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agriculture, rural development,
land & environmental affairs

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

ANNUAL REPORT 2017/18



ANNUAL REPORT

2017/18

VOTE 5

CONTENTS

PART A: GENERAL INFORMATION	3
1. DEPARTMENT GENERAL INFORMATION	4
2. LIST OF ACRONYMS	5
3. FOREWORD BY THE MEC	8
4. REPORT BY THE ACCOUNTING OFFICER	10
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	19
6. STRATEGIC OVERVIEW	20
6.1. Vision	20
6.2. Mission	20
6.3. Values	20
7. LEGISLATIVE AND OTHER MANDATES	20
8. ORGANISATIONAL STRUCTURE	26
9. ENTITIES REPORTING TO THE MEC	26
PART B: PERFORMANCE INFORMATION	27
1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES	28
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE	28
2.1. Service Delivery Environment	28
2.2. Service Delivery Improvement Plan	29
2.3. Organisational Environment Plan	33
2.4. Key Policy Developments and Legislative changes	33
3. STRATEGIC OUTCOME ORIENTED GOALS	34
4. PERFORMANCE INFORMATION BY PROGRAMME	35
4.1. Programme 1: Administration	35
4.2. Programme 2: Sustainable Resource Management	41
4.3. Programme 3: Farmers Support and Development	46
4.4. Programme 4: Veterinary Services	50
4.5. Programme 5: Technology, Research and Development	54
4.6. Programme 6: Agricultural Economics Services	58
4.7. Programme 7: Structured Agricultural Training	61
4.8. Programme 8: Rural Development Coordination	63
4.9. Programme 9: Environmental Affairs	65
5. TRANSFER PAYMENTS	71
5.1. Transfer Payments to Public Entities	71
5.2. Transfer Payments to All Organizations other than Public Entities	71
6. CONDITIONAL GRANTS	71
6.1. Conditional Grants and Earmarked Funds paid	71
6.2. Conditional Grants and Earmarked Funds Received	71
7. DONOR FUNDS RECEIVED	75
8. CAPITAL INVESTMENT	75
8.1. Capital Investment, Maintenance and Asset Management Plan	75

PART C: GOVERNANCE	76
1. INTRODUCTION	77
2. RISK MANAGEMENT	77
3. FRAUD AND CORRUPTION	77
4. MINIMIZING CONFLICT OF INTEREST	78
5. CODE OF CONDUCT	78
6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES	78
7. PORTFOLIO COMMITTEES	79
8. SCOPA RESOLUTIONS	81
9. PRIOR MODIFICATIONS TO AUDIT REPORTS	83
10. INTERNAL CONTROL UNIT	84
11. INTERNAL AUDIT AND AUDIT COMMITTEES	84
12. AUDIT COMMITTEE REPORT	86
PART D: HUMAN RESOURCE MANAGEMENT	89
1. INTRODUCTION	90
2. OVERVIEW OF HUMAN RESOURCES	90
3. HUMAN RESOURCES OVERSIGHT STATISTICS	92
PART E: FINANCIAL INFORMATION	132
1. REPORT OF THE AUDITOR GENERAL	133
2. ANNUAL FINANCIAL STATEMENTS	140



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MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



PART A:

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ACRONYMS

LIST OF ACRONYMS	
AEL	Atmospheric Emission License
AGRISETA	Agricultural Sector Education Training Authority
AGSA	Auditor General South Africa
AIDS	Acquired Immune Deficiency Syndrome
APP	Annual Performance Plan
AQMP	Air Quality Management Plan
AQMS	Air Quality Monitoring Station
CARA	Conservation of Agricultural Resources Act
CASP	Comprehensive Agricultural Support Programme
CD	Chief Director
CFO	Chief Financial Officer
CCS	Compulsory Community Service
CFT	Complement Fixation Test
CRDP	Comprehensive Rural Development Programme
CWP	Community Workers Programme
DAFF	Department of Agriculture, Forestry and Fisheries
DARDLEA	Department of Agriculture, Rural Development, Land and Environmental Affairs
DEA	Department of Environmental Affairs
DFA	Development Facilitation Act
DoRA	Division of Revenue Act
DPME	Department of Planning, Monitoring and Evaluation
DRDLR	Department of Rural Development and Land Reform
DWA	Department of Water Affairs
EEP	Employment Equity Plan
EIP	Environmental Implementation Plan
EIA	Environmental Impact Assessment
EMI	Environmental Management Inspector
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
ERM	Enterprise Risk Management
ERP	Extension Recovery Plan
FET	Further Education and Training
FIFO	First in First Out
FMCMM	Financial Management Capability Maturity Model
FMD	Foot and Mouth Disease
GEF	Global Environment Facility
GDP	Growth Domestic Product
GGP	Gross Geographic Product
GIAMA	Government Immovable Assets Management Act
GIS	Geographical Information Systems
GSD	Gert Sibande District
HAR	Hygiene Assessment Report
HET	Higher Education and Training
HIV	Human Immunodeficiency Virus
HOD	Head of Department
HOA	Home Owner Allowance
HR	Human Resources
HRD	Human Resource Development
HRM	Human Resource Management

LIST OF ACRONYMS	
ICT	Information and Communication Technology
IDC	Industrial Development Corporation
IDP	Integrated Development Plan
ISPPIA	International Standards for the Professional Practice of Internal Auditing
IT	Information Technology
ITCA	Integrated Technical Committee on Agriculture
IWMP	Integrated Waste Management Plan
LCA	Lowveld College of Agriculture
LIP	Livestock Improvement Programme
LUMS	Land Use Management Systems
MANCOM	Management Committee
MBSP	Mpumalanga Biodiversity Sector Plan
ME	Masibuyele Emasimini
MEC	Member of Executive Council
MESP	Masibuyele Esibayeni Programme
MINMEC	Ministers and Members of Executive Council
MPAT	Management Performance Assessment Tool
MPL	Member of Provincial Legislature
NARS	National Abattoir Rating Scheme
NAEIS	National Atmospheric Emissions Inventory System
NDP	National Development Plan
NEAS	National Environmental Authorization System
NECER	National Environmental Compliance & Enforcement Report
NGO	Non-governmental Organization
NQF	National Qualification Framework
OHS	Occupational Health Safety
OIE	Office International des Epizootes (World Organisation for Animal Health)
OSD	Occupation Specific Dispensation
OTP	Office of the Premier
PAA	Public Audit Act
PAHC	Primary Animal Health Care
PAIA	Promotion of Access to Information Act
PERSAL	Personnel Salary
PFMA	Public Finance Management Act
PMDMC	Performance Management and Development Moderating Committee
PPECB	Perishable Products Export Control Board
PPP	Public Private Partnership
PSA	Public Service Act
PSCBC	Public Service Coordinating Bargaining Council
PSR	Public Service Regulations
QPR	Quarterly Performance Report
RWOPS	Remunerative Work Outside Public Service
SALGA	South African Local Government Association
SANAS	South African National Accreditation System
SAQA	South African Qualifications Authority
SAWS	South African Weather Service
SDF	Spatial Development Framework
SDIP	Service Delivery Improvement Plan
SMS	Senior Management Service
SMME	Small, Medium & Micro Enterprise Businesses
STATSA	Statistics South Africa

LIST OF ACRONYMS

SP	Strategic Plan
SPSS	Statistical Package for Social Sciences Statistical
TB	Tuberculosis
ToR	Terms of Reference
TUT	Tshwane University of Technology
UL	University of Limpopo
UMP	University of Mpumalanga
VPH	Veterinary Public Health
WIS	Waste Information System

3. FOREWORD BY THE MEC

It is with great pleasure and privilege that I table the Annual Report of the Department of Agriculture, Rural Development, Land and Environmental Affairs for 2017/18 Financial Year as stipulated by the Public Financial Management Act of 1999, as amended.

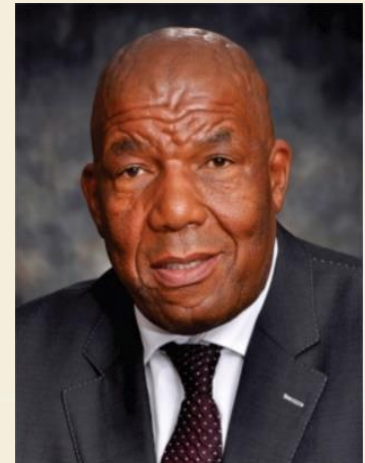
The Department is tasked with the critical mandate to address the triple challenges facing our country today, that of poverty, inequality and unemployment; we remain on course to deliver on the Department's commitments to the poor, who rely on us daily for the fulfilment of their basic needs and for the provision of important services.

The 2017/18 Annual Report of the Department of Agriculture, Rural Development, Land and Environmental Affairs outlines a detailed account of the progress made by the Department in delivering on its mandate. The report also highlights challenges faced by the Department and how those challenges were dealt with.

The National Development Plan empowers the Department to lead in the building of a South Africa that must be free from poverty, inequality and unemployment. Agriculture, as a sector, is at the center of the fight against the triple challenges as identified by the NDP.

The Department and farmers operated in a very harsh and challenging environment in the past two years as a result of climate change. Food security was under threat due to factors beyond our control, Abnormal heat waves resulting in severe drought, contributed to serious losses for the agricultural sector, mostly affecting emerging crop producers and livestock farmers. The situation was exacerbated by the invasive pest, the Fall Army Worm, which continued during the year under review to cause havoc, affecting crop farmers, mainly maize producers.

