quality inspectors, Permanent	6	0	0	0
Secretaries & other keyboard operating clerks, Permanent	37	2	2	5.4
Security guards, Permanent	3	0	1	33.3
Senior managers, Permanent	10	0	2	20
Trade labourers, Permanent	1	0	0	0
Veterinarians, Permanent	29	19	11	37.9
Veterinary assistants, Permanent	2	1	0	0
Water plant and related operators, Permanent	1	0	0	0
<b>TOTAL</b>	<b>1885</b>	<b>107</b>	<b>108</b>	<b>5.7</b>

TABLE 5.3 - Reasons why staff are leaving the Department

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Death, Permanent	36	33.3	1.9	108	108
Resignation, Permanent	21	19.4	1.1	108	108
Expiry of contract, Permanent	8	7.4	0.4	108	108
Discharged due to ill health, Permanent	4	3.7	0.2	108	108
Dismissal-misconduct, Permanent	4	3.7	0.2	108	108
Dismissal-inefficiency, Permanent	1	0.9	0.1	108	108
Retirement, Permanent	34	31.5	1.8	108	108
<b>TOTAL</b>	<b>108</b>	<b>100</b>	<b>5.7</b>	<b>108</b>	<b>108</b>

Resignations as % of Employment					
5.7					

TABLE 5.4 - Promotions by Critical Occupation

Occupation	Employment at Beginning of Period (April 2008)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Administrative related	44	4	9.1	23	52.2
Agricultural animal oceanography forestry & other science	53	5	9.4	27	50.7
Agriculture related	192	20	10.4	109	56.7
All artisans in the building metal machinery etc.	15	0	0	11	73.3
Appraisers-valuers and related professionals	1	0	0	1	100
Architects town and traffic planners	4	3	75	2	50
Artisan project and related superintendents	17	0	0	9	52.9
Auxiliary and related workers	27	0	0	21	77.7
Biochemistry pharmacology. zoology & life science technical	82	3	3.7	48	58.5
Biologists botanists zoologists & related professional	2	0	0	0	0
Building and other property caretakers	56	0	0	52	92.8
Bus and heavy vehicle drivers	10	0	0	9	90
Cartographers and surveyors	1	0	0	1	100

TABLE 5.4 - Promotions by Critical Occupation

Occupation	Employment at Beginning of Period (April 2008)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Cartographic surveying and related technicians	2	0	0	1	50
Civil engineering technicians	1	0	0	0	0
Cleaners in offices workshops hospitals etc.	88	0	0	28	31.8
Client inform clerks (switchboard reception inform clerks)	6	1	16.7	5	83.3
Communication and information related	4	4	100	0	0
Conservation labourers	40	0	0	15	37.5
Economists	17	3	17.6	4	23.5
Engineering sciences related	2	1	50	1	50
Engineers and related professionals	3	0	0	1	33.3
Environmental health	1	0	0	1	100
Farm hands and labourers	417	1	0.2	194	46.5
Farming forestry advisors and farm managers	42	1	2.4	29	69
Finance and economics related	15	5	33.3	14	93.3
Financial and related professionals	24	3	12.5	15	62.5
Financial clerks and credit controllers	20	1	5	15	75
Food services aids and waiters	4	0	0	2	50
Forestry labourers	86	0	0	19	22
General legal administration & related professionals	4	0	0	2	50
Head of Department/ chief executive officer	0	1	0	0	0
Health sciences related	6	0	0	6	100
Horticulturists foresters agricultural & forestry technical	132	2	1.5	63	47.7
Household and laundry workers	10	1	10	6	60
Human resources & organisation development & relate professional	7	0	0	4	57
Human resources clerks	20	5	25	13	65
Human resources related	19	5	26.3	10	52.6
Information technology related	1	1	100	0	0
Language practitioners interpreters & other communication	3	0	0	3	100
Legal related	1	1	100	1	100
Librarians and related professionals	2	0	0	1	50
Library mail and related clerks	18	1	5.6	12	66.6

TABLE 5.4 - Promotions by Critical Occupation

Occupation	Employment at Beginning of Period (April 2008)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Life sciences related	2	0	0	1	50
Light vehicle drivers	20	0	0	8	40
Logistical support personnel	11	0	0	7	63.6
Material-recording and transport clerks	9	0	0	5	55.5
Mathematicians and related professionals	1	0	0	1	100
Messengers porters and deliverers	7	0	0	4	57
Meteorologists statistical & related technicians	3	0	0	2	66.6
Motor vehicle drivers	15	0	0	7	46.6
Motorised farm and forestry plant operators	15	0	0	7	46.6
Natural sciences related	1	0	0	1	100
Nature conservation and oceanographically related technical	3	0	0	2	66.6
Other administration & related clerks and organisers	80	4	5	56	70
Other administrative policy and related officers	18	1	5.6	13	72
Other occupations	109	1	0.9	51	46.7
Rank: Unknown	2	0	0	0	0
Risk management and security services	1	0	0	1	100
Safety health and quality inspectors	6	0	0	3	50
Secretaries & other keyboard operating clerks	37	2	5.4	20	54
Security guards	3	0	0	2	66.6
Senior managers	10	1	10	9	90
Trade labourers	1	0	0	0	0
Veterinarians	29	2	6.9	10	34
Veterinary assistants	2	0	0	1	50
Water plant and related operators	1	0	0	0	0
<b>TOTAL</b>	<b>1885</b>	<b>83</b>	<b>4.4</b>	<b>989</b>	<b>52</b>

TABLE 5.5 - Promotions by Salary Band

Salary Band	Employment at Beginning of Period (April 2006)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Lower skilled (Levels 1-2), Permanent	588	0	0	350	59.5
Skilled (Levels 3-5), Permanent	433	11	2.5	200	46
Highly skilled production (Levels 6-8), Permanent	561	18	3.2	293	52
Highly skilled supervision (Levels 9-12), Permanent	268	52	19.4	124	46
Senior management (Levels 13-16), Permanent	26	1	3.8	18	69
Other, Permanent	1	0	0	0	0
Contract (Levels 6-8), Permanent	5	1	20	2	40
Contract (Levels 9-12), Permanent	3	0	0	2	66.6
<b>TOTAL</b>	<b>1885</b>	<b>83</b>	<b>4.4</b>	<b>989</b>	<b>52</b>

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

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, senior officials and managers, Permanent	4	0	0	4	4	4	0	0	4	0	12
Professionals, Permanent	374	2	1	377	67	314	4	0	318	37	799
Clerks, Permanent	57	0	0	57	1	123	3	0	126	16	200
Service and sales workers, Permanent	2	0	0	2	0	1	0	0	1	0	3
Craft and related trades workers, Permanent	23	0	0	23	0	0	0	0	0	0	23
Plant and machine operators and assemblers, Permanent	55	0	0	55	0	0	0	0	0	0	55
Elementary occupations, Permanent	445	0	0	445	7	337	0	0	337	7	796
Other, Permanent	1	0	0	1	0	2	0	0	2	0	3
<b>TOTAL</b>	<b>961</b>	<b>2</b>	<b>1</b>	<b>964</b>	<b>79</b>	<b>781</b>	<b>7</b>	<b>0</b>	<b>788</b>	<b>60</b>	<b>1891</b>

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

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management, Permanent	4	0	0	4	1	2	0	0	2	0	7
Senior Management, Permanent	9	0	0	9	3	5	0	0	5	1	18

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

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Professionally qualified and experienced specialists and mid-management, Permanent	119	1	1	121	49	98	5	0	103	16	289
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	253	1	0	254	24	257	2	0	259	32	569
Semi-skilled and discretionary decision making, Permanent	273	0	0	273	1	130	0	0	130	11	415
Unskilled and defined decision making, Permanent	294	0	0	294	0	287	0	0	287	0	581
Contract (Professionally qualified), Permanent	4	0	0	4	1	2	0	0	2	0	7
Contract (Skilled technical), Permanent	5	0	0	5	0	0	0	0	0	0	5
<b>TOTAL</b>	<b>961</b>	<b>2</b>	<b>1</b>	<b>964</b>	<b>79</b>	<b>781</b>	<b>7</b>	<b>0</b>	<b>788</b>	<b>60</b>	<b>1891</b>

TABLE 6.3 – Recruitment

Occupational Bands	Male African	Male Coloured	Male Indian	Male Total Blacks	Male White	Female African	Female Coloured	Female Indian	Female Total Blacks	Female White	Total
Senior Management, Permanent	1	0	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management, Permanent	8	0	0	8	0	5	0	0	5	0	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	24	0	0	24	0	19	0	0	19	0	43
Semi-skilled and discretionary decision making, Permanent	6	0	0	6	0	13	0	0	13	0	19
Unskilled and defined decision making, Permanent	15	0	0	15	0	7	0	0	7	0	22
Contract (Professionally qualified), Permanent	7	0	0	7	0	2	0	0	2	0	9
<b>TOTAL</b>	<b>61</b>	<b>0</b>	<b>0</b>	<b>61</b>	<b>0</b>	<b>46</b>	<b>0</b>	<b>0</b>	<b>46</b>	<b>0</b>	<b>107</b>

TABLE 6.4 - Promotions

Occupational Bands	Male African	Male Coloured	Male Indian	Male Total Blacks	Male White	Female African	Female Coloured	Female Indian	Female Total Blacks	Female White	Total
Top Management, Permanent	0	0	0	0	0	1	0	0	1	0	1
Senior Management, Permanent	11	0	0	11	2	3	0	0	3	2	18
Professionally qualified and experienced specialists and mid-management, Permanent	70	0	0	70	36	59	3	0	62	8	176
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	154	1	0	155	12	123	2	1	126	18	311
Semi-skilled and discretionary decision making, Permanent	117	0	0	117	1	78	1	0	79	14	211
Unskilled and defined decision making, Permanent	180	0	0	180	1	168	0	0	168	1	350
Contract (Professionally qualified), Permanent	1	0	0	1	1	0	0	0	0	0	2
Contract (Skilled technical), Permanent	3	0	0	3	0	0	0	0	0	0	3
<b>TOTAL</b>	<b>536</b>	<b>1</b>	<b>0</b>	<b>537</b>	<b>53</b>	<b>432</b>	<b>6</b>	<b>1</b>	<b>439</b>	<b>43</b>	<b>1072</b>

TABLE 6.5 - Terminations

Occupational Bands	Male African	Male Coloured	Male Indian	Male Total Blacks	Male White	Female African	Female Coloured	Female Indian	Female Total Blacks	Female White	Total
Senior Management, Permanent	4	0	0	4	0	0	0	0	0	0	4
Professionally qualified and experienced specialists and mid-management, Permanent	6	0	0	6	1	5	0	0	5	0	12
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	15	0	0	15	4	4	0	0	4	2	25
Semi-skilled and discretionary decision making, Permanent	24	0	0	24	0	5	0	0	5	2	31
Unskilled and defined decision making, Permanent	19	0	0	19	0	10	0	0	10	0	29
Contract (Professionally qualified), Permanent	4	0	0	4	0	1	0	0	1	0	5
Contract (Skilled technical), Permanent	2	0	0	2	0	0	0	0	0	0	2
<b>TOTAL</b>	<b>74</b>	<b>0</b>	<b>0</b>	<b>74</b>	<b>5</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>4</b>	<b>108</b>

TABLE 6.6 - Disciplinary Action

Disciplinary action	Male African	Male Coloured	Male Indian	Male Total Blacks	Male White	Female African	Female Coloured	Female Indian	Female Total Blacks	Female White	Total
<b>TOTAL</b>	<b>20</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>3</b>	<b>10</b>	<b>1</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>34</b>

TABLE 6.7 - Skills Development

Occupational Categories	Male African	Male Coloured	Male Indian	Male Total Blacks	Male White	Female African	Female Coloured	Female Indian	Female Total Blacks	Female White	Total
Legislators, Senior Officials and Managers	19	0	0	19	8	14	1	0	15	5	47
Professionals	15	0	0	15	22	7	0	0	7	4	48
Technicians and Associate Professionals	230	0	0	230	21	141	2	1	144	37	432
Clerks	36	3	0	39	0	46	3	0	49	0	88
Service and Sales Workers	0	0	0	0	0	0	0	0	0	0	0
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0	0	0
Craft and related Trades Workers	0	0	0	0	0	0	0	0	0	0	0
Plant and Machine Operators and Assemblers	0	0	0	0	0	0	0	0	0	0	0
Elementary Occupations	257	0	0	257	0	114	2	0	116	4	377
TOTAL	560	3	0	563	51	323	8	1	331	50	996
Employees with disabilities	3	0	0	3	0	1	0	0	1	0	4

TABLE 7.1 - Performance Rewards by Race, Gender and Disability

	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	208	282	30.5	1,168	5,616
African, Male	284	1023	27.8	1,699	5,982
Asian, Female	1	1	100	7	6,999
Asian, Male	1	1	100	19	18,934
Coloured, Female	3	7	42.9	18	6,125
Coloured, Male	2	3	66.7	23	11,689
Total Blacks, Female	212	690	30.7	1,194	5,630
Total Blacks, Male	287	1027	27.9	1,741	6,066
White, Female	39	68	57.4	384	9,847
White, Male	46	80	57.5	531	11,538
TOTAL	584	1865	31.3	3,849	6,591

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

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Lower skilled (Levels 1-2)	218	799	27.3	728	3,339
Skilled (Levels 3-5)	81	264	30.7	381	4,704



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

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Highly skilled production (Levels 6-8)	185	529	35	1,396	7,546
Highly skilled supervision (Levels 9-12)	98	243	40.3	1,306	13,327
Contract (levels 6-8)	0	2	0	0	0
Contract (Levels 9-12)	0	2	0	0	0
Periodical Remuneration	0	365	0	0	0
<b>TOTAL</b>	<b>582</b>	<b>2204</b>	<b>26.4</b>	<b>3,811</b>	<b>6,548</b>

TABLE 7.3 - Performance Rewards by Critical Occupation

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Administrative related	11	37	29.7	133	12,091
Agriculture animal oceanography forestry & other scientific	18	52	34.6	152	8,444
Agriculture related	50	162	30.9	584	11,680
All artisans in the building metal machinery etc.	2	15	13.3	9	4,500
Appraisers-valuers and related professionals	0	1	0	0	0
Architects town and traffic planners	2	3	66.7	30	15,000
Artisan project and related superintendents	1	18	5.6	3	3,000
Auxiliary and related workers	6	27	22.2	38	6,333
Biochemistry pharmacology. zoology & life scientific technician	18	74	24.3	139	7,722
Building and other property caretakers	5	60	8.3	16	3,200
Bus and heavy vehicle drivers	1	11	9.1	4	4,000
Cartographers and surveyors	0	1	0	0	0
Cartographic surveying and related technicians	1	2	50	6	6,000
Civil engineering technicians	1	1	100	8	8,000
Cleaners in offices workshops hospitals etc.	27	87	31	101	3,741
Client inform clerks(switchb receipt inform clerks)	3	6	50	12	4,000
Communication and information related	0	5	0	0	0
Conservation labourers	10	40	25	35	3,500
Dieticians and nutritionists	0	0	0	0	0
Economists	1	10	10	6	6,000
Engineering sciences related	0	2	0	0	0
Engineers and related professionals	3	3	100	30	10,000
Environmental health	1	1	100	8	8,000
Farm hands and labourers	161	434	37.1	555	3,447
Farming forestry advisors and farm managers	20	42	47.6	149	7,450
Finance and economics related	9	15	60	129	14,333

TABLE 7.3 - Performance Rewards by Critical Occupation

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Financial and related professionals	13	25	52	126	9,692
Financial clerks and credit controllers	10	21	47.6	66	6,600
Food services aids and waiters	4	5	60	13	3,250
Forestry labourers	5	87	5.7	4	800
General legal administration & related professionals	2	5	40	14	7,000
Health sciences related	1	6	16.7	4	4,000
Horticulturists foresters agriculture.& forestry technician	47	125	37.6	370	7,872
Household and laundry workers	7	11	63.6	36	5,143
Human resources & organisation development & relate professional	2	7	28.6	11	5,500
Human resources clerks	10	20	50	69	6,900
Human resources related	12	18	66.7	147	12,250
Information technology related	0	1	0	0	0
Language practitioners interpreters & other communication	0	3	0	0	0
Legal related	0	1	0	0	0
Librarians and related professionals	2	2	100	13	6,500
Library mail and related clerks	9	18	50	49	5,444
Life sciences related	0	1	0	0	0
Light vehicle drivers	4	21	19	23	5,750
Logistical support personnel	5	11	45.5	59	11,800
Material-recording and transport clerks	6	13	46.2	41	6,833
Mathematicians and related professionals	1	2	50	6	6,000
Messengers porters and deliverers	3	6	50	19	6,333
Meteorologists statistical & related technicians	1	5	20	12	12,000
Motor vehicle drivers	2	17	11.8	7	3,500
Motorised farm and forestry plant operators	3	16	18.8	11	3,667
Natural sciences related	1	1	100	5	5,000
Nature conservation and oceanographical, relation technician	0	5	0	0	0
Other administration & related clerks and organisers	28	81	34.6	183	6,536
Other administrative policy and related officers	3	17	17.6	29	9,667
Other occupations	25	116	21.6	123	4,920
Rank Unknown	0	4	0	0	0
Risk management and security services	0	1	0	0	0
Safety health and quality inspectors	1	4	25	9	9,000
Secretaries & other keyboard operating clerks	19	43	44.2	150	7,895
Security guards	0	4	0	0	0
Senior managers	1	10	10	22	22,000
Trade labourers	0	1	0	0	0
Veterinarians	5	19	26.3	75	15,000

TABLE 7.3 - Performance Rewards by Critical Occupation

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Veterinary assistants	1	2	50	9	9,000
Water Plant and related operators	0	1	0	0	0
<b>TOTAL</b>	<b>584</b>	<b>1865</b>	<b>31.3</b>	<b>3852</b>	<b>6,596</b>

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

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)	% of SMS Wage Bill	Personnel Cost SMS (R'000)
Band A	2	17	11.8	39	1,950	0.4	10,525
Band B	0	9	0	0	0	0	0
Band C	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>2</b>	<b>26</b>	<b>11.3</b>	<b>39</b>	<b>1,950</b>	<b>0.4</b>	<b>10,525</b>

TABLE 8.1 - Foreign Workers by Salary Band

Salary Band	Employment at Beginning Period	% of Total	Employment at End of Period	% of Total	Change in Employment	% of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Lower skilled (Levels 1-2)	2	22.2	2	16.7	0	0	9	12	3
Highly skilled production (Levels 6-8)	1	11.1	1	8.3	0	0	9	12	3
Highly skilled supervision (Levels 9-12)	4	44.4	3	25	-1	-33.3	9	12	3
Contract (Levels 9-12)	2	22.2	6	50	4	133.3	9	12	3
<b>TOTAL</b>	<b>9</b>	<b>100</b>	<b>12</b>	<b>100</b>	<b>3</b>	<b>100</b>	<b>9</b>	<b>12</b>	<b>3</b>

TABLE 8.2 - Foreign Workers by Major Occupation

Major Occupation	Employment at Beginning Period	% of Total	Employment at End of Period	% of Total	Change in Employment	% of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Administrative office workers	1	11.1	1	8.3	0	0	9	12	3
Elementary occupations	2	22.2	2	16.7	0	0	9	12	3
Professionals and managers	6	66.7	9	75	3	100	9	12	3

TABLE 8.2 - Foreign Workers by Major Occupation

Major Occupation	Employment at Beginning Period	% of Total	Employment at End of Period	% of Total	Change in Employment	% of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
<b>TOTAL</b>	<b>9</b>	<b>100</b>	<b>12</b>	<b>100</b>	<b>3</b>	<b>100</b>	<b>9</b>	<b>12</b>	<b>3</b>

TABLE 9.1 - Sick Leave for April 2008 to March 2009

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Sick Leave	% of Total Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of Employees using Sick Leave	Total number of days with medical certification
Lower skilled (Levels 1-2)	1705	97.1	223	30.1	8	319	740	1655
Skilled (Levels 3-5)	998	95.5	153	20.7	7	224	740	953
Highly skilled production (Levels 6-8)	1486	91.6	237	32	6	714	740	1361
Highly skilled supervision (Levels 9-12)	686	91.8	113	15.3	6	611	740	630
Senior management (Levels 13-16)	81	93.8	10	1.4	8	176	740	76
Contract (Levels 6-8)	8	75	2	0.3	4	3	740	6
Contract (Levels 9-12)	7	71.4	1	0.1	7	9	740	5
Periodical Remuneration	12	100	1	0.1	12	11	740	12
<b>TOTAL</b>	<b>4983</b>	<b>94.3</b>	<b>740</b>	<b>100</b>	<b>7</b>	<b>2067</b>	<b>740</b>	<b>4698</b>

TABLE 9.2 - Disability Leave (Temporary and Permanent) for April 2008 to March 2009

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of days with medical certification	Total number of Employees using Disability Leave
Lower skilled (Levels 1-2)	491	100	6	42.9	82	93	491	14
Skilled (Levels 3-5)	249	100	2	14.3	125	70	249	14
Highly skilled production (Levels 6-8)	65	100	2	14.3	33	38	65	14
Highly skilled supervision (Levels 9-12)	134	100	4	28.6	34	98	134	14
<b>TOTAL</b>	<b>939</b>	<b>100</b>	<b>14</b>	<b>100</b>	<b>67</b>	<b>299</b>	<b>939</b>	<b>14</b>

TABLE 9.3 - Annual Leave for April 2008 to March 2009

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Lower skilled (Levels 1-2)	12134.08	21	566
Skilled (Levels 3-5)	8488.16	20	425

TABLE 9.3 - Annual Leave for April 2008 to March 2009

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Highly skilled production (Levels 6-8)	1017.7	18	557
Highly skilled supervision (Levels 9-12)	5836	20	289
Senior management (Levels 13-16)	569	20	28
Contract (Levels 6-8)	60	15	4
Contract (Levels 9-12)	45	8	6
<b>TOTAL</b>	<b>28150</b>	<b>20</b>	<b>1875</b>

TABLE 9.4 - Capped Leave for April 2008 to March 2009

	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2008	Number of Employees who took Capped leave	Total number of capped leave available at 31 December 2008	Number of Employees as at 31 December 2008
Lower skilled (Levels 1-2)	119	6	71	21	31760	447
Skilled (Levels 3-5)	109	7	98	16	34171	350
Highly skilled production (Levels 6-8)	32	8	105	4	36857	350
Highly skilled supervision (Levels 9-12)	154	19	85	8	16843	198
Senior management (Levels 13-16)	22	22	96	1	1820	19
<b>TOTAL</b>	<b>436</b>	<b>9</b>	<b>89</b>	<b>50</b>	<b>121451</b>	<b>1364</b>

TABLE 9.5 - Leave Payouts

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Leave payout for 2008/09 due to non-utilisation of leave for the previous cycle	17	2	8500
Capped leave payouts on termination of service for 2008/09	686	168	4083
Current leave payout on termination of service for 2008/09	219	20	10950
<b>TOTAL</b>	<b>922</b>	<b>190</b>	<b>4853</b>

TABLE 10.1 - 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		
N/a	N/A		

TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes [tick Yes/No and provide required information]			
Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		A Maforah Director
2. Does the Department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose	Yes		Two
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	Yes		HIV/AIDS, OHS, Wellness, Health & Productivity management
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		No	
5. Has the Department reviewed the employment policies and practices of your Department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.		No	
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.		No	
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		More officials are disclosing their status
8. Has the Department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.		No	

TABLE 11.1 - Collective Agreements	
Subject Matter	Date
NIL	NIL

TABLE 11.2 - Misconduct and Discipline Hearings Finalised			
Outcomes of disciplinary hearings	Number	Percentage of Total	Total
TOTAL	34	2	1885

TABLE 11.3 - MISCONDUCTS		
Type of misconduct	Number	% of total
Absenteeism	4	11.7
Assault	0	0
Corruption	5	14.7
Dishonesty	5	14.7
Drunkenness on duty	0	0
Financial misconduct	4	11.7
Gross negligence	0	0
Improper conduct	2	5.8

TABLE 11.3 - MISCONDUCTS

Type of misconduct	Number	% of total
Insolent behaviour	0	0
Insubordination	2	5.8
Misuse of state property	9	26.4
Negligence	2	5.8
Theft	1	2.9
<b>TOTAL</b>	<b>34</b>	<b>2</b>

TABLE 11.4 - Grievances Lodged

Number of grievances addressed	Number	% of total
Resolved	3	100
Not resolved	0	0
<b>Total</b>	<b>3</b>	<b>100</b>

TABLE 11.5 - Disputes Lodged

Number of disputes addressed	Number	% of total
Upheld	0	0
Dismissed	1	16.6
Pending	5	83.3
<b>Total</b>	<b>6</b>	<b>100</b>

TABLE 11.6 - Strike Actions

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

TABLE 11.7 - Precautionary Suspensions

Precautionary Suspensions	
Number of people suspended	7
Number of people whose suspension exceeded 30 days	7
Average number of days suspended	60
Cost (R'000) of suspensions	1.607 228.72

TABLE 12.1 - Training Needs identified

Occupational Categories	Gender	Employment	Learner ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	0	0	30	0	30
	Male	0	0	70	0	70
Professionals	Female	0	0	22	0	22
	Male	0	0	57	0	57
Technicians and associate professionals	Female	0	0	38	0	38
	Male	0	0	48	0	48
Clerks	Female	0	0	96	0	96
	Male	0	0	48	0	48
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	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	159	0	159
	Male	0	0	136	0	136
Gender sub totals	Female	0	0	345	0	345
	Male	0	0	359	0	359
Total		0	0	704	0	704

TABLE 12.2 - Training Provided

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	0	0	20	0	20
	Male	0	0	27	0	27
Professionals	Female	0	0	11	0	11
	Male	0	0	38	0	38
Technicians and associate professionals	Female	0	0	181	0	181
	Male	0	0	251	0	251



Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Clerks	Female	0	0	50	0	50
	Male	0	0	41	0	41
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	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	120	0	120
	Male	0	0	257	0	257
Gender sub totals	Female	0	0	382	0	382
	Male	0	0	614	0	614
Total		0	0	996	0	996

Nature of injury on duty	Number	% of total
Required basic medical attention only	6	0
Temporary Total Disablement	6	0
Permanent Disablement	0	0
Fatal	0	0
Total	12	0

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand ('000)
ALA/103/08/MP Lubisi Consulting Engineers	13	96	2,295
ALA/103/08/MP Endicon Ubuntu (PTY) Ltd	13	96	4,300
SCM/10/10/08 Silulu Consulting (PTY) Ltd	4	60	1,185

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand ('000)
31	20	252	7,780

TABLE 14.2 - Analysis of consultant appointments using appropriated funds, according to HDIs

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
ALA/103/08/MPLubisi Consulting Engineers	100%	100%	100%
ALA/103/08/MP Endicon Ubuntu (PTY) Ltd	25%	18.5%	0%
SCM/10/10/08 Silulu Consulting (PTY) Ltd	52%	52%	33.3%

TABLE 14.3 - Report on consultant appointments using Donor funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
N/A	N/A	N/A	N/A

TABLE 14.4 - Analysis of consultant appointments using Donor funds, according to HDIs

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
N/A	N/A	N/A	N/A



# **PART FOUR**

## **Report of the Audit Committee**

## REPORT OF THE AUDIT COMMITTEE

### Report of the Audit Committee:

The Audit Committee is pleased to present its report for the financial year ending the 31<sup>st</sup> March 2009.

### Audit Committee Members and Attendance:

The Audit Committee is composed of three non-executive, non-official members of the Department and was appointed on the 01<sup>st</sup> December 2008.

### The Audit Committee members are as follows:

<b>Name of Member</b>	<b>Position</b>	<b>No.: of Meetings Attended</b>
Ms T. Njozela	Chairperson	2
Dr H. Jooste	Member	2
Mr D. Silolo	Member	2

### Audit Committee Responsibility:

The Audit Committee has been appointed in terms of the requirements of PFMA, 1999 (section 38 (1) (a) and the Treasury Regulations 3.1.13, as amended, to provide an oversight role and provide a direction in relation to the mandate of the Internal Audit Sub-Directorate of the Department.

The Audit Committee is operating in accordance with the approved Audit Committee charter as a form of reference and has regulated its affairs in compliance with the charter and discharged all its responsibilities as contained therein.

### The effectiveness of internal control and risk management:

In line with the PFMA and King II Report on Corporate Governance requirement, internal audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the management process, as well as identification of corrective actions and suggested enhancements to the controls and processes.

From the various reports of the Internal Auditors and Auditor General it was noted that the system of internal control was not entirely adequate and effective for the year under review. Both auditors reported several deviations and deficiencies in the system of internal control. In certain instances, the matters reported previously have not been fully and satisfactorily addressed.

Weaknesses identified by both Internal Auditors and Auditor General are in the process of being addressed by Management and their actions will be monitored by the Audit Committee during the forthcoming financial year.

**The quality of in - year management and quarterly reports submitted was in terms of the PFMA and the Division of Revenue Act.**

The Audit Committee was fairly satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer of the Department during the year under review.

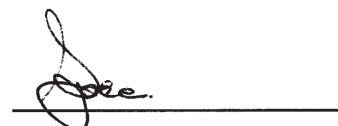
**Evaluation of Financial Statements:**

- The Audit Committee has not yet reviewed and discussed the audit financial statements
- Reviewed the Auditor-General's management letter and management's response thereto;
- Reviewed changes in accounting policies and practices; and
- Reviewed significant adjustments resulting from the audit.

**Internal Audit**

The Audit Committee is not satisfied that the internal audit function is operating effectively due to its capacity constraint and that it has not addressed fully the risks pertinent to the department in its audit.

The Audit Committee concurs with and accepts the audit opinion of the Auditor-General on the Annual Financial Statements recommends that the audited Annual Financial Statements read together with the Report of the Auditor-General be accepted.



**T Njozela**

**Chairperson of the Audit Committee  
12 August 2009**



# PART FIVE

## Annual Financial Statements





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REPORT OF THE ACCOUNTING OFFICER  
for the year ended 31 March 2009

**1. General Review of the State of Financial Affairs**

**1.1 Important Policy Decisions and Strategic Issues Facing the Department Policy Decisions**

The important policy decisions and strategic issues facing the Department's policy decisions are as follows:

**1.1.1 Project Management**

The absence of adequate monitoring and evaluation systems to manage projects remains a challenge in the Department. Management need to take drastic steps to address the gap.

**1.1.2 Availability of Scarce Skills**

For the past years the Department has been struggling to recruit/retain scientists, engineers and veterinarians. Other provinces and national departments have been poaching from the Department due to the inequality of remuneration packages.

**1.1.3 Budgetary Constraints**

Voted funds could not meet the demands of the people. Since agriculture has been identified as one of the services to assist in eradicating poverty as well as a source of job creation, it still remains one of the most under-funded mandates in the sector. Interventions such as MASIBUYELE EMASIMINI, CASP and Land Care could not be intensified to financial constraints.

**1.1.4 Proper Costing of Services**

Services/projects are not properly costed, thus posing a challenge of over/underspending of allocated budgets. It has been noted that the allocation of budget is thumb-sucked. Capacity building in financial and cash-flow management for non-financial managers need to be prioritised.

**1.1.5 Funding of Proposed Organogram**

The expansion of the Department's mandate necessitated the Department to revise/upgrade the organogram in order to accommodate the new services e.g. LARP & Risk Assessment. The absence of Risk Management component exposed the Department to a high risk of fraud and corruption. For the Department to effectively execute the all-inclusive organogram, additional funding is required.