Long term interventions against the pest, among others, include capacity building, resource mobilization and research programmes to determine the areas and hosts where it may survive during winter in South Africa. To date, all the interventions made have proved to be of crucial assistance in containing the pest.



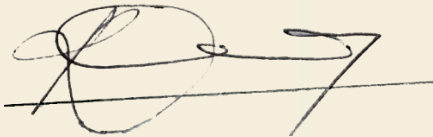
MEC VR SHONGWE



Over the past year, our engagement with the Portfolio Committee has always been characterized by robust engagement with an intention to improve performance and accelerate service delivery of the Department. We need to acknowledge and appreciate the work of the Portfolio Committee on Agriculture, because through them, the Department was able to identify its shortcomings and to improve on them. The Portfolio Committee has made it a point to always give guidance and advice, in the name of service delivery.

In conclusion, I would like to thank the entire staff in the Department, under the stewardship of the Acting Head, Mr Lucky Monareng. I call upon them to sustain the level of dedication and commitment. This, will help us attain our goal of creating a better life for all.

I Thank You.



MR VR SHONGWE
MEMBER OF EXECUTIVE COUNCIL
DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT,
LAND AND ENVIRONMENTAL AFFAIRS
31 MAY 2018

4. REPORT BY THE ACCOUNTING OFFICER

Overview of the operations of the Department:

The Department has ensured that the National Development Plan (Vision 2030) forms the basis of its strategic direction towards addressing the triple challenges of unemployment, poverty, and inequality in the Province. Towards this end, the Department developed a number of targeted programmes specifically designed to address these challenges.

In the year under review, the Department continued to expand the implementation of the Fortune 40 Young Farmer Incubation Programme. This programme is designed to contribute towards addressing the persisting challenges of youth unemployment, and make them interested in agriculture as a business alternative, and bring into production underutilised state land. To date, 15 of these farms are in production and providing youth with valuable opportunities of soft and technical skills on farm management. Eight (8) of these farms have started to supply vegetables to schools through the Government Nutrition Programme (GNP). To further intensify the programme, the Department is in the process of identifying an additional 15 farms with the possible intake of 150 youth in the next financial year.

The Department has expanded on the establishment of the 3 Agri-Hubs as a feeder to the Mpumalanga International Fresh Produce Market, which is still at a construction stage. These facilities will serve as a site for local farmers to pool and prepare their farm produce in order to meet the requirements of a target market (e.g. retail, export, government, Fresh Produce Markets etc.). In these sites, post-harvest treatments will be applied and quality standards monitored.

The establishment of Agri-Hubs will provide a platform for income generation, job creation, food security and agricultural produce marketing. This will stimulate economic growth both at provincial and national levels which will boost employment, food security and reduce poverty. The Department has completed the construction of the basic infrastructure like fencing and access roads in Mkhuhlu and Mkhondo sites. The Department will continue with the other phases of the Agri-Hub development in the next financial years.

On final completion, these Agri-Hubs will also be directly linked to national and international markets.

During the year under review, the Department reviewed and remodelled its strategy of providing mechanisation and production input support to resource-poor farmers. The remodelled strategy emphasises on commercialising smallholder farmers and providing comprehensive support for food gardens to be sustainable and economically viable. The remodelling came up with the name change from Masibuyele Emasimini to Phezukomkhono Mlimi to emphasise on increasing production. The strategy seeks to address the current status faced by the local farmers in relation to high unemployment rate, high input costs, high food prices and limited access to markets.



MR LS MONARENG

The Department committed itself to increase production on the farms in order to ensure food security and employment. To that effect, the Department channelled more resources to this programme that led to the actual output of 18 852.93 hectares of land, against the target of 14 000 hectares cultivated for food production in communal areas and land reform projects.

During the year under review, the Department successfully relaunched the Marapyane College as an Agricultural Training Centre in December 2017. This follows after the Department's Agricultural College based in Mbombela was incorporated into the University of Mpumalanga. This centre will provide for the basic training of the local farmers in the area without having to register for the university. The Training Centre has started to provide various training programmes that includes crop and animal production.

In the next financial year, the Department is on course in its effort to revive Elijah Mango College, to become a Farmer Training Centre. Work is already underway for the refurbishment and renovation of the former college.

The Province was amongst those hit by Listeriosis outbreak in humans and avian flu in poultry. The Listeriosis was a result of contaminated processed meat products from processing plants. The avian flu was the results of the wild birds moving from one area to the other and coming into contact with poultry species.

Despite the human cases encountered in the Province, there were no animal outbreaks reported. The Department continued its surveillance of the disease at abattoirs, processing plants and laboratory suspect samples with negative results. However, the poultry industry suffered significantly resulting to many birds being culled. There were increases in export of red meat as a result of demand, mainly due to the strangled poultry market.

The Department intensified the inspections and surveillance at abattoirs and processing plants by putting additional measures to control and manage the Listeriosis and Avian Flu outbreaks. Awareness in the safety of meat increased during the year. The supply and provision of safe meat at abattoirs, butcheries and other outlets improved drastically.

In addition, the Department conducted the surveys on the potentially contagious diseases of Classical Swine Fever and Peste Petite des Ruminates as commissioned by the Department of Agriculture, Fisheries and Forestry (DAFF) and Office International des Epizootes-OIE (World Organisation for Animal Health). The Province was consequently declared free of these diseases and the OIE maintained the Province's status.

The Provincial abattoir compliance levels increased above the National average compliance of 60% to 81% as a result of increased inspection intensity. For this reason, the abattoir rating scheme awards ceremony was conducted by the Department, recognising abattoirs that contributed to their increased effort in meat safety. Karan Beef abattoir scooped the overall winner award. Black ownership of the abattoirs in the Province increased from 12 to 17 of the total of 49.

To increase provision of essential services of animal and human health, the Department welcomed additional 22 veterinary graduates into the DAFF-supported Compulsory Community Service (CCS) Programme during the year under review.

The Department continued to maintain and operate five (5) Ambient Air Quality Monitoring Stations in the areas that are most affected by air pollution. They are located in high risk areas of Middelburg, eMalahleni, Delmas, Standerton, and Balfour. These stations provided the Department, Municipalities, companies, and other affected institutions with scientific and credible air quality data.

Through these stations, the Province was able to strictly monitor air pollution and possible mitigation thereof.

In the year under review, the Department continued to ensure that the citizenry is aware of the environmental issues that affect their lives through various programmes, such as environmental awareness campaigns, clean-up campaigns, and the Greenest Municipality Competition. The Govan Mbeki Local municipality obtained 2nd position in the 2017 National Greenest Municipality Competition.

In addition, in the interest of environmental protection and sustainable use of natural resources, the Department issued environmental authorizations, waste licenses, atmospheric emission licenses and monitored compliance and enforcement thereof. The Department ensured that where possible, Green Scorpions are used effectively to enforce compliance.

Overview of the financial results of the Department:

The final appropriation for the Department was R1 143 801 billion. The Department spent R1 141 223 billion with a variance of R2 578 million by the end of the financial year. The expenditure represented 99.8% of the total budget, with the variance of 0.2%.

Departmental receipts

Departmental receipts	2017/2018			2016/2017		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	2,628	4,074	(1,446)	3,327	4,131	(804)
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	1,000	1,123	(123)	1,000	1,397	(397)
Interest, dividends and rent on land	13	1,448	(1,435)	12	1,600	(1,588)
Sale of capital assets	-	820	(820)	-	225	(225)
Financial transactions in assets and liabilities		168	(168)	-	620	(620)
Total	3,641	7,633	(3,992)	4,339	7,973	(3,634)

The Department determines the tariffs charged by revising them on yearly basis for the services rendered.

The Department has over-achieved on revenue collection as compared to the projections in 2017/18. The Department's revenue collection is comprised of fines, penalties and forfeits, sales of capital asset and financial transactions in assets and liabilities. However, the spot fines for mining and related activities are now regulated or administered by Department of Mineral Resources.

Programme Expenditure

Per Programme	2017/2018				2016/2017		
	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000
Pr 1: Administration	186,121	185,231	890	99.5%	138,573	137,803	770
Pr 2: Sustainable Resource Management	55,340	55,339	1	100.0%	70,519	69,507	1,012
Pr 3: Farmer Support Development	573,921	573,920	2	100.0%	450,129	449,652	477
Pr 4: Veterinary Services	118,987	118,754	233	99.8%	111,778	111,593	185
Pr 5: Technical Research and Development Services	54,358	54,260	98	99.8%	63,149	62,885	264
Pr 6: Agricultural Economics	13,248	12,267	981	92.6%	10,941	10,890	51
Pr 7: Structured Agriculture Training	18,559	18,504	55	99.7%	16,255	16,163	92
Pr 8: Rural Development	22,074	21,981	93	99.6%	20,782	20,284	498
Pr 9: Environmental Affairs	101,193	100,968	225	99.8%	92,007	89,942	2,065
TOTAL	1,143,801	1,141,223	2,578	99.8%	974,133	968,719	5,414

Virements

The table below indicates the Virements done in order to defray excess expenditure under the main division within the same vote.