**1.2 Comments on Significant Events that have taken Place During the Year**

As part of promoting the integrated rural development, tractors, power hoes, fertilisers and seeds were purchased for peasant farmers for the aggressive tilling of the land. The MEC led five Masibuyele Emasimini campaigns where the tractors and power horses were handed over to the communities were held at Kwaggafontein (Thembisile Municipality), Mkhuhlu (Bushbuckridge Municipality), Mgobodzi ( Nkomazi Municipality), Glenmore (Albert Luthuli) and Daggakraal (Pixley KaSeme Municipality).

Environmental Services also undertook responsibility of four projects under the Mpumalanga Greening Programme namely; Tree Planting Programme, Climate Change Programme, Cleanest Town Competition/Programme and the Waste Cleanup Programme.

The Department also implemented Land Care programme, and these follows the principles of the Expanded Public Works Programme. This programme supported projects addressing land degradation and is funded through a National Grant.



### 1.3 Comment on Major Projects Undertaken or Completed During the Year

The following major projects were implemented by the Department:

#### 1.3.1 Comprehensive Agricultural Programme and Provincial Infrastructure Grant

Completion of five multi-year apple projects and five new ones have been initiated in Gert Sibande.

**Two environmentally controlled broiler projects** (Thembelihle and Zenzeleni) with 40 000 stocking rate per project have been completed.

**Sinamuva Poultry** project with 3 X 40 000 environmentally controlled poultry houses has been completed and commissioned. Production is already taking place under contract farming with DayBreak abattoir in Delmas. A 280 ha citrus project at Saringwa has started and 50% to completion.

**The goat projects** have also been initiated and completed (Barolong and Tsogang) with only one project that did not progress as expected due to conflict of project members. However, the budget was redirected to KwaMhlanga Young Farmers, which has activities of similar nature and located within the same municipality.

Three household **food production projects** were equipped with irrigation infrastructure and one storage shed was completed for youth project and the disabled. Other 7 broiler and layer projects have also been completed in Nkangala and Gert Sibande Districts.

**Training and Capacity Building** - About 300 CASP beneficiaries received accredited training on taxation and book keeping from the accredited service providers. About 13 beneficiaries also received training on broiler production from KwaZulu-Natal. The Lowveld College of Agriculture also offered informal broiler production training to 215 CASP beneficiaries.

**On and off infrastructure** - All the planned infrastructure projects have been completed and some projects are overlapping (multi year projects) to the 2009/10 financial year (mainly apple projects and horticulture irrigation project). The department is implementing all the infrastructure projects and three of them have been completed i.e. (Fencing on Matsholo essential oils, irrigation infrastructure at Simulation Center and Sozama youth project). Employment opportunities have been created.

**Overall the Province has spent all its budget allocation on 29 projects. (19 of these projects have been completed and 10 are multi-year projects)**

#### 1.3.2 Masibuyele Emasimini

A total number of 101 tractors and 55 power hoes, seeds and fertilizers were purchased and distributed to the three districts around the province to the ultra poor households. These benefited 19 906 households and 114 525 beneficiaries (11% of the hungry & vulnerable. 23 952 ha of land have been cultivated and planted during the 2008/09 financial year. Compensation for livestock was granted to farmers who suffered loss due to the veldt fires – Gert Sibande 83 beneficiaries, Nkangala 28 beneficiaries, Ehlanzeni 9 beneficiaries.

#### 1.3.3 Greening Mpumalanga & Tourism Flagship Programme

178 030 trees were planted during 2008/09. 641 community-based educators were trained & deployed. Under the Climate Change Programme 179 schools participated in the programme. 284 educators were trained to implement the programme and 1 130 learners were involved in the programme. 15 local municipalities took part in the Cleanest Town Competition. 194 Waste Cleanup were conducted in all 18 municipalities.

#### 1.3.4 Disaster Relief

The Department requested R28 million from the National Grant to assist farmers affected by veldt fires – 1930 farmers benefited from the supply and delivery of fodder/lucerne purchased. 55 farmers also benefited from the fencing projects. Farmers were also compensated on the loss of their livestock to the tune of 120 beneficiaries.

## 1.4 Spending Trends

### 1.4.1 Reasons for Under (over) spending

#### **Programme 1: Administration**

This program over-spent by 3% of the total allocated budget.

This over expenditure resulted from the under-projection of the annual general increment on compensation of employees.

#### **Program 2: Sustainable Resource Management**

This program over-spent by 1% of the total allocated budget.

This over expenditure resulted from the under-projection of the annual general increment on compensation of employees.

#### **Program 3: Farmer Support Services**

This program managed to spend up to 99% of the total allocated budget.

The under-spending on Transfer resulted from the under-projection of the annual general increment on compensation of employees and an under projection on Masibuyele Emasimini (maintenance of tractors and tractor drivers).

#### **Program 4: Veterinary Services**

The program over-spent by 4% of the total allocated budget.

The overspending on the allocated budget resulted from the under-projection of the annual general increment on compensation of employees and an under projection on the construction of Veterinary Clinics.

#### **Program 5: Technical Research & Development**

The program over-spent by 3% of the total allocated budget.

The overspending on the allocated budget resulted from the under-projection of the annual general increment on compensation of employees

#### **Program 6: Agriculture Economics**

The program under-spent by 27% of the total allocated budget.

The under-spending resulted from the Disaster Relief Grant Fencing Projects, which were still in progress by the end of the financial year.

#### **Program 7: Structured Agricultural Training**

The program under-spent by 3% of the total allocated budget.

The under-spending resulted from a delay in the delivery of tractors.

#### **Program 8: Planning, Impact, Pollution and Waste Management**

The program under-spent by 1% of the total allocated budget.

The under-spending resulted from funded vacant posts, which could not be filled due to scarcity of the required skill.

#### **Program 10: Environmental Development**

The program over-spent by 5% of the total allocated budget.

The over-spending on the allocated budget resulted from the under-projection of the annual general increment on compensation of employees.

## Programme 11: Land Administration

This programme spent 100% of the total allocated budget.

### 1.4.2 Impact on Programmes and Service Delivery

There was a delay in the implementation of projects during this period due to the streamlining of the projects and budget allocations to accommodate projects carried forward to the 2008/09 financial year and not funded. This kind of situation resulted from the lack of project management skills of some of our managers as well as the lack of the proper monitoring and evaluation systems within the Department.

### 1.4.3 Actions Taken or Planned to Avoid Recurrence

Long term courses through the Extension Recovery Plan have been arranged especially for the Extension Managers to enhance their skills in a variety of fields such as project management, financial management etc.

## 1.5 Virements

The details of the projected unspent funds on the various programmes are as follows:

### Programme 1: Administration

The projected under-spending on Good and Services for the amount of R0, 341 million from this programme was utilised to defray the shortfall on Programme 4 (households) for the amount of R0,33 million, Programme 5 (household) for the amount of R0,051 million, Programme 7 (household) for the amount of R0,098 million and Programme 10 (household) for the amount of R0,159 million.

The projected unspent funds on Capital Payments (Machinery and Equipment) for the amount of R0, 242 million from this programme was utilised to defray shortfall on Programme 2 (Building and Other Fixed Structures).

### Programme 2: Sustainable Resource Management

The projected unspent funds on Goods and Services for the amount of R3, 170 million from this programme was utilised to defray the shortfall on Programme 1 (Goods and Services) for the amount of R2, 430 million, Programme 3 (Goods and Services) for the amount of R0, 100 million, Programme 4 (Goods and Services) for the amount of R0,410 million.

The projected under-spending on transfers and subsidies (Household) for the amount of R1, 00 million, from this programme was utilised to defray shortfalls in Programme 3 (Goods and Services).

### Programme 5: Technology, Research and Development Services

The projected under-spending of R1, 527 million from this programme was utilized to defray shortfalls on Programme 3 (Goods and Services) for the amount of R0, 207 million and on Programme 4 (Goods and Services) for the amount of R1, 320 million.

### Programme 6: Agriculture Economics

The projected under-spending on Goods and Services for the amount of R1, 121 million from this Programme was utilised to defray the shortfall on Programme 3 (Goods and Services).

### Programme 7: Structured Agricultural Training

The projected under spending on Goods and Services from programme for the amount of R0, 055 million was utilised to defray shortfalls on Programme 1 (Goods and Services).

The projected under spending on Capital Payments (Machinery and Equipment) for the amount of R3, 081 million from this programme was utilised to defray shortfalls on Programme 3 (Goods and Services).

### Programme 8: Planning, Impact, Pollution and Waste Management

The projected under spending on Goods and Services from this programme for the amount of R2, 295 million was utilised to defray shortfalls within the programme on Machinery and Equipment for the amount of R0, 495 million and again defrayed shortfall on Programme 3 (Machinery and Equipment).

## Programme 10: Environmental Development

The projected under spending on Goods and Services from this programme for the amount of R2, 285 million defrayed shortfalls on Programme 3 (Goods and Services).

The projected under spending on Capital Payment (Machinery and Equipment) from this programme for the amount of R1,000 million was utilised to defray shortfall on Programme 3 (Machinery and Equipment).

### 1.5.1 Approval of the Virements

The Accounting Officer for this Department approved the above-mentioned virements.

## 1.6 Unauthorized, Fruitless and Wasteful Expenditure

### 1.6.1 Unauthorized Expenditure

The unauthorized expenditure amounting to R3, 972 million resulted from under projection on goods and services under Programme 3 for maintenance of tractors for the Masibuyele Emasimini Programme.

### 1.6.2 Fruitless Expenditure

None

### 1.6.3 Wasteful Expenditure

The fruitless and wasteful expenditure to the amount of R208 000 due to value-added tax (VAT) payments that were made to non-VAT vendors.

## 2. Services Rendered by the Department

### 2.1 List of Services

#### 2.1.1 Administration Programme

This programme comprise of the following sub- programmes:

- Member of Executive Council and his support staff
- Head of Department and Top Management (Chief Directors)
- Corporate Services – Strategic Management Support, Communications, Legal Services, Human Resource Management, Performance Management & Development System
- Financial Management – Management Accounting, Financial Accounting and Supply Chain

#### 2.1.2 Agricultural Support Services

Provides a range of services to support pre and post settlement of emerging farmers. The programme also deals extensively with the issues of agricultural related poverty alleviation and household food security programmes. Skills and technology transfer are the key services provided by the programme. Formal and non-formal training of farmers is provided to the farmers on various commodity crops, aquaculture and animal production. Food security services also forms part of this component.

#### 2.1.3 Professional Services

This Chief Directorate provides professional support to the Agricultural Support Service component and is made up of the following Directorates Sustainable Resource Management, Agricultural Economics, Structured Agricultural Training and Land Administration.

#### 2.1.4 Veterinary Services Programme

This Programme provides animal health services in terms of the Animal Diseases Act (Act 35 of 1965), which include animal disease prevention, control and eradication. Our specialists render vaccination and laboratory diagnostic services animal disease surveillance. Veterinary public health services are provided to the community of Mpumalanga in terms of the Abattoir Hygiene Act (Act 121 of 1992), which include inspection of slaughter facilities, monitoring of illegal slaughter and the certification of imports and export of animals and animal products

## 2.1.5 Environmental Services Programme

This programme provides services ranging from environmental awareness, enforcement and compliance. The department serves as the competent authority on Environmental Impact Assessment in terms of the regulations issued in terms of the Environment Conservation Act (Act 73 of 1989). The Department also give comments on the reports that those involved in mining operations are compelled to produce in terms of the Minerals Act (Act 50 of 1991). The Department also provides provincial guidelines for waste management in all local municipalities.

### 2.1 Tariff Policy

Revenue tariff structure is revised and approved by the Provincial Treasury on a yearly basis. National and other provincial policies are used to determine tariffs with the view of maintaining uniform tariffs. Market analysis is conducted to ensure that tariffs are competitive and market related.

### 2.2 Free Services

Services that are offered free of charge to the most rural areas due to the high rate of unemployment of those communities are as follows:

- Provision of infrastructure – irrigation systems, drilling of boreholes, fencing etc.
- Tilling of land
- Seeds and fertilizers
- Extension advisory services
- Designs and plans for soil conservation structures
- Trees
- Agriculture Starter-up Packs

### 2.3 Inventories

Stores on hand as at 31/03/2009:

Item	Quantity	Value
Stationery	27,085	R826, 624
Consumables	16,342	R88, 682
<b>TOTAL</b>	<b>43,427</b>	<b>915,306</b>

## 3. Capacity Constraints

The high labour turn-over of veterinarians and agricultural scientist for better job offers, is a major constraint and is affecting delivery of services in those fields. The Department has embarked on the recruitment drive through awarding contractual bursaries to qualifying school leavers. The Department has introduced the learnership program for veterinarians and engineers for the coming Medium Term of Expenditure Framework.

## 4. Utilization of Donor Funds

No donations were received during the 2008/09 financial year.

## 5. Trading Entities / Public Entities

The public entity under the control of the department is the Mpumalanga Agriculture Development Corporation. This public entity is the development arm of the Department with the mandate of facilitating the processes of transiting emerging farmers into commercial farming through a range of financial products and services.

## 6. Other organisations to whom transfer payments have been made

Transfers were made to the Development Bank of South Africa (DBSA) through Mpumalanga Agriculture Development Co-operation (MADC) for servicing of a loan.

## 7. Public / Private Partnerships (PPP)

None

## 8. Corporate Governance arrangements

The Mpumalanga Department of Agriculture and Land Administration is committed to an open governance process embracing the principles of integrity and accountability. The management of this Department supports the principles of the Code of Corporate Practice and Conduct as set out in the King II Report and the Public Finance Management Act No. 1 of 1999 and substantially complies therewith.

### 8.1 Management Reporting

During this period the Department managed to conduct its reporting in accordance to Sections 32 (2) and 40(b) and (c) of the Public Finance Management Act No. 1 of 1999, as amended which require the accounting officer to comply with the reporting requirements of the Division of Revenue Act (DORA).

### 8.2 Audit Committee

The Department complied with the requirements of Section 51(a)(ii) and 76(4)(d) of the Public Finance Management Act No. 1 of 1999. The contract for the Shared Audit Committee expired in June 2008. The approval for our own Audit Committee was obtained in October 2008 from the Provincial Treasury. The new Committee was appointed with effect from 01 December 2008. Three members namely; Ms T Njozela (Chairperson), Dr H Jooste & Mr D Silolo (members) were appointed.

### 8.3 Safety, Health and Environmental (SHE) Matters

The Safety, Health and Environmental Act is fully implemented by this Department. The various SHE Act structures and policies have been established as required. The Department views the occupational health and safety of its employees to be of primary importance. It is committed to taking reasonable precautions to ensure a safe working environment.

### 8.4 Labour Relations

The Labour Relations Division continued in assisting managers in dealing with conflicts in the workplace in terms of the relevant legislation and also maintaining sound labour relations principles.

### 8.5 Code of Ethics

Induction workshops were conducted to capacitate employees on the principles of the Code of Ethics. The Department's management and employees are required to observe the highest ethical standards to ensure that business practices are conducted in a manner, which is beyond reproach.

### 8.6 Declaration of Interest

During the year under review all senior managers signed the declaration of interest undertaking and assets. Members of Supply Chain Management structures are required to declare their interest before they participate in these meetings.

## 9. Discontinued activities/ Activities to be discontinued

None

## 10. New / Proposed Activities

The Department managed to develop a Provincial of Agriculture Sector Plan

## 11. Asset Management

The Department managed to verify, capture and reconcile all existing and additional assets during this period. All assets were serialized using the bar coding system. Inventory lists were printed and signed by the office occupants. Disposal lists were compiled, only one District managed to dispose assets through public auction and donations to schools and welfare organizations, the other remaining will be disposed in the 2009/10 financial year.

Immovable Assets- The Lowveld Agricultural College could not be transferred to the Department of Public Works due to a directive received from the Provincial Treasury instructing Departments not to transfer immovable assets pending Cabinet approval. Departments were advised to take the process forward by compiling the information as requested by the GIAMA template for capturing information from each asset

## 12. Events after the reporting date

Following the election of the new administration after the 2009 National Elections, the new Premier announced the following changes:

- Environmental Services to be transferred to the Department of Economic Development, Environment and Tourism
- A new component namely; 'Rural Development' to be established, thus, resulting in the name change of the Department to 'Department of Agriculture, Rural Development and Land Administration.

## 13. Performance Information

In terms of reporting on performance information, the Department complied to the PFMA No. 1 of 1999, National Treasury Regulations as well as the Division of Revenue Act reporting guidelines.

## 14. SCOPA Resolutions

None

## 15. Prior Modifications to Audit Reports

The Department developed a tracking register to follow-up issues raised in the final management letter received from the Auditor-General.

## 16. Exemptions and Deviations Received from National Treasury

None

## 17. Other

None

## 18. Approval

The annual financial statements set out on pages 108 To 168, have been approved by the Accounting Officer.



MS N L SITHOLE  
HEAD OF DEPARTMENT

DATE: 31 March 2009

**REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA LEGISLATURE ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF VOTE NO. 5: DEPARTMENT OF AGRICULTURE AND LAND ADMINISTRATION FOR THE YEAR ENDED 31 MARCH 2009**

**REPORT ON THE FINANCIAL STATEMENTS**

**Introduction**

1. I have audited the accompanying financial statements of the Department of Agriculture and Land Administration which comprise the statement of financial position as at 31 March 2009, and the appropriation statement, statement of financial performance and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 108 to 168.

**The accounting officer's responsibility for the financial statements**

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

**The Auditor-General's responsibility**

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

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

**Emphasis of matters**

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

**Basis of accounting and amendment to the applicable basis of accounting**

8. The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1.
9. As disclosed in note 31 to the financial statements, the department has recognised certain immovable assets that might belong to the provincial Department of Public Works, due to the uncertainty regarding the legal title of the assets.



### Unauthorised, irregular as well as fruitless and wasteful expenditure

10. As disclosed in note 10 to the financial statements, the department incurred unauthorised expenditure to the amount of R9 204 000 due to overspending on certain programmes.
11. As disclosed in note 26 to the financial statements, the department incurred irregular expenditure to the amount of R12 636 000 due to overspending on compensation of employees.
12. As disclosed in note 11 to the financial statements, the department incurred fruitless and wasteful expenditure to the amount of R208 000 due to value-added tax (VAT) payments that were made to non-VAT vendors.

### Material underspending of the budget

13. As disclosed in the appropriation statement, the department materially underspent the budget on agricultural economics to the amount of R11 009 000. As a consequence, the department did not achieve the objectives of the programme.

### Other matters

Without qualifying my opinion, I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

### Non-compliance with applicable legislation

#### Public Finance Management Act

14. The accounting officer did not comply with section 85(1)(a) and (e) of the PFMA, read with Treasury Regulation 4.3.4, relating to the submission of a report to the relevant treasury and the Auditor-General on the outcome of disciplinary hearings.

### Governance framework

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

### Key governance responsibilities

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

No.	Matter	Y	N
<b>Clear trail of supporting documentation that is easily available and provided in a timely manner</b>			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.		N
<b>Quality of financial statements and related management information</b>			
2.	The financial statements were not subject to any material amendments resulting from the audit.		N
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.	Y	
<b>Timeliness of financial statements and management information</b>			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines (section 40 of the PFMA).	Y	
<b>Availability of key officials during audit</b>			
5.	Key officials were available throughout the audit process.		N
<b>Development and compliance with risk management, effective internal control and governance practices</b>			
6.	Audit committee		
	<ul style="list-style-type: none"> <li>• The department had an audit committee in operation throughout the financial year.</li> </ul>	Y	
	<ul style="list-style-type: none"> <li>• The audit committee operates in accordance with approved, written terms of reference.</li> </ul>		N
	<ul style="list-style-type: none"> <li>• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.</li> </ul>	Y	

No.	Matter	Y	N
7.	Internal audit		
	<ul style="list-style-type: none"> <li>The department had an internal audit function in operation throughout the financial year.</li> </ul>	Y	
	<ul style="list-style-type: none"> <li>The internal audit function operates in terms of an approved internal audit plan.</li> </ul>	Y	
	<ul style="list-style-type: none"> <li>The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.</li> </ul>		N
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.		N
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	Y	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	Y	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 3.2.		N
12.	Powers and duties have been assigned, as set out in section 44 of the PFMA.	Y	
<b>Follow-up of audit findings</b>			
13.	The prior year audit findings have been substantially addressed.		N
14.	SCOPA resolutions have been substantially implemented.	Y	
<b>Issues relating to the reporting of performance information</b>			
15.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.	Y	
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.		N
17.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the department against its mandate, predetermined objectives, outputs, indicators and targets (Treasury Regulations 5.1, 5.2 and 6.1).	Y	
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	Y	

16. There is a need to improve the systems and review processes relating to performance information to ensure compliance with the *Framework for managing programme performance information* as well as to increase the reliability of the information reported.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### Report on performance information

17. I have reviewed the performance information as set out on pages 10 to 61.

### The accounting officer's responsibility for the performance information

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

### The Auditor-General's responsibility

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

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

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

**Findings on performance information**

**Reported performance information not relevant.**

22. The following targets with regard to the objectives were not time bound in specifying the time period or deadline for delivery:

Subprogramme	Measurable objective	Indicator	Target
Subprogramme 2.2: land care	Provincial land care strategy developed	Catchments based area wide plans	6

**APPRECIATION**

23. The assistance rendered by the staff of the Department of Agriculture during the audit is sincerely appreciated.

*Auditor-General*

Nelspruit

31 August 2009



**DEPARTMENT OF AGRICULTURE AND LAND ADMINISTRATION**  
**VOTE 5**  
**APPROPRIATION STATEMENT**  
for the year ended 31 March 2009

Appropriation per programme									
2008/09									
APPROPRIATION STATEMENT	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>1. Administration</b>									
Current payment	74,338	-	2,485	76,823	80,499	(3,676)	104,8%	64,176	64,125
Transfers and subsidies	3,550	-	(341)	3,209	3,063	146	95,5%	1,229	1,228
Payment for capital assets	6,174	-	(242)	5,932	5,046	886	85,1%	2,322	1,976
<b>2. Sustainable Resource Management</b>									
Current payment	34,788	-	(3,170)	31,618	33,176	(1,558)	104,9%	35,822	35,085
Transfers and subsidies	14,407	-	(1,000)	13,407	12,961	446	96,7%	21,126	20,894
Payment for capital assets	2,233	-	242	2,475	1,678	797	67,8%	4,120	4,076

Appropriation per programme

APPROPRIATION STATEMENT	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>3. Farmer Support And Development</b>									
Current payment	161,286	(7,533)	8,594	162,347	170,739	(8,392)	105.2%	109,772	109,124
Transfers and subsidies	118,202	24,938	-	143,140	113,701	29,439	79.4%	148,994	148,994
Payment for capital assets	63,603	(17,405)	1,000	47,198	65,338	(18,140)	138.4%	368	367
<b>4. Veterinary Services</b>									
Current payment	69,143	-	1,550	70,693	74,111	(3,418)	104.8%	58,394	58,312
Transfers and subsidies	-	-	33	33	33	-	100.0%	90	66
Payment for capital assets	7,971	-	-	7,971	7,732	239	97.0%	3,184	3,183
<b>5. Technical Research And Development</b>									
Current payment	31,468	-	(1,527)	29,941	31,792	(1,851)	106.2%	23,164	22,960
Transfers and subsidies	-	-	51	51	51	-	100.0%	13	12
Payment for capital assets	1,564	-	-	1,564	807	757	51.6%	499	498
<b>6. Agriculture Economics</b>									
Current payment	36,523	-	(1,121)	35,402	24,404	10,998	68.9%	49,978	12,763
Transfers and subsidies	5,757	-	-	5,757	5,757	-	100%	19,204	19,203
Payment for capital assets	82	-	-	82	71	11	86.6%	77	41
<b>7. Structured Agriculture Training</b>									
Current payment	32,113	-	(75)	32,038	31,796	242	99.2%	28,349	28,341
Transfers and subsidies	-	-	98	98	98	-	100.0%	66	66
Payment for capital assets	6,400	-	(3,081)	3,319	2,339	980	70.5%	8,745	7,628
<b>8. Planning, Impact, Pollution And Waste Management</b>									
Current payment	37,481	-	(2,295)	35,186	35,391	(205)	100.6%	13,398	13,388
Transfers and subsidies	56	-	-	56	-	56	0%	-	-
Payment for capital assets	9,889	-	1,495	11,384	10,899	485	95.7%	6,795	70

Appropriation per programme  
2008/09

2007/08

APPROPRIATION STATEMENT	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>10. Environmental Development</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
Current payment	42,143	-	(2,285)	39,858	41,998	(2,130)	105.3%	44,513	44,355
Transfers and subsidies	-	-	159	159	159	-	100.0%	5,100	5,100
Payment for capital assets	1,179	-	(1,000)	179	21	158	11.7%	550	543
<b>11. Land Administration</b>									
Current payment	16,135	-	430	16,565	16,799	(234)	101.4%	18,369	14,922
Payment for capital assets	632	-	-	632	320	312	50.6%	96	94
<u>Subtotal</u>	<u>777,117</u>	<u>=</u>	<u>=</u>	<u>777,117</u>	<u>770,769</u>	<u>6,348</u>	<u>99.2%</u>	<u>668,513</u>	<u>617,414</u>
Statutory Appropriation									
Current payment	696	-	-	696	696	-	-	680	680
<b>TOTAL</b>	<b>777,813</b>	<b>-</b>	<b>-</b>	<b>777,813</b>	<b>771,465</b>	<b>6,348</b>	<b>99.2%</b>	<b>669,193</b>	<b>618,094</b>

	2008/09		2007/08	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)				
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	10,112		7,459	10,112
<b>Actual amounts per statement of financial performance (total revenue)</b>	<u>787,925</u>		<u>676,652</u>	
<b>Actual amounts per statement of financial performance (total expenditure)</b>		<u>771,465</u>		<u>618,094</u>

Appropriation per economic classification									
2008/09					2007/08				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	287,691	-	-	287,691	305,256	(17,565)	10%	257,046	255,124
Goods and services	247,727	(7,533)	2,586	242,780	234,893	7,887	10%	188,895	148,256
Financial transactions in assets and liabilities	-	-	-	-	337	(337)	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	20
Departmental Agencies & Accounts	-	-	-	-	-	-	-	-	70,481
Public corporations & private enterprises	60,434	-	-	60,434	57,008	3,426	2%	70,302	70,481
Households	64,133	24,938	1,000	88,071	78,815	9,256	7%	125,520	125,082
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings & other fixed structures	21,730	(18,005)	242	3,967	3,584	383	3%	11,477	9,941
Machinery & equipment	95,105	600	(1,828)	93,877	90,344	3,533	9%	15,114	8,338
Biological assets	97	-	-	97	-	97	-	40	40
Software & other intangible assets	200	-	-	200	323	(123)	1%	125	148
<b>Total</b>	<b>777,117</b>	<b>-</b>	<b>-</b>	<b>777,117</b>	<b>770,769</b>	<b>6,348</b>	<b>99.2%</b>	<b>668,519</b>	<b>617,410</b>



**Statutory Appropriation**

2008/09							2007/08		
Direct changes against the National/ Provincial Revenue Fund	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Member of executive committee / parliamentary officers	696	-	-	696	696	-	100%	680	680
<b>Total</b>	<b>696</b>	<b>-</b>	<b>-</b>	<b>696</b>	<b>696</b>	<b>-</b>	<b>100%</b>	<b>680</b>	<b>680</b>

**Statutory Appropriation per economic classification**

2008/09							2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	696	-	-	696	696	-	100%	680	680
<b>Total</b>	<b>696</b>	<b>-</b>	<b>-</b>	<b>696</b>	<b>696</b>	<b>-</b>	<b>100%</b>	<b>680</b>	<b>680</b>

**DEPARTMENT OF AGRICULTURE AND LAND ADMINISTRATION**  
**VOTE 5**  
**DETAIL PER PROGRAMME**  
**for the year ended 31 March 2009**

Detail per sub-programme	2008/09						2007/08		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>1.1 Office Of The MEC</b>									
Current payment	4,267	-	-	4,267	4,291	(24)	100.6%	3,510	3,106
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	166	-	-	166	98	68	59.0%	425	213
<b>1.2 Management Services</b>									
Current payment	5,391	-	-	5,391	5,697	(306)	105.7%	9,175	8,354
Transfers and subsidies	-	-	-	-	-	-	-	-	5
Payment for capital assets	120	-	-	120	77	43	64.2%	37	19
<b>1.3 Corporate Services</b>									
Current payment	31,266	-	2,485	33,751	35,972	(2,221)	106.6%	28,063	28,630
Transfers and subsidies	2,300	-	(341)	1,959	1,785	174	91.1%	50	173
Payment for capital assets	1,038	-	(242)	796	492	304	61.8%	329	382
<b>1.4 Financial Management</b>									
Current payment	33,414	-	-	33,414	34,539	(1,125)	103.4%	23,428	24,035
Transfers and subsidies	1,250	-	-	1,250	1,278	(28)	102.2%	1,179	1,050
Payment for capital assets	4,850	-	-	4,850	4,379	471	90.3%	1,531	1,362
<b>Total</b>	<b>84,062</b>	<b>-</b>	<b>1,902</b>	<b>85,964</b>	<b>88,608</b>	<b>(2,644)</b>	<b>103.1%</b>	<b>67,727</b>	<b>67,329</b>

Economic classification	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	36,537	-	-	36,537	40,109	(3,572)	109.8%	35,680	35,631
Goods and services	37,801	-	2,485	40,286	40,053	233	99.4%	28,496	28,494
Financial transactions in assets and liabilities	-	-	-	-	337	(337)	-	-	-
<b>Transfers and subsidies to:</b>									
Departmental agencies & accounts	-	-	-	-	-	-	-	-	6
Public corporations & private enterprises	-	-	-	-	-	-	-	-	5
Households	3,550	-	(341)	3,209	3,063	146	95.5%	1,229	1,217
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	-	-	-	-	-	-	1,033	644
Machinery and equipment	6,174	-	(242)	5,932	5,046	886	85.1%	1,289	1,332
<b>Total</b>	<b>84,062</b>	<b>-</b>	<b>1,902</b>	<b>85,964</b>	<b>88,608</b>	<b>(2,644)</b>	<b>103.1%</b>	<b>67,727</b>	<b>67,329</b>

Detail per sub-programme	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>2.1 Engineering Services</b>									
Current payment	30,925	-	(3,170)	27,755	29,090	(1,335)	104.8%	33,135	32,429
Transfers and subsidies	-	-	-	-	1,085	(1,085)	-	-	241
Payment for capital assets	2,207	-	242	2,449	1,593	856	65.0%	3,990	4,013
<b>2.2 Land Care</b>									
Current payment	3,863	-	-	3,863	4,086	(223)	105.8%	2,687	2,656
Transfers and subsidies	14,407	-	(1,000)	13,407	11,876	1,531	88.6%	21,126	20,653
Payment for capital assets	26	-	-	26	85	(59)	326.9%	130	63
<b>Total</b>	<b>51,428</b>	<b>-</b>	<b>(3,928)</b>	<b>47,500</b>	<b>47,815</b>	<b>(315)</b>	<b>100.7%</b>	<b>61,068</b>	<b>60,055</b>