Programme:	From R'000	%	To R'000		
Programme 1: Administration	Financial Management: Compensation of Employees R 1,400 Goods and Services R 2,300 Payment of Capital Assets R1,000		Engineering Services Goods and Services: R1,170 Disaster Management Goods and Services R 0,035 PR3: Farmer Settlement Goods and Services: R2,495 PR3: Extension Advisory: Payment of Capital Assets R1,000		
TOTAL	R 4,700	2.9%			R4,700
Programme 4: Veterinary Services	Animal Health Compensation of Employees R 0,180 Goods and Services R 2,493 Payment of Capital Assets :CASP R 0,160 Vet Public Health Compensation of Employees R 0,240 Goods and Services R 2,340 Veterinary Lab Services Compensation of Employees R 0,360 Goods and Services R 1,200 Payment of Capital Assets R0,100		PR2: Disaster Management Goods and Services R 0,300 PR3: Farmer Settlement Goods and Services R 2,193 PR3: : Extension and Advisory Compensation of Employees R 0,180 Payment of Capital Assets :CASP R 0,160 PR2: Disaster Management Goods and Services R 0,625 PR3: Farmer Settlement Goods and Services R 1,190 PR3: Extension and Advisory Compensation of Employees R 0,240 Goods and Services R 0,525 PR3: : Extension and Advisory Compensation of Employees R 0,360 Payment of Capital Assets R0,100 PR3: Farmer Settlement Goods and Services R 1,200		
TOTAL	R 7,073	5.5%			R7,073
Programme 5: Research & Tech, Dev Serv	Research Compensation of Employees R0,670 Goods and Services R 0,730 Payment of Capital Assets R0,160 Technology Transfer Services Compensation of Employees R0,930 Goods and Services R 0,540 Payment of Capital Assets R0,370 Infrastructure Services Compensation of Employees R0,520 Goods and Services R 0,330		PR3: Extension and Advisory Services Compensation of Employees R0,670 Payment of Capital Assets R0,160 PR3: Food Security Goods and Services R 0,730 PR3: Farmer Settlement Goods and Services R 0,457 PR3: Extension and Advisory Services Compensation of Employees R0,930 Goods and Services R 0,083 Payment of Capital Assets R0,370 PR3: Extension and Advisory Services Compensation of Employees R0,520 Goods and Services R 0,330		
TOTAL	R 4,250	7.1%			R 4,250

Programme:	From R'000	%	To R'000		
Programme 6: Agricultural Economics Services	Agri-Business Supp Dev Goods and Services R 0,530 Payment of Capital Assets R0,070 Macro Economics Support Goods and Services R 0,500		PR3: Extension and Advisory Services Goods and Services R 0,530 Payment of Capital Assets R0,070 PR3: Extension and Advisory Services Goods and Services R 0,500		
TOTAL	R1,100	8%			R1,100
Programme 7: Structured Agriculture Education and Training	Further Education & Training Compensation Of Employees R 0,700 Goods & Services R0,890		PR3: Extension and Advisory Services Compensation Of Employees R 0,700 Goods & Services R0,570 Pr3: Food Security Goods & Services R0,320		
TOTAL	R 1,590	7.9%			R1,590
Programme 8: Rural Development	Development Planning & Monitoring Compensation of Employees R 1,400 Goods & Services R0,095 Social Facilitation Goods & Services R0,400		PR3: Extension and Advisory Services Compensation of Employees R 1,400 Goods & Services R0,095 PR3: Extension and Advisory Services Goods & Services R0,400		
TOTAL	R1,895	7.9%			R1,895
Programme 9: Environmental Affairs	CD Office Support Compensation of Employees R 0,150 ENV Policy, Planning & Coordination Compensation of Employees R0,100 Goods & Services R0,050 Payment of Capital Assets R0,250 Compliance and Enforcement: Goods & Services R0,500 Environmental Quality Management Compensation of Employees R 2,800 Goods & Services R 1,000 Environmental Empowerment: Compensation of Employees R 0,200 Goods & Services R 1,140 Payment of Capital Assets R2,600		PR3: Extension and Advisory Services Compensation of Employees R 0,150 PR3: Extension and Advisory Services Compensation of Employees R0,100 Goods & Services R0,050 Payment of Capital Assets R0,250 PR3: Extension and Advisory Services Goods & Services R0,500 PR3: Extension and Advisory Services Compensation of Employees R 1,550 Payment of Capital Assets R 0,590 PR3: Food Security Goods & Services R 1,660 PR3: Farmer Settlement Goods & Services R 1,140 PR3: Extension and Advisory Services Compensation of Employees R 0,200 Payment of Capital Assets R2,600		
TOTAL	R8,790	8%			R8,790

The details of the projected unspent funds / savings on the various programmes are as follows;

1. Shifting of Funds

Programme	From	To	Amount R,000
Programme 1 Administration	Office of the MEC Compensation of Employees: R0,100 Senior Management Compensation of Employees: R0,210 Financial Management Compensation of Employees: R0,060 Goods & Services R 2 013 Corporate Services: Compensation of Employees: R0,340 Goods & Services R 0,399 Transfer and Subsidies R 1,750 Communication Services Compensation of Employees: R0,270 Goods and Services R1,600 Payment Of Capital Assets R 0,245	Office of the MEC Goods & Services R 0,100 Senior Management Goods & Services R 0,210 Office of the MEC Goods & Services R 0,760 Senior Management Goods & Services R 1,040 Financial Management Goods & Services R 0,060 Transfer and Subsidies R 0,213 Corporate Services Goods & Services R 0,200 Payment of Capital Assets R0,140 Senior Management Goods & Services R 0,399 Financial Management Transfer and Subsidies R 1,750 Senior Management Goods & Services R 1,870 Corporate Services Payment Of Capital Assets R 0,245	R 6,987
Programme 2: Sustainable Resource Management	Engineering Services Compensation of Employees R 0,150 LandCare Services: Compensation of Employees R 0,190 Goods and Services R0,070 Disaster Risk Management Compensation of Employees R 0,150	Engineering Services Goods & Services R 0,560	R 0,560
Pr:7 Structured Agriculture Education and Training	Further Education and Training Goods and Services R1,575	Further Education and Training Payment of Capital assets R1,575	R1,575
TOTAL			R9,122

The Department did not incur any unauthorised, fruitless and wasteful expenditure in the year under review.

Future plans of the Department

The Department has elevated the following interventions towards achieving the goal of turning around the agricultural and environmental sectors in the province and realize the commitments made by the Mpumalanga's Executive to its citizenry:

- Support and enhance the production levels of the farmers to meet the standards by the SAGAP and other competing markets including the Mpumalanga International Fresh Produce Market, Agri-Hubs and Government Nutrition Programme.
- Expand and bring into production the available potential arable land in the Province that is under-utilized and/or lying fallow in the communal areas, land reform farms, and under state land.
- Intensify production along the entire value chain in particular the poultry production that is threatened by the import and other forces.
- Build capacity of the local farming community at all levels, including schools and backyard based gardens, to provide and increase their own sustainable food security.
- Increase agricultural skill base through rehabilitation, renovation and refurbishment of agricultural training centres like Marapyane and Elijah Mango.
- Strengthen the dairy industry by facilitating the establishment of a dairy parlour to assist the emerging farmers to enter the industry.
- Continue to develop and implement climate change interventions to address the negative impact of climate change.

Public Private Partnerships

None

Discontinued activities / activities to be discontinued

The Department has no discontinued activities in the year under review

Financial implications of each discontinued activity

Not applicable, the Department had no discontinued activities in the year under review.

New or proposed activities

The Department has not proposed any new significant changes to activities in the New Year.

Supply Chain Management

- There are no unsolicited bids during the year under review
- The Department has effective and efficient SCM processes and systems, which minimise the risk of exposure to irregular expenditure. These include the policies and procedure manual as well as the defined business processes
- Supply Chain Management Directorate has a huge vacancy rate, due to the Provincial moratorium on recruitment. In ensuring proper segregation of duties, the Directorate has delegated duties to the officials.

Gifts and Donations received in kind from non-related parties

The Department did not receive any gifts and donations from non-related parties

Exemptions and deviations received from the National Treasury

None

Events after the reporting date

None

Acknowledgement

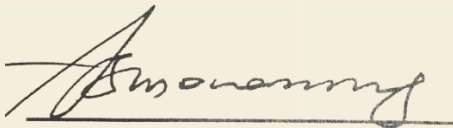
The Department would like to thank all the Technical and Oversight Committees for their guidance and support towards improving the Department's performance.

Special appreciation to the Honourable Member of Executive Council, Mr VR Shongwe who continuously encourages innovation and a service delivery focused approach to staff members of the Department.

The Department would also like to express its appreciation to the farmers, who despite all the challenges, committed themselves to the contribution of food security, employment and significantly being part of the sector's contribution to the GDP.

Conclusion

The Department remains committed in its endeavour towards sustainably transforming the agricultural sector to address the triple challenges of unemployment, poverty and inequality.



**MR LS MONARENG
ACCOUNTING OFFICER
DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT,
LAND & ENVIRONMENTAL AFFAIRS
31 MAY 2018**

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

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

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

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

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

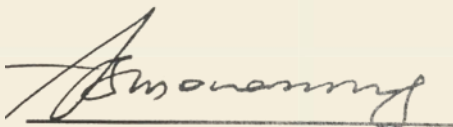
The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2018.

Yours faithfully



**MR LS MONARENG
ACCOUNTING OFFICER
DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT,
LAND & ENVIRONMENTAL AFFAIRS
31 MAY 2018**

6. STRATEGIC OVERVIEW

1.1 VISION

Vibrant, equitable, and sustainable urban and rural communities with a united and prosperous agricultural sector.