Economic classification	2008/09				2007/08				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>Current payments</b>									
Compensation of employees	21,474	-	-	21,474	23,088	(1,614)	107.5%	25,919	25,292
Goods and services	13,314	-	(3,170)	10,144	10,088	56	99.4%	9,909	9,793
<b>Transfers and subsidies to:</b>									
Households	14,407	-	(1,000)	13,407	12,961	446	96.7%	21,126	20,894
<b>Payment for capital assets</b>									
Buildings and other fixed structures	1,000	-	242	1,242	596	646	48.0%	2,742	1,398
Machinery and equipment	1,233	-	-	1,233	1,021	212	82.8%	1,353	2,580
Software and other intangible assets	-	-	-	-	61	(61)	-	25	98
<b>Total</b>	<b>51,428</b>	<b>-</b>	<b>(3,928)</b>	<b>47,500</b>	<b>47,815</b>	<b>(315)</b>	<b>100.7%</b>	<b>61,074</b>	<b>60,055</b>

Detail per sub-programme	2008/09				2007/08				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>3.1 Farmer Settlement</b>									
Current payment	520	-	1,000	1,520	1,936	(416)	127.4%	4,023	3,699
Transfers and subsidies	17,405	17,405	-	34,810	6,467	28,343	18.6%	97,894	97,634
Payment for capital assets	-	(17,405)	-	(17,405)	-	(17,405)	-	100	147
<b>3.2 Farmer Support Services</b>									
Current payment	123,991	-	7,594	131,585	133,608	(2,023)	101.5%	100,994	101,652
Transfers and subsidies	46,120	-	-	46,120	48,818	(2,698)	105.8%	-	35
Payment for capital assets	1,055	20,000	-	21,055	21,187	(132)	100.6%	178	220
<b>3.3 Nkomazi Infrastructure (Loan Redemption)</b>									
Transfers and subsidies	12,000	-	-	12,000	12,000	-	100.0%	12,000	12,000

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	42,677	-	-	42,677	39,251	3,426	92.0%	39,100	39,273
<b>3.4 Grants To MADC</b>									
Transfers and subsidies									
<b>3.5 Food Security</b>									
Current payment	29,211	(7,533)	-	21,678	27,262	(5,584)	125.8%	4,755	3,773
Transfers and subsidies	-	7,533	-	7,533	7,165	368	95.1%	-	52
Payment for capital assets	60,200	(20,000)	1,000	41,200	42,135	(935)	102.3%	90	-

Detail per sub-programme	2008/09					2007/08			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>3.6 Extension Recovery Plan Funds</b>									
Current payment	7,564	-	-	7,564	7,933	(369)	104.9%	-	-
Payment for capital assets	2,348	-	-	2,348	2,016	332	85.9%	-	-
<b>Total</b>	<b>343,091</b>	<b>-</b>	<b>9,594</b>	<b>352,685</b>	<b>349,778</b>	<b>2,907</b>	<b>99.2%</b>	<b>259,134</b>	<b>258,485</b>

Economic classification	2008/09					2007/08			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	83,079	-	-	83,079	87,500	(4,421)	105.3%	70,816	70,198
Goods and services	78,207	(7,533)	8,594	79,268	83,239	(3,971)	105.0%	38,956	38,931
<b>Transfers and subsidies to:</b>									
Public corporations and private enterprises	54,677	-	-	54,677	51,251	3,426	93.7%	51,100	51,273
Households	46,120	24,938	-	71,058	62,450	8,608	87.9%	97,894	97,721
<b>Payment for capital assets</b>									
Buildings and other fixed structures	17,405	(17,405)	-	-	-	-	-	-	-

Machinery and equipment	63,603	-	1,000	64,603	65,338	(735)	101.1%	368	358
<b>Total</b>	<b>343,091</b>	<b>-</b>	<b>9,594</b>	<b>352,685</b>	<b>349,778</b>	<b>2,907</b>	<b>99.2%</b>	<b>259,134</b>	<b>258,481</b>

Detail per sub-programme	2008/09						2007/08		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>4.1 Animal Health</b>									
Current payment	58,140	-	1,550	59,690	59,861	(171)	100.3%	48,275	48,775
Transfers and subsidies	-	-	33	33	33	-	100.0%	90	66
Payment for capital assets	1,793	-	-	1,793	1,914	(121)	106.7%	1,021	1,104
<b>4.2 Veterinary Services</b>									
Current payment	3,206	-	-	3,206	3,955	(749)	123.4%	2,407	2,620
Payment for capital assets	103	-	-	103	69	34	67.0%	58	8
<b>4.3 Veterinary Lab Services</b>									
Current payment	4,163	-	-	4,163	5,039	(876)	121.0%	3,870	4,154
Payment for capital assets	200	-	-	200	115	85	57.5%	270	45
<b>4.4 Clinical Services</b>									
Current payment	3,634	-	-	3,634	5,256	(1,622)	144.6%	3,842	2,763
Payment for capital assets	5,875	-	-	5,875	5,634	241	95.9%	1,835	2,026
<b>Total</b>	<b>77,114</b>	<b>-</b>	<b>1,583</b>	<b>78,697</b>	<b>81,876</b>	<b>(3,179)</b>	<b>104.0%</b>	<b>61,668</b>	<b>61,561</b>

Economic classification	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	54,157	-	-	54,157	57,277	(3,120)	105.8%	43,743	43,684
Goods and services	14,986	-	1,550	16,536	16,834	(298)	101.8%	14,651	14,628
<b>Transfers and subsidies to:</b>									
Households	-	-	33	33	33	-	100.0%	90	66
<b>Payment for capital assets</b>									
Buildings and other fixed structures	1,450	(600)	-	850	1,407	(557)	165.5%	2,083	2,468
Machinery and equipment	6,521	600	-	7,121	6,325	796	88.8%	1,101	715
<b>Total</b>	<b>77,114</b>	<b>-</b>	<b>1,583</b>	<b>78,697</b>	<b>81,876</b>	<b>(3,179)</b>	<b>104.0%</b>	<b>61,668</b>	<b>61,561</b>

Detail per sub-programme	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>5.1 Research</b>									
Current payment	13,608	-	-	13,608	14,652	(1,044)	107.7%	10,527	9,607
Payment for capital assets	1,481	-	-	1,481	462	1,019	31.2%	240	303
<b>5.2 Information Services</b>									
Current payment	3,997	-	-	3,997	3,657	340	91.5%	2,828	2,717
Transfers and subsidies	-	-	51	51	-	51	-	-	-
Payment for capital assets	83	-	-	83	292	(209)	351.8%	196	126
<b>5.3 Infrastructure Support Services</b>									
Current payment	13,863	-	(1,527)	12,336	13,483	(1,147)	109.3%	9,809	10,636
Transfers and subsidies	-	-	-	-	51	(51)	-	13	12
Payment for capital assets	-	-	-	-	53	(53)	-	63	69
<b>Total</b>	<b>33,032</b>	<b>-</b>	<b>(1,476)</b>	<b>31,556</b>	<b>32,650</b>	<b>(1,094)</b>	<b>103.5%</b>	<b>23,676</b>	<b>23,470</b>

Economic classification	2008/09				2007/08				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>Current payments</b>									
Compensation of employees	18,901	-	-	18,901	20,942	(2,041)	110.8%	16,823	16,619
Goods and services	12,567	-	(1,527)	11,040	10,850	190	98.3%	6,341	6,341
<b>Transfers and subsidies to:</b>									
Households	-	-	51	51	51	-	100.0%	13	12
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	-	-	-	-	-	-	-	7
Machinery and equipment	1,267	-	-	1,267	545	722	43.0%	409	401
Biological assets	97	-	-	97	-	97	-	40	40
Software and other intangible assets	200	-	-	200	262	(62)	131.0%	50	50
<b>Total</b>	<b>33,032</b>	<b>-</b>	<b>(1,476)</b>	<b>31,556</b>	<b>32,650</b>	<b>(1,094)</b>	<b>103.5%</b>	<b>23,676</b>	<b>23,470</b>

Detail per sub-programme	2008/09				2007/08				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>6.1 Marketing Services</b>									
Current payment	33,675	-	(1,121)	32,554	22,828	9,726	70.1%	48,535	11,499
Transfers and subsidies	5,757	-	-	5,757	5,757	-	100%	19,204	19,203
Payment for capital assets	82	-	-	82	71	11	86.6%	77	41
<b>6.2 Macro Economics And Statistics</b>									
Current payment	2,848	-	-	2,848	1,576	1,272	55.3%	1,443	1,264
<b>Total</b>	<b>42,362</b>	<b>-</b>	<b>(1,121)</b>	<b>41,241</b>	<b>30,232</b>	<b>11,009</b>	<b>73.3%</b>	<b>69,259</b>	<b>32,007</b>



Economic classification	2008/09							2007/08	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	4,765	-	-	4,765	4,292	473	90.1%	3,380	3,373
Goods and services	31,758	-	(1,121)	30,637	20,112	10,525	65.6%	46,598	9,390
<b>Transfers and subsidies to:</b>									
Public corporations and private enterprises	5,757	-	-	5,757	5,757	-	100.0%	19,202	19,203
Households	-	-	-	-	-	-	-	2	-
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	-	-	-	(22)	22	-	-	-
Machinery and equipment	82	-	-	82	93	(11)	113.4%	77	41
<b>Total</b>	<b>42,362</b>	<b>-</b>	<b>(1,121)</b>	<b>41,241</b>	<b>30,232</b>	<b>11,009</b>	<b>73.3%</b>	<b>69,259</b>	<b>32,007</b>

Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	2008/09				2007/08	
			R'000	R'000	R'000	R'000	Final Appropriation	Actual expenditure
<b>7.1 Tertiary Education</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Current payment	23,031	-	(75)	22,956	22,640	316	21,305	21,170
Transfers and subsidies	-	-	98	98	98	-	-	-
Payment for capital assets	6,400	-	(3,081)	3,319	2,330	989	8,745	7,623
<b>7.2 Further Education And Training</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Current payment	9,082	-	-	9,082	9,156	(74)	7,044	7,171
Transfers and subsidies	-	-	-	-	-	-	66	66
Payment for capital assets	-	-	-	-	9	(9)	-	5
<b>Total</b>	<b>38,513</b>	<b>-</b>	<b>(3,058)</b>	<b>35,455</b>	<b>34,233</b>	<b>1,222</b>	<b>37,160</b>	<b>36,035</b>

Economic classification	Adjusted Appropriation	Shifting of Funds	2008/09				2007/08	
			R'000	R'000	R'000	R'000	Final Appropriation	Actual expenditure
<b>Current payments</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Compensation of employees	20,373	-	-	20,373	21,394	(1,021)	19,159	19,151
Goods and services	11,740	-	(75)	11,665	10,402	1,263	9,190	9,190
<b>Transfers and subsidies to:</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Households	-	-	98	98	98	-	66	66
<b>Payment for capital assets</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Buildings and other fixed structures	1,875	-	-	1,875	1,932	(57)	5,119	5,424
Machinery and equipment	4,525	-	(3,081)	1,444	407	1,037	3,626	2,204
<b>Total</b>	<b>38,513</b>	<b>-</b>	<b>(3,058)</b>	<b>35,455</b>	<b>34,233</b>	<b>1,222</b>	<b>37,160</b>	<b>36,035</b>

Detail per sub-programme	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>8.1 Environmental Impact Management</b>									
Current payment	7,455	-	(1,595)	5,860	8,327	(2,467)	142.1%	6,061	6,026
Payment for capital assets	311	-	-	311	524	(213)	168.5%	28	47
<b>8.2 Pollution &amp; Waste Management</b>									
Current payment	30,026	-	(700)	29,326	27,064	2,262	66.7%	7,337	7,362
Transfers and subsidies	56	-	-	56	-	56	-	-	-
Payment for capital assets	9,578	-	1,495	11,073	10,375	698	93.7%	6,767	23
<b>Total</b>	<b>47,426</b>	<b>-</b>	<b>(800)</b>	<b>46,626</b>	<b>46,290</b>	<b>336</b>	<b>99.3%</b>	<b>20,193</b>	<b>13,458</b>

Economic classification	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	12,340	-	-	12,340	12,224	116	99.1%	8,599	8,590
Goods and services	25,141	-	(2,295)	22,846	15,668	7,178	68.6%	4,799	4,798
<b>Transfers and subsidies to:</b>									
Households	56	-	-	56	7,499	(7,443)	13391.1%	-	-
<b>Payment for capital assets</b>									
Machinery and equipment	9,889	-	1,495	11,384	10,899	485	95.7%	6,795	70
<b>Total</b>	<b>47,426</b>	<b>-</b>	<b>(800)</b>	<b>46,626</b>	<b>46,290</b>	<b>336</b>	<b>99.3%</b>	<b>20,193</b>	<b>13,458</b>

Detail per sub-programme	2008/09				2007/08				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>10.1 Environmental Education Services</b>									
Current payment	40,774	-	(2,285)	38,489	40,258	(1,768)	104.6%	43,377	43,404
Transfers and subsidies	-	-	159	159	159	-	100.0%	5,100	5,100
Payment for capital assets	1,179	-	(1,000)	179	8	171	4.5%	532	530
<b>10.2 Strategic Management Services</b>									
Current payment	1,369	-	-	1,369	1,730	(361)	126.4%	1,136	951
Payment for capital assets	-	-	-	-	13	(13)	-	18	13
<b>Total</b>	<b>43,322</b>	<b>-</b>	<b>(3,126)</b>	<b>40,196</b>	<b>42,168</b>	<b>(1,972)</b>	<b>104.9%</b>	<b>50,163</b>	<b>49,998</b>

Economic classification	2008/09				2007/08				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>Current payments</b>									
Compensation of employees	24,985	-	-	24,985	27,120	(2,135)	108.5%	23,648	23,500
Goods and services	17,158	-	(2,285)	14,873	14,868	5	100.0%	20,865	20,855
<b>Transfers and subsidies to:</b>									
Households	-	-	159	159	159	-	100.0%	5,100	5,100
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	-	-	-	(329)	329	-	500	-
Machinery and equipment	1,179	-	(1,000)	179	350	(171)	195.5%	50	543
<b>Total</b>	<b>43,322</b>	<b>-</b>	<b>(3,126)</b>	<b>40,196</b>	<b>42,168</b>	<b>(1,972)</b>	<b>104.9%</b>	<b>50,163</b>	<b>49,998</b>

Detail per sub-programme	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>11.1 Planning And Survey Services</b>									
Current payment	3,803	-	-	3,803	4,013	(210)	105.5%	11,696	5,234
Payment for capital assets	230	-	-	230	154	76	67.0%	50	-
<b>11.2 Land Administration</b>									
Current payment	8,996	-	430	9,426	9,398	28	99.7%	3,313	7,791
Payment for capital assets	270	-	-	270	19	251	7.0%	-	9
<b>11.3 Land Reform</b>									
Current payment	3,336	-	-	3,336	3,388	(52)	101.6%	3,360	1,897
Payment for capital assets	132	-	-	132	147	(15)	111.4%	46	85
<b>Total</b>	<b>16,767</b>	<b>-</b>	<b>430</b>	<b>17,197</b>	<b>17,119</b>	<b>78</b>	<b>99.5%</b>	<b>18,465</b>	<b>15,016</b>

Economic classification	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	11,080	-	-	11,080	11,310	(230)	102.1%	9,279	9,086
Goods and services	5,055	-	430	5,485	5,489	(4)	100.1%	9,090	5,836
<b>Payment for capital assets</b>									
Machinery and equipment	632	-	-	632	320	312	50.6%	46	94
Software and other intangible assets	-	-	-	-	-	-	-	50	-
<b>Total</b>	<b>16,767</b>	<b>-</b>	<b>430</b>	<b>17,197</b>	<b>17,119</b>	<b>78</b>	<b>99.5%</b>	<b>18,465</b>	<b>15,016</b>

DEPARTMENT OF AGRICULTURE AND LAND ADMINISTRATION  
VOTE 5  
for the year ended 31 March 2009

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

Detail of these transactions can be viewed in note 7 (Transfers and subsidies) and Annexure 1 (A-D) to the Annual Financial Statements.

**1. 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.

**2. Detail on financial transactions in assets and liabilities**

Detail of these transactions per programme can be viewed in note 6 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

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

Per programme:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
<b>PR 1-Administration</b>	86,660	89,304	(2,644)	103%

This program over-spent by 3% of the total allocated budget.

This over expenditure resulted from the under-projection of the annual general increment on compensation of employees.

Per programme:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
<b>PR 2-Sustainable Resource Management</b>	47,500	47,815	(315)	101%

This program over-spent by 1% of the total allocated budget.

This over expenditure resulted from the under-projection of the annual general increment on compensation of employees.

Per programme:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
<b>PR 3-Farmer Support Services</b>	352,685	349,779	2,906	99%

The projected under-spending of R1, 527 million from this programme was utilized to defray shortfalls on Programme 3 (Goods and Services) for the amount of R0, 207 million and on Programme 4 (Goods and Services) for the amount of R1, 320 million.

Per programme:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
<b>PR 4-Veterinary Services</b>	78,697	81,876	(3,179)	104%

The program over-spent by 4% of the total allocated budget.

The overspending on the allocated budget resulted from the under-projection of the annual general increment on compensation of employees and an under projection on the construction of Veterinary Clinics.

Per programme:

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
R'000	R'000	R'000	%
31,556	32,650	(1,094)	103%

**PR 5-Technical Research & Development**

The program over-spent by 3% of the total allocated budget.

The overspending on the allocated budget resulted from the under-projection of the annual general increment on compensation of employees.

Per programme:

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
R'000	R'000	R'000	%
41,241	30,232	11,009	73%

**PR 6-Agricultural Economics**

The program under-spent by 27% of the total allocated budget.

The under-spending resulted from the Disaster Relief Grant Fencing Projects, which were still in progress by the end of the financial year

Per programme:

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
R'000	R'000	R'000	%
35,455	34,233	1,222	97%

**PR 7-Structured Agricultural Training**

The program under-spent by 3% of the total allocated budget.

The under-spending resulted from a delay in the delivery of tractors.

Per programme:

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
R'000	R'000	R'000	%
46,626	46,290	336	99%

**PR 8-Planning, Impact, Pollution & Waste Management**

The program under-spent by 1% of the total allocated budget.

The under-spending resulted from funded vacant posts, which could not be filled due to scarcity of the required skill.

Per programme:

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
R'000	R'000	R'000	%
40,196	42,168	(1,972)	105%

**PR10-Environmental Development**

The program over-spent by 5% of the total allocated budget.

The over-spending on the allocated budget resulted from the under-projection of the annual general increment on compensation of employees.

Per programme:

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
R'000	R'000	R'000	%
17,197	17,119	78	100%

**PR 11-Land Administration**

This programme spent 100% of the total allocated budget.

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

4.2 Per Economic classification	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
<b>Current payments:</b>				
Compensation of employees	288,387	305,952	(17,565)	106%
Goods and services	242,780	235,102	7,678	97%
Financial transactions in assets and liabilities	-	337	(337)	
<b>Transfers and subsidies:</b>				
Public corporations and private enterprises	60,434	57,008	3,426	94%
Households	88,071	78,815	9,256	89%
<b>Payments for capital assets:</b>				
Buildings and other fixed structures	3,967	3,584	383	90%
Machinery and equipment	93,877	90,344	3,533	96%
Biological assets	97	-	97	0%
Software and other intangible assets	200	323	(123)	162%
<b>TOTAL</b>	<b>777,813</b>	<b>771,465</b>	<b>6,348</b>	<b>99%</b>



DEPARTMENT OF AGRICULTURE AND LAND ADMINISTRATION  
VOTE 5

STATEMENT OF FINANCIAL PERFORMANCE  
for the year ended 31 March 2009

PERFORMANCE	Note	2008/09 R'000	2007/08 R'000
<b>REVENUE</b>			
Annual appropriation	1	777,117	668,513
Statutory appropriation	2	696	680
Departmental revenue	3	10,112	7,459
<b>TOTAL REVENUE</b>		<b>787,925</b>	<b>676,652</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	4	305,952	255,799
Goods and services	5	235,102	148,256
Financial transactions in assets and liabilities	6	337	-
<b>Total current expenditure</b>		<b>541,391</b>	<b>404,055</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	7	135,823	195,563
<b>Total transfers and subsidies</b>		<b>135,823</b>	<b>195,563</b>
<b>Expenditure for capital assets</b>			
Tangible capital assets	8	93,928	18,328
Software and other intangible assets	8	323	148
<b>Total expenditure for capital assets</b>		<b>94,251</b>	<b>18,476</b>
<b>TOTAL EXPENDITURE</b>		<b>771,465</b>	<b>618,094</b>
<b>SURPLUS FOR THE YEAR</b>		<b>16,460</b>	<b>58,558</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		6,348	51,099
Departmental revenue	15	10,112	7,459
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>16,460</b>	<b>58,558</b>

DEPARTMENT OF AGRICULTURE AND LAND ADMINISTRATION  
VOTE 5

STATEMENT OF FINANCIAL POSITION  
at ended 31 March 2009

POSITION	Note	2008/09 R'000	2007/08 R'000
<b>ASSETS</b>			
<b>Current assets</b>			
Unauthorised expenditure	10	9,539	335
Fruitless and wasteful expenditure	11	208	-
Cash and cash equivalents	12	5,050	52,576
Receivables	13	6,677	3,513
<b>TOTAL ASSETS</b>		<b>21,474</b>	<b>56,424</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Voted funds to be surrendered to the Revenue Fund	14	15,759	51,099
Departmental revenue to be surrendered to the Revenue Fund	15	567	954
Payables	16&17	4,881	4,112
<b>TOTAL LIABILITIES</b>		<b>21,207</b>	<b>56,165</b>
<b>NET ASSETS</b>		<b>267</b>	<b>259</b>
<b>Represented by:</b>			
Recoverable revenue		267	259
<b>TOTAL</b>		<b>267</b>	<b>259</b>

DEPARTMENT OF AGRICULTURE AND LAND ADMINISTRATION  
VOTE 5

STATEMENT OF CHANGES IN NET ASSETS  
for the year ended 31 March 2009

NET ASSETS	<i>Note</i>	2008/09 R'000	2007/08 R'000
<b>Recoverable revenue</b>			
Opening balance		259	198
Transfers:		345	61
Irrecoverable amounts written off	25	337	-
Debts recovered (included in departmental receipts)		(259)	(198)
Debts raised		267	259
Closing balance		604	259
<b>TOTAL</b>		<b>604</b>	<b>259</b>

DEPARTMENT OF AGRICULTURE AND LAND ADMINISTRATION  
VOTE 5

**CASH FLOW STATEMENT**  
for the year ended 31 March 2009

<b>CASH FLOW</b>	<i>Note</i>	<b>2008/09</b>	<b>2007/08</b>
		<b>R'000</b>	<b>R'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts			
Annual appropriated funds received	1.1	777,116	668,513
Statutory appropriated funds received	2	696	680
Departmental revenue received	3	9,288	6,882
Net increase in working capital		(11,807)	11
Surrendered to Revenue Fund		(61,598)	(20,508)
Current payments		(531,979)	(404,055)
Transfers and subsidies paid		(135,823)	(195,563)
<b>Net cash flow available from operating activities</b>	<b>18</b>	<b>45,893</b>	<b>55,960</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	8	(94,251)	(18,476)
Proceeds from sale of capital assets	3	824	577
<b>Net cash flows from investing activities</b>		<b>(93,427)</b>	<b>(17,899)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase in net assets		8	61
<b>Net cash flows from financing activities</b>		<b>8</b>	<b>61</b>
Net increase/(decrease) in cash and cash equivalents		(47,526)	38,122
Cash and cash equivalents at the beginning of the period		52,576	14,454
<b>Cash and cash equivalents at end of period</b>	<b>12</b>	<b>5,050</b>	<b>52,576</b>

DEPARTMENT OF AGRICULTURE AND LAND ADMINISTRATION  
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ACCOUNTING POLICIES  
for the year ended 31 March 2009

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

**1. Presentation of the Financial Statements**

**1.1 Basis of preparation**

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

**1.2 Presentation currency**

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

**1.3 Rounding**

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

**1.4 Comparative figures**

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

**1.5 Comparative figures - Appropriation Statement**

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

**2. Revenue**

**2.1 Appropriated funds**

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

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

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

**2.2 Statutory Appropriation**

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

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

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

## 2.3 Departmental revenue

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

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

### 2.3.1 Tax revenue

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

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

### 2.3.2 Sales of goods and services other than capital assets

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

### 2.3.3 Fines, penalties & forfeits

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

### 2.3.4 Interest, dividends and rent on land

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

### 2.3.5 Sale of capital assets

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

### 2.3.6 Financial transactions in assets and liabilities

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

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

Forex gains are recognised on payment of funds.

### 2.3.7 Transfers received (including gifts, donations and sponsorships)

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

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

## 2.4 Direct Exchequer receipts

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

## 2.5 Aid assistance

Local and foreign aid assistance is recognised as revenue when notification of the assistance is received from the

National Treasury or when the department directly receives the cash from the donor(s).

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

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

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

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

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

### **3. Expenditure**

#### **3.1 Compensation of employees**

##### **3.1.1 Short-term employee benefits**

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

All other payments are classified as current expense.

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

##### **3.1.2 Post retirement benefits**

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

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

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

##### **3.1.3 Termination benefits**

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

##### **3.1.4 Other long-term employee benefits**

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

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

<sup>1</sup> This accounting policy is only relevant where the department elects to capitalise the compensation paid to employees involved on capital projects

### 3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used for a capital project or an asset of R5000 or more is purchased. All assets costing less than R5000 will also be reflected under goods and services.

### 3.3 Interest and rent on land

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

### 3.4 Financial transactions in assets and liabilities

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

**Forex losses** are recognised on payment of funds.

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

### 3.5 Transfers and subsidies

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

### 3.6 Unauthorised expenditure

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

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

### 3.7 Fruitless and wasteful expenditure

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

### 3.8 Irregular expenditure

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

### 3.9 Expenditure for capital assets

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

## 4. Assets

### 4.1 Cash and cash equivalents

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



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

#### **4.2 Other financial assets**

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

#### **4.3 Prepayments and advances**

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

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

#### **4.4 Receivables**

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

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

#### **4.5 Investments**

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

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

#### **4.6 Loans**

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

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

#### **4.7 Inventory**

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

#### **4.8 Capital assets**

##### **4.8.1 Movable assets**

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

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

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

##### **4.8.2 Immovable assets**

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

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

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

## **5. Liabilities**

### **5.1 Voted funds to be surrendered to the Revenue Fund**

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

### **5.2 Departmental revenue to be surrendered to the Revenue Fund**

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

### **5.3 Direct Exchequer receipts to be surrendered to the Revenue Fund**

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

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

### **5.4 Bank overdraft**

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

### **5.5 Payables**

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

### **5.6 Contingent liabilities**

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

### **5.7 Commitments**

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

### **5.8 Accruals**

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

### **5.9 Employee benefits**

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

### **5.10 Lease commitments**

#### **Finance leases**

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

#### **Operating leases**

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

## 6. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

## 7. Net Assets

### 7.1 Capitalisation reserve

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

### 7.2 Recoverable revenue

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

## 8. Related party transactions

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

## 9. Key management personnel

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

## 10. Public private partnerships

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

DEPARTMENT OF AGRICULTURE AND LAND ADMINISTRATION

VOTE 5

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2009

1. Annual Appropriation

1.1 Annual Appropriation

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

	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Appropriation received 2007/08 R'000
Pr 1: Administration	85,964	85,963	1	67,727
Pr 2: Sustainable Resource Management	47,500	47,500	-	61,068
Pr 3: Farmer Support & Development	352,685	352,685	-	259,134
Pr 4: Veterinary Services	78,697	78,697	-	61,668
Pr 5: Technical Research & Development	31,556	31,556	-	23,676
Pr 6: Agricultural Economics	41,241	41,241	-	69,259
Pr 7: Structured Agricultural Training	35,455	35,455	-	37,160
Pr 8: Planning, Impact, Pollution & Waste Management	46,626	46,626	-	20,193
Pr 10: Environmental Development	40,196	40,196	-	50,163
Pr 11: Land Administration	17,197	17,197	-	18,465
<b>Total</b>	<b>777,117</b>	<b>777,116</b>	<b>1</b>	<b>668,513</b>

1.2 Conditional grants

	Note	2008/09 R'000	2007/08 R'000
Total grants received	Annex 1A	130,358	122,603
Provincial grants included in Total Grants received		34,335	31,196

1.3 Unconditional grants

	Note	2008/09 R'000	2007/08 R'000
Total grants received	Annex 1B	777,813	555,790

2. Statutory Appropriation

	2008/09 R'000	2007/08 R'000
Member of executive committee/parliamentary officers	696	680
<b>Total</b>	<b>696</b>	<b>680</b>
Actual Statutory Appropriation received	696	680

### 3. Departmental revenue

	Note	2008/09 R'000	2007/08 R'000
Tax revenue			
Sales of goods and services other than capital assets	3.1	4,548	4,217
Fines, penalties and forfeits	3.2	985	126
Interest, dividends and rent on land	3.3	2,581	1,929
Sales of capital assets	3.4	824	577
Financial transactions in assets and liabilities	3.5	1,174	610
<b>Total revenue collected</b>		<b>10,112</b>	<b>7,459</b>
<b>Departmental revenue collected</b>		<b>10,112</b>	<b>7,459</b>

#### 3.1 Sales of goods and services other than capital assets

	Note	2008/09 R'000	2007/08 R'000
Sales of goods and services produced by the department			
Sales by market establishment	3	999	-
Administrative fees		2	1
Other sales		3,530	4,216
Sales of scrap, waste and other used current goods		17	-
<b>Total</b>		<b>4,548</b>	<b>4,217</b>

#### 3.2 Fines, penalties and forfeits

	Note	2008/09 R'000	2007/08 R'000
Fines			
Fines	3	-	126
Penalties		985	-
<b>Total</b>		<b>985</b>	<b>126</b>

#### 3.3 Interest, dividends and rent on land

	Note	2008/09 R'000	2007/08 R'000
Interest			
Interest	3	2,578	1,909
Rent on land		3	20
<b>Total</b>		<b>2,581</b>	<b>1,929</b>

#### 3.4 Sale of capital assets

	Note	2008/09 R'000	2007/08 R'000
<b>Tangible capital assets</b>			
Machinery and equipment	28.2	824	530
Biological assets	28.2	-	47
<b>Total</b>		<b>824</b>	<b>577</b>

### 3.5 Financial transactions in assets and liabilities

	<i>Note</i>	<b>2008/09</b>	<b>2007/08</b>
	<u>3</u>	<b>R'000</b>	<b>R'000</b>
Receivables		165	154
Stale cheques written back		27	39
Other Receipts including Recoverable Revenue		982	417
<b>Total</b>		<b>1,174</b>	<b>610</b>

### 4. Compensation of employees

#### 4.1 Salaries and Wages

	<i>Note</i>	<b>2008/09</b>	<b>2007/08</b>
		<b>R'000</b>	<b>R'000</b>
Basic salary		207,217	173,736
Performance award		5,050	4,549
Service Based		504	520
Compensative/circumstantial		7,660	3,252
Periodic payments		1,151	542
Other non-pensionable allowances		44,036	39,304
<b>Total</b>		<b>265,618</b>	<b>221,903</b>

#### 4.2 Social contributions

	<i>Note</i>	<b>2008/09</b>	<b>2007/08</b>
		<b>R'000</b>	<b>R'000</b>
<b>Employer contributions</b>			
Pension		26,756	23,049
Medical		13,521	10,787
Bargaining council		57	60
<b>Total</b>		<b>40,334</b>	<b>33,896</b>

#### Total compensation of employees

		<b>305,952</b>	<b>255,799</b>
		<b>2008/09</b>	<b>2007/08</b>
Average number of employees		1891	1875