1.2 Mission

To facilitate an integrated, comprehensive, and sustainable social and agricultural development in rural and urban communities through ensuring cohesion and collaboration by all sectors of society.

1.3 Values

Guided by the principles of Batho Pele, we will render services particularly based on the following values:

- Result orientated and professional staff;
- Sensitivity to the needs of all citizens, particularly the poor, women, youth, the elderly and the disabled;
- Driven by community based development;
- A learning organization that is participatory in its approach and grows from its experiences and new knowledge;
- Promote and improve effective, efficient and responsive Departmental systems and use of resources;
- Act with honesty, impartiality and integrity.

7. LEGISLATIVE AND OTHER MANDATES

The Department of Agriculture, Rural Development, Land and Environmental Affairs (The Department) derives its mandates from a number of Policies and Acts, which include (but not limited to), the following:

Constitutional mandates

The Department is an integral part of the South African Public Service established in terms of Section 197 of the Constitution read with section 7- (1) and 7- (2) of the Public Services Act of 1994.

- The Department derives its core mandate from the provisions of schedules 4 and 5, and section 104-(1)-(b) of the Constitution of the Republic of South Africa.
- As a concurrent national and provincial legislative competency listed in schedule 4 and 5 of the Constitution, the Department, as part of the system of concurrent governance, derives its administrative mandate from both National Parliament and Provincial Legislature.

Acts

The following are some of the key acts that guided the Department during the course of the year under review:

Agriculture, Rural Development and Land related acts:

- Comprehensive Rural Development Framework Version 2 of 2009.
- Agricultural Product Standards Act 1990(Act Number 119 of 1990), which sets standards for all agricultural products.
- Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983), which provides framework for the protection of all natural resources such as water, soil and vegetation. Good sustainable farming practices are promoted through the use of this legislation.
- Strategic Plan for South African Agriculture, November 2001, which is a policy framework that guides the agricultural development imperatives in South Africa.
- The Labour Tenant Act, 1996 (Act 3 of 1996), which set the criteria to qualify individuals as a labour tenant.
- AgriBEE Framework of the Broad-Based Black Economic Empowerment Act, 2004.
- National Water Act 36 of 1998, Regulates water allocation.
- Plant Breeders' Rights Act 15 of 1976, Regulates registration of plants.
- Plant Improvement Act 53 of 1976, Regulates the improvements of plants.
- Agricultural Products Standards Act 119 of 1990 provides for the standardisation of quality norms for agricultural and related products.
- Animal Diseases Act 35 of 1984: This Act provides measures for the control of animal diseases as well as animal parasites and promotes animal health.
- Animal Protection Act 71 of 1962: Relates to the prevention and protection of animals against any form of cruelty.
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act 36 of 1947 Provides for the registration and regulation of fertilizers, farm feeds, agricultural remedies, stock remedies, sterilizing plants and pest control operators.
- Foodstuffs, Cosmetics and Disinfectants Act 54 of 1972: Controls the sale, manufacture and importation of foodstuffs, cosmetics and disinfectants. This act protects the consumer against foodstuff that is harmful or detrimental to his/her health (including products from animal origin).

- Meat Safety Act 40 of 2000: Promotes meat safety and safety of animal products, which includes standards in respect of abattoirs and the importation and exportation of meat.
- Abattoir Hygiene Act 121 of 1992, Provide standards for maintenance of hygiene in abattoirs.
- Veterinary and Para-Veterinary Professions Act 19 of 1982: Provides for the registration and regulation of people practising veterinary profession and para-veterinary profession, which include veterinarians, animal health technicians and laboratory technologists.
- Animal Identification Act 6 of 2002: Provides for the registration of animal identification marks and matters related to it.
- Livestock Improvement Act 62 of 1998: Provides for the breeding, identification and utilisation of genetically superior animals in order to improve the production and performance of animals in the interest of South Africa.
- The Marketing of Agricultural Products Act 47 of 1996: Provides for the establishment and enforcement of regulatory measures to intervene in the marketing of agricultural products, including the introduction of levies on agricultural products.
- Medicines and Related Substances Control Act 101 of 1965: Makes provision for the registration and control of medicine intended for human and animal use and the registration of medical devices.
- Pounds Ordinance 13 of 1972 (Transvaal): To provide for establishment and management of livestock pounds.
- Stock Theft Act 54 of 1972: To provide for the prevention of and control of theft of livestock.
- Performing Animal Protection Act 24 of 1935: Regulates the exhibition and training of performing animals and the use of dogs for safeguarding.
- Health Act 63 of 1977: Provides for various issues associated with human health including the hygiene requirements for food premises and the transporting of food (products of animal origin).
- Perishable Products Export Control Act 9 of 1983, Regulates the control of export of perishable products.
- South African Abattoir Corporation Act 120 of 1992, Regulates the abattoir industry.

Environmental Management related Acts

- National Environment Management Act 107 of 1998
- National Environment Management: Protected Areas Act 57 of 2003.
- National Environment Management: Biodiversity Act 10 of 2004.
- National Environment Management: Air Quality Act, 39 of 2004.
- National Environment Management: Waste Act, 59 of 2008.
- Provincial Gazette No.1723 of 30 September 2009, in accordance with Chapter 3 (Sections 11 – 16) of National Environment Management Act, Act 107 of 1998
- The Environmental Impact Assessment Regulation 543, 544, 545, 546, and 547 in term of the National Environmental Management Act, 1998, as amended

Administrative Acts:

The Department is guided by some of the following are some of the administration related acts:

- Public Finance Management Act no. 1 of 1999 as amended
- Treasury Regulations, April 2001
- Public Service Act no. 103 of 1994 (PSA) as amended.
- Labour Relations Act no. 66 of 1995 as amended.
- Promotion of Access to Information Act no.2 of 2000.
- Promotion of Administrative Justice Act no.3 of 2000.
- Further Education and Training Act 98 of 1998,

Policy Mandates

The following are some of the key policy mandates that guided the Department:

Rural Development

The Rural Development mandate arises from the Medium Term Strategic Framework (MTSF) strategic objective Number 3: Comprehensive Rural Strategy linked to Land and Agrarian Reform. This strategic objective sets out a framework for the Department to stimulate agricultural production, with a view to contributing to food security and providing pre- and post- settlement support in land reform programmes.

The mandate provides for inter-governmental and Departmental coordination role of the following:

- Aggressive implementation of land reform policies;
- Sustainable agrarian reform;
- Improved rural services to support livelihoods;
- Improved access to affordable and diverse food;
- Improved service delivery to ensure quality of life for animals and humans;
- Implementation of a development programme for rural transport
- Skills development;
- Revitalization of rural towns
- Improved employment opportunities and economic livelihoods; and
- Enabling institutional environment for sustainable and inclusive growth.

Agriculture

The White Paper on Agriculture provides for the building of a strong agricultural economy and reducing inequalities by increasing incomes and employment opportunities for the poor while conserving natural resources. The following are the key responsibilities of the Department:

- Build an efficient and competitive agricultural sector;
- Support emerging diverse structure of production with large increase of number of successful small holder farming enterprises;
- Conservation of natural resources; and Sustainable resource use.

Environmental Management

White Paper on Environmental Policy for South Africa, 1996

- To regulate and manage all environmental activities in the Province, including the development of provincial policy instruments to further the objectives of national policy on integrated environmental management.

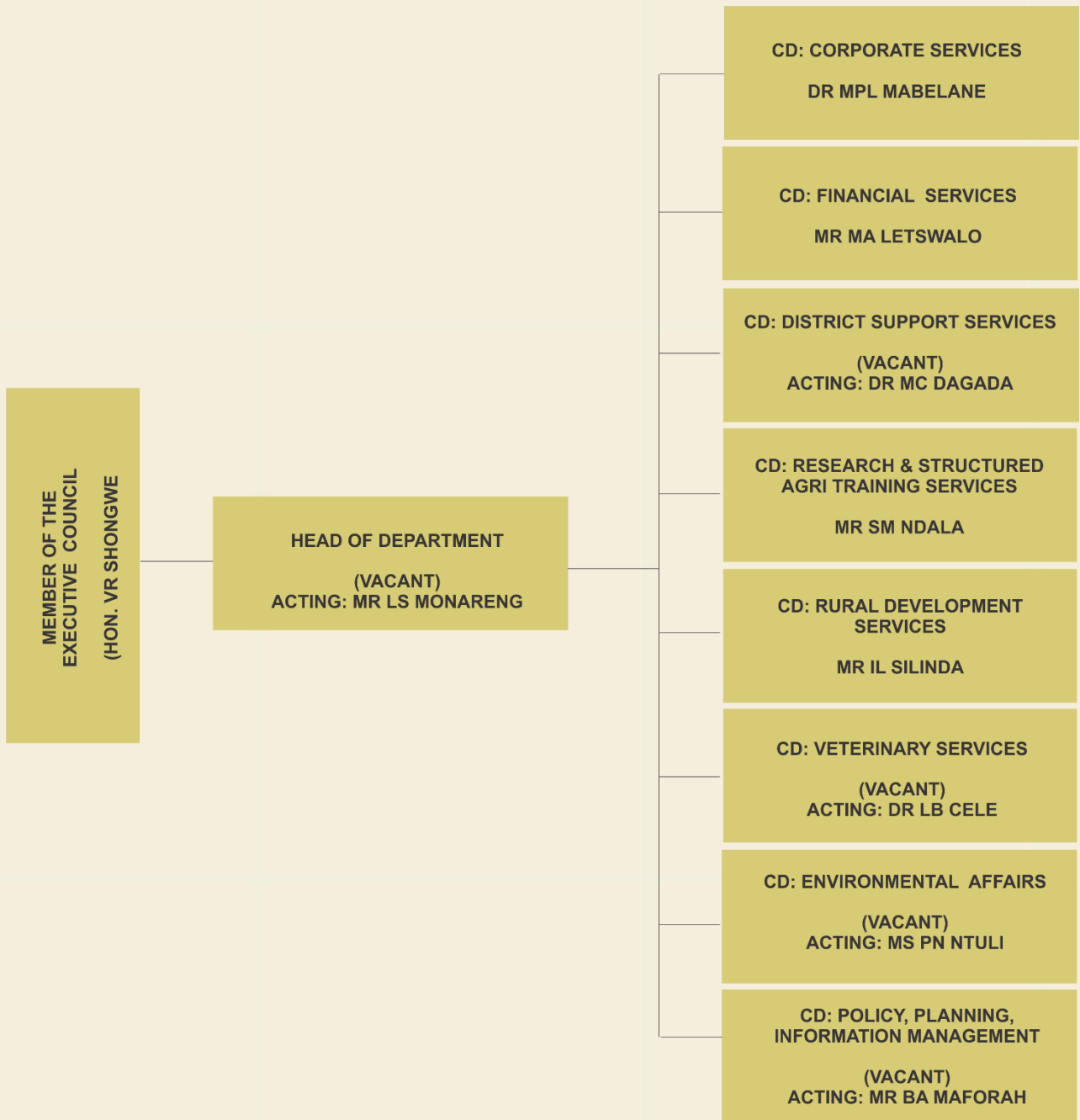
White Paper on Integrated Pollution & Waste Management in South Africa

- The policy provides for a national policy framework for integrated pollution control across all three environmental media (i.e. land; air and water).

White Paper on the National Climate Change Response Strategy

- The policy document provides a national direction through which South Africa aims to respond to the adverse impacts of global warming.
- It collates and integrates the various strategies and action plans developed by various organs of state and community organisations and align these to global climate change response instruments and mechanisms, e.g. the United Nations Framework Convention on Climate Change.

8. ORGANISATIONAL STRUCTURE



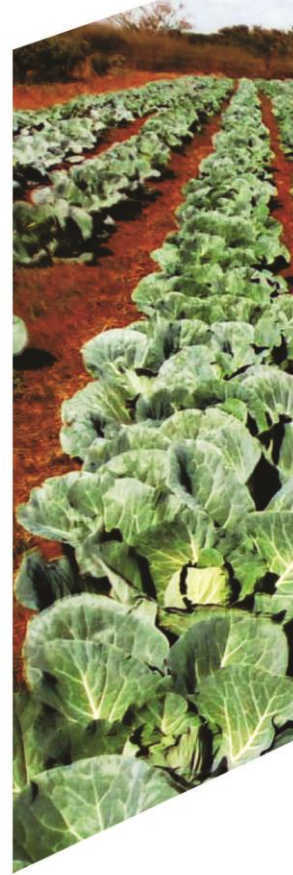
9. ENTITIES REPORTING TO THE MEC

None



agriculture, rural development,
land & environmental affairs

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



PART B:

PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 133 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The effects of climate change continued to have a negative impact on the services rendered by the Department. The following are some of the major effects of climate change on service delivery environment of the Department:

The Province continued to feel the effect of the Fall Army Worm (FAW) that affected the Province, and the country at large. The impact had a more devastating effect on subsistence farmers who are at the most resource-poor and thus entirely dependent on Departmental services. To mitigate this, the Department, in partnership with DAFF, provided the affected farmers with additional technical knowledge and pesticides beyond the planned budget and targets to control the spread of the FAW. The Department had to, during the active outbreak period, reprioritise its operational process to focus and deal with the infestation to minimise the effect on the farmers and the communities in general.

The Province was the first in the country to experience the outbreak of Avian Flu during the winter of the year under review. The outbreak was regarded as the first in its history and diagnosed as caused by a Highly Pathogenic Avian Influenza (HPAI) virus, affecting backyard chickens, wild birds and commercial farms. The outbreak had devastation effect on all categories of the farmers in the Province. This outbreak had a dire effect on the operations of the Department as the poultry production forms part of the Department's priority focus area. The Department had to, again, reprioritise its operational process to focus and deal with the infection to minimise the effect on the farmers and the community in general during the virulent period. The disease still poses a threat to the poultry industry as it could not be eradicated from the wild bird population and thus requires special attention from the Department.

Some parts of the Province experienced some level of frost and high temperatures. The frost prediction, in Gert Sibande area, lead to delays in the implementation of the food gardens. The high temperatures in Nkangala areas also delayed the provision of mechanisation to the farmers. These erratic weather conditions had direct effect on the operations of the Department in this regard. Thus the intended service delivery to the communities suffered against what was planned for.

The community dynamics that include infighting in some of the Land reform farms continues to pose a challenge and risk to the operations of the Department towards achieving on its intended strategy and focus. The challenge has led to some of the infrastructure support to the farmers being delayed or postponed to another financial year.

2.2 Service Delivery Improvement Plan

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

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Provide Mechanization and Production Inputs	Subsistence farmers & Land and Agrarian Reform beneficiaries	Ploughed and planted 20 516.52 ha for both small holder and commercial farmers 1 536 Food gardens established and supported 15 382 Households benefited	Plough and plant 55 000ha (14 000 as per APP 2017/2018) and provide production inputs by end of March 2018	18 852.93 hectares cultivated for food production in communal areas and land reform projects (10 665.17 hectares cultivated for food production in land reform projects) 8 187.76 hectares cultivated for food production in communal areas) 1 983 Food gardens established 10 484 households benefitted from agricultural food security initiatives
Provide Infrastructure Support	Subsistence Farmers, Cooperatives, Commercial Farmers, Rural Communities	100 percent (30) projects were completed in time	Completion of all the projects in time (40 projects)	58 projects were completed on time

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
<p>12 Masibuyele Emasimini awareness campaigns were conducted during the financial year</p> <p>Ehlanzeni North - 3 Ehlanzeni South – 2 Gert Sibande – 3 Nkangala – 4</p>	<p>Conduct 110 Phezukomkhono Mlimi awareness campaigns during the financial year</p>	<p>26 awareness campaigns were conducted</p> <p>4 Phezukomkhono Mlimi launches were held</p>
<p>12 Masibuyele Emasimini committees facilitated during the financial year</p> <p>Ehlanzeni North – 3 Ehlanzeni South – 3 Gert Sibande – 5 Nkangala – 1</p>	<p>Facilitate the sustenance of 18 Municipal Phezukomkhono Mlimi committees throughout the year – at least one meeting per month per municipality</p>	<p>72 Agricultural Development Committee meetings (ADC) and 15 Commodity Groups' meetings were held</p>
<p>Production plans were presented during the ADC Meetings and community mobilisation done to the communities through the ADC</p>	<p>Presentation & distribution of Production Plans to the community per Municipality</p>	<p>Production plans were presented to farmers during the ADC and Commodity Groups meetings</p>
<p>1 meeting with service provider was held at Ehlanzeni North district</p> <p>1 meeting between the District ME Coordinator and Crop sectional head was held at Nkangala</p>	<p>Meeting with Service provider, District Phezukomkhono Mlimi Coordinators and Municipal crop sectional heads once every month</p>	<p>12 Meetings were held with the mechanization Service Provider</p> <p>5 Phezukomkhono Mlimi meetings were held by Districts and crop sectional heads</p>
<p>All agricultural projects were included into municipalities IDPs</p>	<p>The Department ensures the inclusion of projects in the IDPs of all the municipalities</p>	<p>All agricultural projects were included into municipalities IDPs</p>
<p>Only two sittings of Operation Vuka Sisebente (OVS) (MCDM) were convened and in both the forum meetings, the forum was still discussing planning</p>	<p>The project lists will be presented and discussed in all the municipalities through MCDM in quarter 1, (Mpumalanga Coordinating Development Model)</p>	<p>Operation Vuka Sisebente (former MCDM) meeting was not held this financial year by the Office of the Premier</p>
<p>Only two sittings of OVS (MCDM) were convened and in both the forum meetings, the forum was still discussing planning</p>	<p>The project progress reports will be presented and discussed in all the municipalities through MCDM in all quarters (Mpumalanga Coordinating Development Model)</p>	<p>Operation Vuka Sisebente (former MCDM) meeting was not held this financial year by the Office of the Premier</p>
<p>The feedback of the beneficiaries is attained during the practical completion of the project when it is handed over to the beneficiary where snags were picked up</p>	<p>Adjusting the project implementation based on the feedback reviews (reviewing the business process of project implementation)</p>	<p>The feedback of the beneficiaries is attained during site handover to a service provider, project meetings and the practical completion of the project when it is handed over to the beneficiary where snags were picked up</p>