### 5. Goods and services

	<i>Note</i>	<b>2008/09</b>	<b>2007/08</b>
		<b>R'000</b>	<b>R'000</b>
Administrative fees		4,035	95
Advertising		9,557	2,730
Assets less than R5,000	<u>5.1</u>	12,630	6,546
Bursaries (employees)		1,167	4,756
Catering		6,374	2,416
Communication		11,722	10,016
Computer services	<u>5.2</u>	1,433	521
Consultants, contractors and agency/outsourced services	<u>5.3</u>	35,245	14,141
Entertainment		-	6
Audit cost – external	<u>5.4</u>	2,595	1,500
Government motor transport		8,112	6,267
Inventory	<u>5.5</u>	48,051	24,511
Maintenance, repairs and running costs		12,460	9,027
Operating leases		13,887	14,278

Owned and leasehold property expenditure	5.6	21,436	17,345
Travel and subsistence	5.7	41,377	28,293
Venues and facilities		2,336	2,188
Training and staff development		125	2,398
Other operating expenditure	5.8	2,560	1,222
<b>Total</b>		<b>235,102</b>	<b>148,256</b>

#### 5.1 Assets less than R5,000

	Note	2008/09	2007/08
	5	R'000	R'000
<b>Tangible assets</b>		<b>4,080</b>	<b>6,501</b>
Biological assets		8,409	3,352
Machinery and equipment		4,080	3,149
<b>Intangible assets</b>			
		141	45
<b>Total</b>		<b>12,630</b>	<b>6,546</b>

#### 5.2 Computer services

	Note	2008/09	2007/08
	5	R'000	R'000
SITA computer services		815	521
External computer service providers		618	-
<b>Total</b>		<b>1,433</b>	<b>521</b>

#### 5.3 Consultants, contractors and agency/outsourced services

	Note	2008/09	2007/08
	5	R'000	R'000
Business and advisory services		884	199
Infrastructure and planning		23,285	10,120
Laboratory services		238	-
Legal costs		2,073	990
Contractors		8,517	2,475
Agency and support/outsourced services		248	357
<b>Total</b>		<b>35,245</b>	<b>14,141</b>

#### 5.4 Audit cost – External

	Note	2008/09	2007/08
	5	R'000	R'000
Regularity audits		-	1,500
Performance audits		2,595	-
<b>Total</b>		<b>2,595</b>	<b>1,500</b>

#### 5.5 Inventory

	Note	2008/09	2007/08
	5	R'000	R'000
Learning and teaching support material		2,580	163
Food and food supplies		854	690
Fuel, oil and gas		2,182	1,134
Other consumable materials		37,768	13,267

Maintenance material	1,697	3,291
Stationery and printing	2,884	3,784
Medical supplies	86	2,182
<b>Total</b>	<b>48,051</b>	<b>24,511</b>

#### 5.6 Owned and leasehold property expenditure

	Note	2008/09	2007/08
		R'000	R'000
Municipal services	5	3,568	3,441
Other		17,868	13,904
<b>Total</b>		<b>21,436</b>	<b>17,345</b>

#### 5.7 Travel and subsistence

	Note	2008/09	2007/08
Local	5	41,377	28,293
<b>Total</b>		<b>41,377</b>	<b>28,293</b>

#### 5.8 Other operating expenditure

	Note	2008/09	2007/08
		R'000	R'000
Learnerships	5	995	342
Professional bodies, membership and subscription fees		29	55
Resettlement costs		1,133	484
Other		403	341
<b>Total</b>		<b>2,560</b>	<b>1,222</b>

#### 6. Financial transactions in assets and liabilities

	Note	2008/09	2007/08
		R'000	R'000
Material losses through criminal conduct			
Debts written off	6.1	337	-
<b>Total</b>		<b>337</b>	<b>-</b>

#### 6.1 Debts written off

	Note	2008/09	2007/08
		R'000	R'000
<b>Nature of debts written off</b>			
Transfer to debts written off			
Ex Employees		337	-
<b>Total</b>		<b>337</b>	<b>-</b>

#### 7. Transfers and subsidies

	Note	2008/09	2007/08
		R'000	R'000
Departmental Agencies and Accounts		-	6
Public corporations and private enterprises	Annex 1C	57,008	70,481
Households	Annex 1D	78,815	125,076
<b>Total</b>		<b>135,823</b>	<b>195,563</b>

An amount of R14,000.00 included under Households were disclosed as Departmental Agencies and Accounts in the 2007/08 Financial Statements



## 8. Expenditure for capital assets

	Note	2008/09 R'000	2007/08 R'000
<b>Tangible assets</b>		<b>93,928</b>	<b>18,328</b>
Buildings and other fixed structures	28.1	3,585	9,950
Machinery and equipment	28.1	90,343	8,338
Biological assets	28.1	-	40
<b>Software and other intangible assets</b>		<b>323</b>	<b>148</b>
Other intangibles	29.1	323	148
<b>Total</b>		<b>94,251</b>	<b>18,476</b>

## 9. Analysis of funds utilised to acquire capital assets – 2008/09

	Voted funds R'000	Aid assistance R'000	Total R'000
<b>Tangible assets</b>	<b>93,928</b>		<b>93,928</b>
Buildings and other fixed structures	3,671	-	3,671
Machinery and equipment	90,257	-	90,257
<b>Software and other intangible assets</b>			
Computer software	323	-	323
<b>Total</b>	<b>94,251</b>	<b>-</b>	<b>94,251</b>

### 9.1 Analysis of funds utilised to acquire capital assets – 2007/08

	Voted funds R'000	Aid assistance R'000	Total R'000
<b>Total assets acquired</b>	<b>18,476</b>	<b>-</b>	<b>18,476</b>

## 10. Unauthorised expenditure

### 10.1 Reconciliation of unauthorised expenditure

	Note	2008/09 R'000	2007/08 R'000
Opening balance		335	335
Unauthorised expenditure – discovered in current year	10	9,204	-
Less: Amounts approved by Parliament/Legislature (with funding)		-	-
Less: Amounts approved by Parliament/Legislature (without funding)		-	-
Capital		-	-
Current		-	-
Transfers and subsidies		-	-
Less: Transfer to receivables for recovery		-	-
<b>Unauthorised expenditure awaiting authorisation</b>		<b>9,539</b>	<b>335</b>
<b>Analysis of awaiting authorisation per economic classification</b>			
Current		9,539	335
<b>Total</b>		<b>9,539</b>	<b>335</b>

## 10.2 Details of unauthorised expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2008/09 R'000
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Exceed main division of the Vote Programme 1	None	2,644
Exceed main division of the Vote Programme 2	None	315
Exceed main division of the Vote Programme 4	None	3,179
Exceed main division of the Vote Programme 5	None	1,094

Incident	Disciplinary steps taken/criminal proceedings	2008/09 R'000
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Exceed main division of the Vote Programme 10	None	1,972
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<b>Total</b>		<b>9,204</b>
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## 11. Fruitless and wasteful expenditure

### 11.1 Reconciliation of fruitless and wasteful expenditure

	Note	2008/09 R'000	2007/08 R'000
Opening balance		-	38
Add: Fruitless and wasteful expenditure - current year		208	-
Current expenditure		208	-
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Less: Amounts condoned		-	(38)
Current		-	(38)
Capital		-	-
Transfers and subsidies		-	-
Less: Amounts transferred to receivables for recovery		-	-
<b>Fruitless and wasteful expenditure awaiting condonement</b>		<b>208</b>	<b>-</b>

### Analysis of awaiting condonement per economic classification

Current		208	-
Capital		-	-
Transfers and subsidies		-	-
<b>Total</b>		<b>208</b>	<b>-</b>

## 12. Cash and cash equivalents

	Note	2008/09 R'000	2007/08 R'000
Consolidated Paymaster General Account		8,389	77,192
Disbursements		(3,339)	(24,616)
<b>Total</b>		<b>5,050</b>	<b>52,576</b>

### 13. Receivables

	Note	2008/09			2007/08
		R'000 Less than one year	R'000 One to three years	R'000 Older than three years	R'000 Total
Claims recoverable	Annex 3	-	-	-	-
Trade receivables	13.1	-	159	1	160
Staff debt	13.2	706	292	293	1,095
Other debtors	13.3	2,504	2,722	-	2,258
<b>Total</b>		<b>3,210</b>	<b>3,173</b>	<b>294</b>	<b>6,677</b>

#### 13.1 Trade receivables

	Note	2008/09 R'000	2007/08 R'000
Suppliers	13	160	160
<b>Total</b>		<b>160</b>	<b>160</b>

#### 13.2 Staff debt

	Note	2008/09 R'000	2007/08 R'000
Current Employees	13	353	219
Ex-Employees		595	572
T&S Advance		9	-
Other		334	304
<b>Total</b>		<b>1,291</b>	<b>1,095</b>

#### 13.3 Other debtors

	Note	2008/09 R'000	2007/08 R'000
SARS	13	5,226	2,258
<b>Total</b>		<b>5,226</b>	<b>2,258</b>

### 14. Voted funds to be surrendered to the Revenue Fund

	Note	2008/09 R'000	2007/08 R'000
Opening balance		51,099	13,422
Transfer from statement of financial performance		6,348	51,099
Add: Unauthorised expenditure for current year	10	9,412	-
Voted funds not requested/not received	1.1	(1)	-
Paid during the year		(51,099)	(13,422)
<b>Closing balance</b>		<b>15,759</b>	<b>51,099</b>

### 15. Departmental revenue to be surrendered to the Revenue Fund

	Note	2008/09 R'000	2007/08 R'000
Opening balance		954	581
Transfer from Statement of Financial Performance		10,112	7,459
Paid during the year		(10,499)	(7,086)
<b>Closing balance</b>		<b>567</b>	<b>954</b>

## 16. Direct Exchequer receipts to be surrendered to the Revenue Fund

	Note	2008/09 R'000	2007/08 R'000
Opening balance			
Transfer from Statement of Financial Performance		1,002	8
Paid during the year		3,879	4,104
<b>Closing balance</b>		<b>4,881</b>	<b>4,112</b>

## 17. Payables – current

### Description

	Note	30 Days	30+ Days	2008/09 Total	2007/08 Total
Clearing accounts	17.1	1,000	2	1,002	8
Other payables	17.2	-	3,879	3,879	4,104
<b>Total</b>		<b>1,000</b>	<b>3,881</b>	<b>4,881</b>	<b>4,112</b>

### 17.1 Clearing accounts

	Note	2008/09 R'000	2007/08 R'000
Description	17		
Sal:Pension Fund :CL		27	8
Sal: Financial Other Institutions : CL		2	-
Sal: ACB Recall : CA		56	-
Disallowance Miscellaneous		917	-
<b>Total</b>		<b>1,002</b>	<b>8</b>

### 17.2 Other payables

	Note	2008/09 R'000	2007/08 R'000
Description	17		
Aquaculture Infrastructure Project		3,879	4,051
Other payables		-	53
<b>Total</b>		<b>3,879</b>	<b>4,104</b>

## 18. Net cash flow available from operating activities

	Note	2008/09 R'000	2007/08 R'000
Net surplus/(deficit) as per Statement of Financial Performance		16,460	58,558
Add back non cash/cash movements not deemed operating activities		29,433	(2,598)
(Increase)/decrease in receivables – current		(3,164)	2,092
(Increase)/decrease in prepayments and advances		-	(3)
(Increase)/decrease in other current assets		-	38
Increase/(decrease) in payables – current		769	(2,116)
Proceeds from sale of capital assets		(824)	(577)
Expenditure on capital assets		94,251	18,476
Surrenders to Revenue Fund		(61,598)	(20,508)
Voted funds not requested/not received		(1)	-
<b>Net cash flow generated by operating activities</b>		<b>45,893</b>	<b>55,960</b>

## 19. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2008/09 R'000	2007/08 R'000
Consolidated Paymaster General account		8,389	77,192
Disbursements		(3,339)	(24,616)
<b>Total</b>		<b>5,050</b>	<b>52,576</b>

**DEPARTMENT OF AGRICULTURE AND LAND ADMINISTRATION**  
**VOTE 5**

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

for the year ended 31 March 2009

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

**20. Contingent liabilities**

<b>Liable to</b>	<b>Nature</b>	<i>Note</i>	<b>2008/09</b>	<b>2007/08</b>
			<b>R'000</b>	<b>R'000</b>
Motor vehicle guarantees	Employees	<i>Annex 2A</i>	40	108
Housing loan guarantees	Employees	<i>Annex 2A</i>	616	3,828
Claims against the department		<i>Annex 2B</i>	11,365	10,672
Other departments (interdepartmental unconfirmed balances)		<i>Annex 3</i>	-	142
<b>Total</b>			<b>12,021</b>	<b>14,750</b>

**21. Commitments**

	<i>Note</i>	<b>2008/09</b>	<b>2007/08</b>
		<b>R'000</b>	<b>R'000</b>
<b>Current expenditure</b>			
Approved and contracted		37,195	3,479
Approved but not yet contracted		2,118	338
		<b>39,313</b>	<b>3,817</b>
<b>Capital expenditure</b>			
Approved and contracted		5,981	321
Approved but not yet contracted		419	255
		<b>6,400</b>	<b>576</b>
<b>Total Commitments</b>		<b>45,713</b>	<b>4,393</b>

**22. Accruals**

<b>Listed by economic classification</b>			<b>2008/09</b>	<b>2007/08</b>
	<b>30 Days</b>	<b>30+ Days</b>	<b>R'000</b>	<b>R'000</b>
			<b>Total</b>	<b>Total</b>
Compensation of employees	-	-	-	-
Goods and services	53,421	-	53,421	549
Transfers and subsidies	11,624	-	11,624	-
Buildings and other fix structures	171	-	171	-
Machinery and equipment	2,760	-	2,760	-
<b>Total</b>	<b>67,976</b>	<b>-</b>	<b>67,976</b>	<b>549</b>

## 22. Accruals (continue)

	Note	2008/09 R'000	2007/08 R'000
<b>Listed by programme level</b>			
Pr 1: Administration		998	325
Pr 2: Sustainable Resource Management		24	-
Pr 3: Farmer Support & Development		52,960	89
Pr 4: Veterinary Services		228	101
Pr 5: Technical Research & Development		14	-
Pr 6: Agricultural Economics		10,125	8
Pr 7: Structured Agricultural Training		2,362	13
Pr 8: Planning, Impact, Pollution & Waste Management		502	-
Pr 10: Environmental Development		728	13
Pr 11: Land Administration		35	-
<b>Total</b>		<b>67,976</b>	<b>549</b>

## 23. Employee benefits

	Note	2008/09 R'000	2007/08 R'000
Leave entitlement		19,898	14,819
Thirteenth cheque		9,583	7,898
Performance awards		4,315	3,866
Capped leave commitments		53,124	50,775
<b>Total</b>		<b>86,920</b>	<b>77,358</b>

*Performance Award liability amount disclosed as 1.5% of the total Compensation of Employee Budget for the Financial Year 2008/09*

## 24. Lease commitments

### 24.1 Operating leases expenditure

2008/09	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	6,791	-	6,791
Later than 1 year and not later than 5 years	4,459	4,366	8,825
<b>Total lease commitments</b>	<b>11,250</b>	<b>4,366</b>	<b>15,616</b>

2007/08	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Later than 1 year and not later than 5 years	6,213	8,851	15,064
<b>Total lease commitments</b>	<b>6,213</b>	<b>8,851</b>	<b>15,064</b>

## 25. Analysis of receivables for departmental revenue

Note **2008/09**  
**R'000**

Opening balance		-
Less: amounts written-off/reversed as irrecoverable		337
<b>Closing balance</b>		<u><b>(337)</b></u>

## 26. Irregular expenditure

### 26.1 Reconciliation of irregular expenditure

	Note	2008/09 R'000	2007/08 R'000
Opening balance		6,101	6,101
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year		12,636	-
<b>Irregular expenditure awaiting condonation</b>		<u><b>18,737</b></u>	<u><b>6,101</b></u>