Current/actual arrangements	Desired arrangements	Actual achievements
Two out of four district offices have displayed the names of the engineers responsible for projects. The challenge on the other two districts was engineers were responsible for various projects throughout the province and not a specific district	Display the contact details of the engineers of the projects in the municipalities in the first quarter of 2017	All four district offices have displayed the names of the engineers responsible for projects.
300 farmers accessed the infrastructure support of 14 Fortune 40 projects, Dumphries and Cuning B dip tanks in Bushbuckridge	400 farmers will be accessing the infrastructure supports	Over 300 farmers accessed the infrastructure support of 14 Fortune 40 projects and 30 infrastructure projects established in 2017/18.
Meetings were arranged with farmers as and when contractors were appointed to implement the infrastructure	Develop schedule of meetings with beneficiaries in the 1 quarter of 2017	Meetings were arranged with farmers as and when contractors were appointed to implement the infrastructure.
Qualification criteria are in place for all Districts through the usage of ME applications which are administered at ward level. The ADC (Agricultural Development Committees) will then meet to select qualifying beneficiaries	Qualification criteria is in place through the usage of Phezukomkhono Mlimi applications which is administered at ward level upon issuing of the advertisement	Identified beneficiaries were profiled at ward level
Collaborated with Department of Rural Development and Land Reform, on mechanization on production and marketing of cotton in the following districts namely, Nkangala District (Dr JS Moroka) and Ehlanzeni South (Nkomazi)	Collaborate with other institutions in the implementation of ME	The Department collaborated with cotton SA, Grain SA and macadamia nuts commodities for the production of these commodities
1 basic training conducted for tractor drivers in Ehlanzeni North	Basic tractor maintenance training provided to the tractor drivers in the 4 th quarter to ensure optimal use of tractors to reduce breakages	8 meetings were held with tractor drivers and site keepers to workshop them on the contract 7 meetings were held with the mechanics who came to assess the tractors and the implements and a report was compiled (3 Mkhondo, Bushbuckridge North & Dr JS Moroka municipalities)
Policy documents & budget presented & distributed to farmers through ADCs and other relevant stakeholder meetings	Policy documents & budget to be presented & distributed to farmers	Policy documents and budget were presented and distributed to farmers through ADCs and Commodity Groups meetings

Current/actual arrangements	Desired arrangements	Actual achievements
All district production plans and resource allocations presented to farmers through ADC and relevant stakeholders	Production plans & resource allocations will be presented to the farmers during 2 nd quarter	All district production plans and resource allocations were presented to farmers through ADC and Commodity Groups meetings
Feedback of achievements and delays are communicated through meetings, farmers days, notice boards and Departmental Facebook page	Feedback of achievements & challenges will be presented to farmers & stakeholders	Feedback of achievements & challenges are presented in the ADC and Commodity Group meetings
All rescheduling of meetings is communicated earlier to farmers who are affected at ward level	Rescheduling of meetings will be communicated to affected farmers immediately at ward level	All rescheduling of meetings is communicated on time to farmers who are affected at ward level

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
20 Farmers days held Ehlanzeni North – 6 Ehlanzeni South – 4 Gert Sibande – 7 Nkangala – 3	Conduct Phezukomkhono Mlimi farmers field information days one per municipality per year	47 Farmers days were held
All projects that have commenced have the file with the details of their projects.	Generate and update project file that remains at beneficiary project site at the commencement of the project	All projects that have the file onsite is been updated every project meeting with the details of their projects.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Complaints and petitions are channelled through the HOD and/or MEC Offices as oversight functions for officials.	Complaints or petitions are received through the Office of the HOD and/or the Office of the MEC. All Complaints/requests received are centrally coordinated and forwarded to relevant Programmes for responses and the final reports are submitted to the Offices of the HOD and the MEC for submissions to the relevant oversight bodies.	All received complaints and petitions were responded to within the allocated time frame through the offices of the HOD and/or MEC.

2.3 Organizational Environment

The Department operated within an environment subjected to a provincial moratorium. The Department continued to utilise officials on acting capacities and secondments. During the year under review, the Department was able to appoint a Chief Financial Officer and this brought stability in terms of financial management in general. In addition, three (3) State Veterinarians were appointed in January 2018, which brought some relief to the scarce skills.

To continue to provide essential services of animal and human health, the Department welcomed an additional 22 Veterinary graduates into its Compulsory Community Service (CCS) Programme during the year under review.

2.4 Key Policy Developments and Legislative Changes

None

3. STRATEGIC OUTCOME ORIENTED GOALS

Strategic Goal	Goal Statement	Expected Outcomes	Achievements
1. To support the development of a sustainable Agricultural production in the province.	To support the development of a sustainable agrarian reform and the broader provincial farming sector through pre- and post-settlement technical support and specialised agricultural advisory services for 25 696 smallholder farmers and 237 Land Reform farms by 2020	Sustainable agrarian reform with a thriving small and large farming sector	691 smallholder producers receiving support 10 894 smallholder producers supported with agricultural advice
2. To improve access to affordable and diverse food	Implementation of food security targeted programmes for 15 000 of the vulnerable and poor households by 2020	An improved access to affordable and diverse food	10 484 households benefited from agricultural food security initiatives 18 852.93 hectares cultivated for food production in communal areas and land reform projects 1 983 food Gardens established and maintained 178 EPWP jobs created through ME
3. To support and enhance healthy livelihoods of communities	To support and enhance healthy livelihoods through technology development and transfer and innovative service delivery models for rural households with focus on the identified 8 nodal municipalities by 2020	Promote animal health, welfare, production and the health and welfare of both humans and animals	394 862 animal vaccinations against controlled animal diseases 19 research and technology development projects implemented to improve agricultural production 1 114 clients who have benefited from agricultural economic advice provided 9 125 participants trained in agricultural skills development programmes
4. To promote Sustainable rural economic livelihoods	To Promote Sustainable Economic Livelihoods through facilitating rural investments by 2020	Improved employment opportunities and economic livelihoods	226 Green jobs created 373 jobs created through EPWP from infrastructure projects
5. To protect and enhance the environment and natural resources	Create strategic interventions, such as the development of environmental management frameworks, biodiversity sector plans and bioregional plans are required to ensure ecosystems are sustained and natural resources are used efficiently	A well-managed, sustainable environment	1 Legislated Tools Developed (EIP Annual Report) 146 environmental inspections conducted 100% (99/99) of complete EIA applications finalized within legislated time frame 652 environmental awareness activities conducted

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 PROGRAMME 1: ADMINISTRATION

Purpose:

This programme is responsible for the political, financial and administrative management of the Department. The Programme ensures effective and efficient administrative support to all line functions in the Department.

Programme 1 consists of the office of the Member of Executive Council, Accounting Officer, Risk and Security Management, Internal Audit, Legal Services, Corporate Services, Financial Management and Communication Services.

Strategic Objectives:

- To provide political leadership
- To provide administrative leadership
- To provide corporate support services
- To offer financial management support

Service Delivery Achievements

The Programme managed to appoint State Veterinarians through a special approval since their skills are under the critical and scarce skills category. Control of diseases that broke out would not have been possible without these much needed skills.

In seeking to motivate the employees, the Department held its very first MEC's Awards. Employees that were rated as having performed exceptionally well received awards. The Department continued to take care of youth, women and girl children programmes.

Through Occupational Health and Safety Unit and Employee Health and Wellness programmes, the Department ensured that officials that were injured on duty and those that were ill or their psychological health affected are taken care of. Health awareness campaigns were held for the rest of the staff throughout the year.

In order to ensure employee skills development a number of courses and conferences were attended. Since the Department operates with many professionals, it is mandatory that annually they should achieve a set number of credits. The Department ensured that these professionals achieve the prescribed credits.

Policies were reviewed to align them with the Public Service Regulations of 2016. The reviews ensured that governance and accountability are enhanced, furthermore, the Department maintained labour peace through resolution of conflict at the lowest level where they occur and resolved grievances.

The advent of the Phezukomkhono Mlimi Programme, led to a huge interest in the services of the Department. Thus, the Department was inundated with media requests that were addressed with promptness and courtesy.

Strategic Objectives

PROGRAMME 1: ADMINISTRATION					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To provide political leadership	4 Performance review session conducted	4 Performance review session conducted	4 Performance review session conducted	0	None
To provide administrative and strategic leadership	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	0	None
To provide corporate support services	9 Programmes assisted	9 Programmes assisted	9 Programmes assisted	0	None
To offer financial management support	9 Programmes assisted	9 Programmes assisted	9 Programmes assisted	0	None
To provide communication support services to internal and external stakeholders	1 communication strategy developed	1 communication strategy developed	1 communication strategy developed	0	None

Performance Indicators

Sub-Programme 1.1: Member of the Executive Council							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of performance review sessions conducted	4 Performance review sessions conducted	4 Performance review sessions conducted	4 Performance review session conducted	4 Performance review sessions conducted	4 Performance review sessions conducted	0	None

Sub-Programme 1.2: Senior Management							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of Annual Performance Plans Developed	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	0	None

Sub-Programme 1.3: Corporate Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
LABOUR RELATIONS							
Number of labour related cases resolved	New Indicator	New Indicator	New Indicator	4 Labour Relations reports compiled	4 Labour Relations reports compiled	0	None
HUMAN RESOURCE DEVELOPMENT							
Number of Human Resource Management and Development reports compiled	New Indicator	New Indicator	New Indicator	4 Human Resource Management and Development reports compiled	4 Human Resource Management and Development reports compiled	0	None
TRANSVERSAL SERVICES							
Number of reports on the implementation of special programmes compiled	New Indicator	New Indicator	4 reports on the implementation of special programmes compiled	4 reports on the implementation of special programmes compiled	4 reports on the implementation of special programmes compiled	0	None
Number of reports on the implementation of gender and transformation programmes compiled	New Indicator	New Indicator	4 reports on the implementation of gender and transformation programmes compiled	4 reports on the implementation of gender and transformation programmes compiled	4 reports on the implementation of gender and transformation programmes compiled	0	None
Number of reports on the implementation of HIV and AIDS, Health and Wellness programmes compiled	New Indicator	New Indicator	4 reports on the implementation of HIV and AIDS, Health and Wellness programmes compiled	4 reports on the implementation of HIV and AIDS, Health and Wellness programmes compiled	4 reports on the implementation of HIV and AIDS, Health and Wellness programmes compiled	0	None
Number of reports on the implementation of Occupational Health and Safety compiled	New Indicator	New Indicator	4 reports on the implementation of Occupational Health and Safety compiled	4 reports on the implementation of Occupational Health and Safety compiled	4 reports on the implementation of Occupational Health and Safety compiled	0	None

HUMAN RESOURCE DEVELOPMENT							
Number of Performance Management Development Moderating Committee (PMDMC) reports compiled	New Indicator	New Indicator	New Indicator	1 Performance Management Development Moderating Committee (PMDMC) report compiled	1 Performance Management Development Moderating Committee (PMDMC) report compiled	0	None
Number of Departmental ICT strategies reviewed	New Indicator	1 Departmental ICT strategy developed and reviewed	1 Departmental ICT strategy developed and reviewed	1 Departmental ICT strategy reviewed	1 Departmental ICT strategy reviewed	0	None

Sub-Programme 1.4: Financial Management							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of Departmental Budgets compiled	1 Annual Departmental budget developed	1 Annual Departmental budget developed	1 Annual Departmental budget developed	1 Annual Departmental budget compiled	1 Annual Departmental budget compiled	0	None

Sub-Programme 1.5: Communication Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of communication strategies developed	New Indicator	New Indicator	1 communication strategy developed	1 communication strategy developed	1 communication strategy developed	0	None
Number of Departmental Public Participation Activities and Events Coordinated	35 Departmental Public Participation Activities and Events Coordinated	40 Departmental Public Participation Activities and Events Coordinated	45 Departmental Public Participation Events coordinated	50 Departmental Public Participation Events coordinated	63 Departmental Public Participation Events coordinated	13	Over performance due to two events re: the launch of Phezukomkhono Mlimi and the Dardlea/Eskom partnership reaching out to needy people in Amersfort which was a partnership.
Number of Print and Electronic Adverts published including interviews and news articles	45 Print and Electronic Adverts published including interviews and news articles	172 Print and Electronic Adverts published including interviews and news articles	50 Print and Electronic Adverts published including interviews and news articles	64 Print and Electronic Adverts published including interviews and news articles	207 Print and Electronic Adverts published including interviews and news articles	143	Over performance due to positive media response to National EMI Lekgotla, Phezukomkhono Mlimi launch, and the Marapyane Farmer Training Centre launch
Number of Publications distributed	New Indicator	New Indicator	New Indicator	120 publications distributed	190 publications distributed	70	Over performance attributed to the PKM launches in all Districts, EMI Lekgotla Outreach, Inaugural MEC's Excellence Awards and some of the Farmers Information Days held at Districts that were responding to the needs of the Department for branding and publicity.

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking performance with budgets

The programme has spent 99.5% of its allocated budget of R186,121,000 compared to 99.4% in the previous financial year.

Programme 1: ADMINISTRATION

Sub- Programme Name	2017/2018			2016/2017		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Member of the Executive Council	8,308	8,299	9	6,199	6,141	58
Senior Management Service	28,615	28,594	21	21,688	21,651	37
Corporate Services	70,295	70,295	-	52,330	52,219	111
Financial Management	71,239	70,384	855	52,950	52,419	531
Communication Services	7,664	7,659	5	5,406	5,373	33
TOTAL	186,121	185,231	890	138,573	137,803	770

4.2 PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

Purpose

To provide agricultural support services to farmers in order to ensure sustainable development and management of agricultural resources. The Programme provides support in the form of agricultural infrastructure development services that ranges from planning and designing to physical construction of structures to enhance sustainable natural resource management in support of other Programmes of the Department. The programme plays a key role in promoting the expanded Public Works Programme (EPWP) in the rehabilitation of degraded land.

Programme 2: Sustainable Resource Management consists of four sub-programmes: Engineering Services, Land Care, Land Use Management and Agricultural Disaster and Risk Management.

Strategic objectives

- To provide engineering support
- To promote the sustainable use and management of natural agricultural resources
- To promote the implementation of sustainable use and management of natural agricultural resources through regulated land use (Act 43 of 1983, Act 70 of 1970 and related legislation)
- To provide agricultural disaster risk management support services to farmers

Service Delivery Achievements

The Programme established agricultural infrastructure for farmers in various parts of the province. With regards to water development, the programme established irrigation infrastructure in seven municipalities which includes centre pivot, equipped vegetable tunnels, reticulated boreholes and repaired dams for livestock and crop production.

In order to ensure that the farmers have secured grazing and arable land, fencing infrastructure was provided in five municipalities in order to protect farmers' produce.

To improve and increase production in preparation to supply or support the Agri-Hubs, Fresh Produce Market and other local markets including Government Nutrition Programme (GNP), the Programme has built and refurbished vegetable tunnels and constructed piggery units for female youth farmers.

To ensure that farmers comply with South African Good Agricultural Practices (SAGAP) when marketing their produce, the Programme established ablution facilities with chemical storages and a pack house for six cooperatives.

The Programme re-gravelled roads in the Khulani Forestry project that was burned down by fire in Chief Albert Luthuli municipality and access bridges were constructed in Chief Albert Luthuli and Mbombela Municipalities to enable farmers to transport their produce to various markets.

To ensure animal disease control, health and improved general livestock management for livestock farmers, the Programme constructed animal handling facilities in Chief Albert Luthuli and Nkomazi municipalities. Animal health clinics were renovated in Thembisile Hani, Dr JS Moroka and Mbombela Municipalities.

In order to ensure general safety in the projects and the youth in the Fortune 40 farms, the Programme installed high mast lights in Thembisile Hani, Steve Tshwete, Nkomazi and Bushbuckridge Municipalities. Through the implementation of these infrastructure projects 373 EPWP job opportunities were created.

Strategic Objectives

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To provide engineering support	33 Agricultural Infrastructure established	61 agricultural infrastructure established	58 Agricultural infrastructure established	(3)	Continuous rainfall in some areas delayed the completion of projects
To promote the sustainable use and management of natural agricultural resources	3 716 hectares protected / rehabilitated to improve agricultural production (includes hectares rehabilitated by the Department and farmers)	41 projects	41 projects	0	None
To promote the implementation of sustainable use and management of natural agricultural resources through regulated land use (Act 43 of 1983, Act 70 of 1970 and related legislation)	44 578.354 hectares planned for sustainable farming purposes	55 farm plans	59 farm plans	4	More requests from farmers were received for planning
To provide agricultural disaster risk management support services to clients/farmers	1 Disaster Relief Scheme (Drought) Managed	9 626 farmers	2 508 farmers	0	Focus was on farmers affected by floods

Sub-Programme 2.1: Engineering Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of agricultural infrastructure established	63 Agricultural Infrastructure established	18 Agricultural Infrastructure established	33 Agricultural Infrastructure established	61 agricultural infrastructure established	58 Agricultural infrastructure established	(3)	Continuous rainfall in some areas delayed the completion of projects
Number of One-Stop Centres completed	New Indicator	New Indicator	2 One-Stop Centres completed	2 One-Stop Centres completed	0 One-Stop Centres completed	(2)	The project delayed due to rainfall, however it is at 80% completion

Sub-Programme 2.1: Engineering Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of Environmental Centres upgraded	New Indicator	New Indicator	New Indicator	4 Environmental Centres upgraded	2 Environmental Centre upgraded	(2)	Delays due to rainfall (Elukwatini) and slow progress by the service provider (Delmas)
Number of Research Facilities upgraded	New Indicator	New Indicator	New Indicator	2 Research Facilities upgraded	0 Research Facilities upgraded	(2)	Contractor delayed by social conflict
Number of Training Facilities upgraded	New Indicator	New Indicator	New Indicator	1 Training Facilities upgraded	1 Training Facilities upgraded	0	None
Number of jobs created through EPWP from infrastructure projects	609 jobs created through EPWP from infrastructure projects	217 jobs created through EPWP from infrastructure projects	269 jobs created through EPWP from infrastructure projects	200 jobs created through EPWP from infrastructure projects	373 jobs created through EPWP from infrastructure projects	173	More jobs were created due to the acceleration of projects that were supposed to be completed in the 3rd quarter