#### Analysis of awaiting condonation per age classification

Current year	12,636	-	-
Prior years	6,101	6,101	6,101
<b>Total</b>	<u><b>18,737</b></u>	<u><b>6,101</b></u>	<u><b>6,101</b></u>

### 26.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2008/09 R'000
Over Expenditure on Compensation of Employees	None	12,636
<b>Total</b>		<u><b>12,636</b></u>

## 27. Fruitless and wasteful expenditure

### 27.1 Reconciliation of fruitless and wasteful expenditure

2008/09  
R'000

#### Reconciliation of fruitless and wasteful expenditure

Fruitless and wasteful expenditure – relating to prior year		
Fruitless and wasteful expenditure – relating to current year		208
Less: Amounts condoned		-
Less: Amounts transferred to receivables for recovery		-
<b>Fruitless and wasteful expenditure awaiting condonement</b>		<u><b>208</b></u>

#### Analysis of awaiting condonement per economic classification

Current		208
<b>Total</b>		<u><b>208</b></u>

#### Analysis of Current Year's Fruitless and wasteful expenditure

2008/09

Incident	Disciplinary steps taken/criminal proceedings	R'000
Payment of VAT to Suppliers who are not register to collect VAT	None	208
<b>Total</b>		<u><b>208</b></u>

## 28. Key management personnel

	No. of Individuals	2008/09 R'000	2007/08 R'000
Political office bearers (provide detail below)	1	1,510	883
Officials:			
Level 15 to 16	1	815	-
Level 14 (incl. CFO if at a lower level)	6	4,174	3,689
<b>Total</b>		<b>6,499</b>	<b>4,572</b>

## 29. Movable Tangible Capital Assets

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance R'000	Curr Year Adjust- ments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>MACHINERY AND EQUIPMENT</b>	75,968	(16,072)	92,629	2,284	150,241
Transport assets	28,845	(11,134)	10,139	849	27,001
Computer equipment	10,275	(2,562)	15,082	837	21,958
Furniture and office equipment	4,687	(575)	1,922	64	5,970
Other machinery and equipment	32,161	(1,801)	65,486	534	95,312
<b>BIOLOGICAL ASSETS</b>					
Biological assets	40	(40)	-	-	-
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>76,008</b>	<b>(16,112)</b>	<b>92,629</b>	<b>2,284</b>	<b>150,241</b>

### 29.1 Additions

#### ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Cash R'000	Non-cash R'000	(Capital Work in Progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>90,256</b>	-	-	2,373	92,629
Transport assets	8,520	-	-	1,619	10,139
Computer equipment	15,022	-	-	60	-
Furniture and office equipment	1,753	-	-	169	1,922
Other machinery and equipment	64,961	-	-	525	65,486
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>90,256</b>	-	-	2,373	92,629



## 29.2 Disposals

### DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>2,150</b>	<b>134</b>	<b>2,284</b>	<b>552</b>
Transport assets	849	-	849	535
Computer equipment	762	75	837	17
Furniture and office equipment	34	30	64	
Other machinery and equipment	505	29	534	
<b>BIOLOGICAL ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>272</b>
Biological assets	-	-	-	272
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>2,150</b>	<b>134</b>	<b>2,284</b>	<b>824</b>

The Department have cattle that are being used for Research Purposes. These cattle are not included in the Departmental Asset Register as per National Treasury Regulations but a number of these cattle were auctioned for and amount of R272,000.00 which is disclosed above.

## 29.3 Movement for 2007/08

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>97,354</b>	<b>8,338</b>	<b>29,724</b>	<b>75,960</b>
Transport assets	51,478	880	23,513	28,845
Computer equipment	11,221	1,340	2,286	10,275
Furniture and office equipment	4,718	611	642	4,687
Other machinery and equipment	29,937	5,507	3,283	32,161

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
<b>BIOLOGICAL ASSETS</b>	<b>-</b>	<b>40</b>	<b>-</b>	<b>40</b>
Biological assets	-	40	-	40
<b>TOTAL MOVABLE TANGIBLE ASSETS</b>	<b>97,354</b>	<b>8,378</b>	<b>29,724</b>	<b>76,008</b>

## 29.4 Minor assets

### MINOR ASSETS OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2009

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Minor assets	141	-	3,888	-	4,029
<b>TOTAL</b>	<b>141</b>	<b>-</b>	<b>3,888</b>	<b>-</b>	<b>4,029</b>

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets	27	-	4472	-	4499
<b>TOTAL</b>	<b>27</b>	<b>-</b>	<b>4472</b>	<b>-</b>	<b>4499</b>

## 30. Intangible Capital Assets

### MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance R'000	Current Year Adjust- ments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
COMPUTER SOFTWARE	403	(99)	323	-	627
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>403</b>	<b>(99)</b>	<b>323</b>	<b>-</b>	<b>627</b>

### 30.1 Additions

#### ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Cash R'000	Non-Cash R'000	(Develop- ment work in progress - current costs) R'000	Received current year, not paid (Paid current year, received prior year) R'000	Total R'000
COMPUTER SOFTWARE	323	-	-	-	323
<b>TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS</b>	<b>323</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>323</b>

30.2 Movement for 2007/08

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008**

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>CAPITALISED DEVELOPMENT COSTS</b>				
COMPUTER SOFTWARE	255	148	-	403
<b>TOTAL</b>	<b>255</b>	<b>148</b>	<b>-</b>	<b>403</b>

31. Immovable Tangible Capital Assets

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009**

	Opening balance R'000	Curr Year Adjust- ments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>19,082</b>	<b>(12,047)</b>	<b>4,975</b>	<b>16</b>	<b>11,994</b>
Dwellings	15	-	145	-	160
Non-residential buildings	297	(47)	-	-	250
Other fixed structures	18,770	(12,000))	4,830	16	11,584
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>19,082</b>	<b>(12,047)</b>	<b>2,898</b>	<b>16</b>	<b>11,994</b>

### 31.1 Additions

#### ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>	<b>3,671</b>	<b>1,481</b>	<b>(177)</b>	<b>-</b>	<b>4,975</b>
Dwellings	145	-	-	-	145
Other fixed structures	3,526	1,481	(177)	-	4,830
<b>TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>3,671</b>	<b>1,481</b>	<b>(177)</b>	<b>-</b>	<b>4,975</b>

### 31.2 Disposals

#### DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>				
Non-residential buildings	-	16	16	-
<b>TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>-</b>	<b>16</b>	<b>16</b>	<b>-</b>

### 31.3 Movement for 2007/08

#### MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>				
Dwellings	15	-	-	15
Non-residential buildings	297	-	-	297
Other fixed structures	10,897	7,873	-	18,770
<b>TOTAL IMMOVABLE TANGIBLE ASSETS</b>	<b>11,209</b>	<b>7,873</b>	<b>-</b>	<b>19,082</b>

#### Immovable Assets

The Lowveld Agricultural College could not be transferred to the Department of Public Works due to a directive received from the Provincial Treasury instructing Departments not to transfer immovable assets pending Cabinet approval. Departments were advised to take the process forward by compiling the information as requested by the GIAMA template for capturing information from each asset



# ANNEXURES



**ANNEXURE 1A  
STATEMENT OF CONDITIONAL GRANTS RECEIVED**

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT			2007/08	
	Division of Revenue Act/ Provincial Grants R'000	Roll Overs R'000	DORA Adjustments R'000	Other Adjustments R'000	Total Available R'000	Amount received by department R'000	Amount spent by department R'000	% of available funds spent by department %	Division of Revenue Act R'000	Amount spent by department R'000
Division of Revenue Act										
Land Care	4,407	-	-	-	4,407	4,407	4,407	100%	4,205	4,028
Comprehensive Agricultural Support Program	43,107	-	-	-	43,107	43,088	43,088	100%	41,133	41,133
Agriculture Disaster Management (Veld Fire)	-	28,704	-	-	28,704	28,704	18,156	63%	45,000	8,382
Extension Recovery Plan	9,912	-	-	-	9,912	9,912	9,947	100%	-	-
<b>Provincial Grant</b>										
Provincial Infrastructure Support Grant	34,335	-	-	-	34,335	34,335	23,094	67%	31,196	31,099
Food Security Conditional Grant	-	-	-	7,533	7,533	7,533	7,552	100%	31,196	31,099
	<b>91,761</b>	<b>28,704</b>	<b>-</b>	<b>7,533</b>	<b>127,998</b>	<b>127,979</b>	<b>106,244</b>		<b>121,534</b>	<b>84,642</b>

**ANNEXURE 1B  
STATEMENT OF UNCONDITIONAL GRANTS RECEIVED**

NAME OF DEPARTMENT	GRANT ALLOCATION						2007/08		
	Amount R'000	Roll Overs R'000	DoRA adjustments R'000	Adjustments R'000	Total Available R'000	Amount received by department R'000	Amount spent by department R'000	Total available R'000	Amount spent by department R'000
Department of Agriculture and Land Administration	777,813	-	-	-	777,813	777,813	771,466	555,790	533,452
	<b>777,813</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>777,813</b>	<b>777,813</b>	<b>771,466</b>	<b>555,790</b>	<b>533,452</b>

99%

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

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2007/08	
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Capital R'000	Current R'000		Appropriation Act R'000
<b>Public Corporations</b>										
<b>Transfers</b>										
Development Bank of SA	12,000	-	-	12,000	12,000	100%	-	12,000	12,000	
Mpumalanga Development Co-operation	42,677	-	-	42,677	39,251	92%	-	39,251	39,100	
Provincial Infrastructure Grant	5,757	-	-	5,757	5,757	100%	-	5,757	19,202	
<b>Subsidies</b>										
	60,434	-	-	60,434	57,008	-	-	57,008	70,302	
<b>TOTAL</b>	60,434	-	-	60,434	57,008	-	-	57,008	70,302	



**ANNEXURE 1D  
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION					EXPENDITURE		2007/08 Appropriation Act R'000
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred		
	R'000	R'000	R'000	R'000	R'000	%		
<b>Transfers</b>								
Leave benefit to employees on retirement or death	1,591	-	-	1,591	2,722	171%	1,400	
Comprehensive Agricultural Support Programme	43,107	-	-	43,107	42,157	98%	67,894	
Land Care (Equitable Share)	7,720	-	-	7,720	7,468	97%	16,921	
Land Care (Conditional Grant)	4,407	-	-	4,407	4,407	100%	4,205	
Masibuyele Emasimini	-	-	-	-	1,056	-	30,000	
Heretige Greening Mpumalanga and Tourism Flagship	56	-	-	56	-	-	5,100	
Bursaries non employee	1,859	-	-	1,859	1,626	87%	-	
Comprehensive Agricultural Support Programme equitable share	3,013	-	-	3,013	3,190	106%	-	
Food Security Conditional Grant	7,533	-	-	7,533	6,109	81%	-	
Provincial Infrastructure Grant	17,405	-	-	17,405	6,467	37%	-	
Farmer Support	-	-	-	-	2,615	-	-	
Compensation Commissioner	100	-	-	100	159	159%	-	
Engineering Services	-	-	-	-	839	-	-	
<b>Total</b>	<b>86,791</b>	<b>-</b>	<b>-</b>	<b>86,791</b>	<b>78,815</b>	<b>-</b>	<b>125,520</b>	
	<b>86,791</b>	<b>-</b>	<b>-</b>	<b>86,791</b>	<b>78,815</b>	<b>-</b>	<b>125,520</b>	

ANNEXURE 2A  
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2008 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2008	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2009	Guaranteed interest for year ended 31 March 2009	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
<b>Motor vehicles</b>									
Firststrand Bank		1	-	47	-	47	-	-	-
Nedbank Limited Incorporated (NBS)		1	-	61	-	21	40	-	-
<b>Subtotal</b>		<b>2</b>	<b>-</b>	<b>108</b>	<b>-</b>	<b>68</b>	<b>40</b>	<b>-</b>	<b>-</b>

ANNEXURE 2A  
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2008 – LOCAL (continued)

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2008	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2009	Guaranteed interest for year ended 31 March 2009	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing								
Standard Bank SA	4	-	617	-	491	-	126	-	-
Nedbank Limited	3	-	210	-	138	-	72	-	-
Firstrand Bank Limited	2	-	225	-	169	-	56	-	-
Nedbank LTD	-	-	40	-	40	-	-	-	-
Incorporated BOE Bank	1	-	217	34	217	-	34	-	-
ABSA	-	-	55	-	55	-	-	-	-
Company Unique Finance	-	-	207	-	207	-	-	-	-
Peoples Bank Limited Former FBC	-	-	439	-	439	-	-	-	-
Nedbank Limited Incorporated NBS	-	-							
First Rand Bank LTD (FNB Former)	1	-	485	-	467	-	18	-	-
Old Mutual Bank Div of Nedbank	9	-	941	19	678	-	282	-	-
Nedcor Investment Bank LTD Limited	1	-	34	-	34	-	-	-	-
Mpumalanga Housing Finance Company	1	-	358	-	330	-	28	-	-
Subtotal		-	3,828	53	3,828	-	616	-	-
<b>Total</b>		-	3,936	53	3,333	-	656	-	-

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**ANNEXURE 2B**  
**STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2009**

Nature of Liability	Opening Balance 01/04/2008 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 31/03/2009 R'000
<b>Claims against the department</b>					
<b>MD Mashaba</b>	-	481	-	-	481
PJ Senekal	82	-	-	-	82
DL Brits	2,050	-	-	-	2,050
Endangered Wildlife	-	-	-	-	-
CS Diadla Construction	273	-	-	-	273
S Lourens	-	-	-	-	-
Putco (PTY)	-	-	-	-	-
Du Toit and Smuts (R Parhalad	10	-	-	-	10
Foodcorp	8,000	8	8	-	8,000
Fuel Retailers	200	-	-	-	200
Aqua Vitae Trust	50	83	53	-	80
Illegal Occupant Nootigedacht Research Farm	-	-	-	-	-
Eskom Holdings	-	10	-	-	10
SS Mogohwane	-	49	-	-	49
JK Gaddin	-	60	-	-	60
M Sithole	-	124	124	-	-
K Mahlangu	-	10	-	-	10
Green Vally Estates	-	50	-	-	50
AH Viljoen	-	10	-	-	10

NEXURE 2B (continued)  
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2009

Nature of Liability	Opening Balance 01/04/2008 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 31/03/2009 R'000
<b>Claims against the department</b>					
A Marx	7	5	12	-	-
	10,672	890	197		11,365
<b>Total</b>	10,672	890	197	-	11,365

**ANNEXURE 2B (continued)**

Nature of Liabilities recoverable	Opening Balance 01/04/2008 R'000	Details of Liability and Recoverability	Movement during year R'000	Closing Balance 31/03/2009 R'000
Aqua Vitae Trust	3,400	Amount to be recovered from LTK	-	3,400
<b>Total</b>	<b>3,400</b>		<b>-</b>	<b>3,400</b>

**ANNEXURE 3  
CLAIMES RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Department</b>						
Dept of Land Affairs	-	-	6	6	6	6
MPU Dept of Local Government & Housing	-	-	6	4	6	4
MPU Dept of Sports Arts and Culture	-	-	-	-	-	-
MPU Dept of Roads and Transport	-	-	-	-	-	-
SARS	-	-	2,498	2,498	2,498	2,498
Nat Dept of Agriculture	-	-	28	28	28	28
MADC	-	-	-	-	-	-
Dept of Agriculture Gauteng	-	-	-	-	-	-
National Public Works	-	-	26	26	26	26
	-	-	2,564	2,562	2,564	2,562
<b>TOTAL</b>	-	-	2,564	2,562	2,564	2,562

**ANNEXURE 4  
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>						
<b>Current</b>						
South African Police Services	-	-	-	1	-	1
MPU Dept of Safety & Security	-	-	-	141	-	141
					-	-
<b>Subtotal</b>	-	-	-	<b>142</b>	-	<b>142</b>
<b>Total</b>	-	-	-	<b>142</b>	-	<b>142</b>