Sub-Programme 2.2: Land Care (Soil Conservation)							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of hectares protected / rehabilitated to improve agricultural production	3 609 hectares protected / rehabilitated to improve agricultural production	5 359 hectares protected / rehabilitated to improve agricultural production	3 716 hectares protected / rehabilitated to improve agricultural production ¹	3 700 hectares protected / rehabilitated to improve agricultural production	3 700 Hectares protected / rehabilitated to improve agricultural production	0	None
Number of green jobs created through LandCare	1 030 green jobs created through LandCare	830 green jobs created through LandCare	181 green jobs created through LandCare	140 green jobs created	226 Green jobs created	86	More jobs were created due to the increase in demand to clean unwanted species
Number of awareness campaigns conducted on LandCare	38 awareness campaigns conducted on LandCare	40 awareness campaigns conducted on LandCare	40 awareness campaigns conducted on LandCare	40 awareness campaigns conducted on LandCare	42 Awareness campaigns conducted on LandCare	2	More awareness campaign conducted due to demand
Number of hectares under invader plants controlled	977 hectares under invader plants controlled	1 403.5 hectares under invader plants controlled	602 hectares under invader plants controlled	620 hectares under invader plants controlled	664.4 Hectares under invader plants controlled	44.4	More hectares controlled due to increase of invader plants

Sub-Programme 2.2: Land Care (Soil Conservation)							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of schools adopted and developed through junior LandCare initiatives	20 schools adopted and developed through junior LandCare initiatives	20 schools adopted and developed through junior LandCare initiatives	21 schools adopted and developed through junior LandCare initiatives	22 schools developed through junior LandCare initiatives	22 Schools developed through junior LandCare initiatives	0	None

Sub- Programme 2.3 Land Use Management							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of hectares planned for sustainable farming purposes	37 322 hectares planned for sustainable farming purposes	28 673.96 hectares planned for sustainable farming purposes	44 578.354 hectares planned for sustainable farming purposes	22 000 hectares planned for sustainable farming purposes	36 029 Hectares planned for sustainable farming purposes	14 029	More requests for planning were received from farmers

Sub-programme 2.4 Agricultural Disaster and Risk Management							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of disaster relief schemes managed	2 disaster relief schemes managed	2 disaster relief schemes managed	1 disaster relief scheme managed	2 disaster relief schemes managed	1 Disaster relief schemes managed	(1)	Focus was on floods
Number of disaster risk reduction programmes managed	New Indicator	2 disaster risk reduction programmes managed	2 disaster risk reduction programmes managed	2 disaster risk reduction programmes managed	2 Disaster risk reduction programmes managed	0	None

Strategy to overcome areas of under performance

In order to address the challenge of a limited number of engineers, the Department will continue to build capacity amongst the existing candidate engineers for full attainment of professional accreditation. In addition, the Department is partnering with the Department of Agriculture, Forestry and Fisheries (DAFF) for placement of agricultural engineers.

Changes to planned targets

None

Linking performance with budgets

The Programme has spent 100% of its allocated budget of R55,340,000 compared to 98.6% in the previous financial year.

Programme 2: SUSTAINABLE RESOURCE MANAGEMENT

Sub-Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Engineering Services	38,265	38,250	15	41,464	41,339	125
Land Care Services	9,650	9,551	99	9,217	9,174	43
Disaster Risk Management	7,425	7,538	(113)	19,838	18,994	844
TOTAL	55,340	55,339	1	70,519	69,507	1,012

4.3 PROGRAMME 3: FARMER SUPPORT AND DEVELOPMENT

Purpose

The Programme renders district level services in support of agrarian reform and rural development; this includes providing technical and infrastructure support to land reform beneficiaries including subsistence food producers, smallholder farmers and commercial farmers. The programme seeks to promote job creation, income generation and household food security through the implementation of commodity based projects funded through the Comprehensive Agricultural Support Programme (CASP) and food security programmes interventions (Nationally and Provincial).

Programme 3: Farmer Support and Development consist of three Sub-Programmes namely, Farmer Settlement, Extension and Advisory Services and Food Security Services.

Strategic objectives

- To provide support to smallholder and commercial producers for sustainable agricultural development
- To provide extension and advisory services to farmers
- To increase household level food security through the implementation of appropriate household level interventions

Service Delivery Achievements

The Programme has successfully increased the farming interest amongst farmers through the launching of the Phezukomkhono Mlimi Programme in all four districts. The involvement of commodity associations in assisting the farmers in the province was strengthened and is more visible in Gert Sibande and Bohlabela districts. During the summer planting season, the Department managed to partner with commercial farmers and as a result there was an increase in production. Several engagements with the Chairperson of Mpumalanga House of Traditional Leaders were held to forge ahead the initiative of ploughing and planting for Amakhosi in communal land.

Through collaborations with Grain SA Conservative Agriculture was introduced in Gert Sibande. As part of efforts to assist farmers with access to formal markets and as a vehicle towards commercialization, four projects got SAGAP certified in 2017/18. The Department introduced food gardens in all agricultural adopted schools as part of reviving passion for agriculture in the province especially amongst the youth. The Programme achieved all but 3 of its 8 indicators which translates to 62.5% achievement.

Since the introduction of the Government Nutrition Programme and as it gains momentum, the number of farmers producing vegetables has increased. This resulted in the over achievements on some of the related indicators. Issuing of starter packs during Phezukomkhono Mlimi launches in the second and third quarters increased the need of extension and advisory services.

Strategic Objectives

PROGRAMME 3: FARMER SUPPORT AND DEVELOPMENT					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To provide support to smallholder and commercial producers for sustainable agricultural development	50 smallholder farmers sustainable	50 smallholder farmers sustainable	9 smallholder farmers sustainable	(41)	Delays in finalising the guidelines to commercialize farmers
To provide extension and advisory services to farmers	14 095 smallholder producers supported with agricultural advice	10 379 smallholder producers supported with agricultural advice	10 894 smallholder producers supported with agricultural advice	515	Awareness created during the Phezukomkhono Mlimi launches ignited more interest in farming resulting in high demand for technical advise
To increase household level food security through the implementation of appropriate household level interventions	2 Interventions	2 Interventions	2 Interventions	0	None

Sub-Programme 3.1: Farmer Settlement and Development							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of smallholder producers receiving support	13 655 smallholder producers receiving support	1 840 smallholder producers receiving support	1 033 smallholder producers received support	682 smallholder producers receiving support	691 smallholder producers receiving support	9	Livestock which was planned to be delivered in the 3rd quarter could only be delivered in the 4th quarter resulting in over achievement
Number of commodity based mentors appointed and linked to land reform farms	7 commodity based mentors appointed and linked to land reform farms	11 commodity based mentors appointed and linked to land reform farms	12 commodity based mentorship initiatives implemented and maintained.	5 commodity based mentors appointed and linked to land reform farms	5 commodity based mentors appointed and linked to land reform farms	0	None

Sub-Programme 3.2: Extension & Advisory Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of small holder producers supported with agricultural advice	13 655 small holder producers supported with agricultural advice	14 228 small holder producers supported with agricultural advice	14 095 small holder producers supported with agricultural advice	10 379 smallholder producers supported with agricultural advice	10 894 smallholder producers supported with agricultural advice	515	Awareness created during the Phezukomkhono Mlimi launches ignited more interest in farming resulting in high demand for technical advice

Sub-Programme 3.3: Food Security (Masibuyele Emasimini/ Esibayeni)							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Masibuyele Emasimini							
Number of households benefiting from agricultural food security initiatives	12 833 households benefiting from agricultural food security initiatives	12 456 households benefiting from agricultural food security initiatives	15 382 households benefiting from agricultural food security initiatives	10 000 households benefiting from agricultural food security initiatives	10 484 households benefited from agricultural food security initiatives	484	More households supported due to additional launches of the Phezukomkhono Mlimi Programme
Number of hectares cultivated for food production in communal areas and land reform projects	24 545.31 hectares cultivated for food production in communal areas and land reform projects	18 518.6 hectares cultivated for food production in communal areas and land reform projects	20 515.56 hectares cultivated for food production in communal areas and land reform projects	14 000 hectares cultivated for food production in communal areas and land reform projects	18 852.93 hectares cultivated for food production in communal areas and land reform projects	4 852.93	More hectares achieved through the implementation of Conservation Agriculture with the assistance of Grain SA
Number of food gardens established	1 138 food Gardens established	148 food Gardens established	1 536 food Gardens established	2 000 food Gardens established and maintained	1 983 food Gardens established and maintained	(17)	Fewer gardens supported due to frost prevalence in Highveld areas
Number of EPWP jobs created through ME	1 542 EPWP jobs created through ME	1 472 EPWP jobs created through ME	605 EPWP jobs created through ME	2 000 EPWP jobs created through ME	178 EPWP jobs created through ME	(1 822)	Fewer jobs created due to changes in the reporting requirements for EPWP

Sub-Programme 3.3: Food Security							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Masibuyele Esibayeni							
Number of projects/farms provided with livestock through MESP	34 projects/farms provided with livestock through MESP	24 projects/farms provided with livestock through MESP	22 projects/farms provided with livestock through MESP	15 projects/farms provided with livestock through MESP	9 Projects/Farms provided with livestock through MESP	(6)	6 projects could not be supported due to the service provider having a challenge in providing small stock

Strategy to overcome areas of under performance

The Programme is adopting the approach of comprehensive support on food gardens, which includes fencing, water development and irrigation systems. This initiative will contribute towards job creation in that local people will be hired for erecting the fence and assisting with labour during the installation of irrigation systems.

Changes to planned targets

None

Linking performance with budgets

The programme has spent 100% of its allocated budget of R573,921,000 compared to 99.9% in the previous financial year.

Programme 3: FARMER SUPPORT AND DEVELOPMENT

Sub-Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Farmer Settlement Services	137,547	137,547	-	122,546	122,540	6
Extension and Advisory services	337,542	337,542	-	247,140	247,446	(306)
Food Security	98,832	98,830	2	80,443	79,666	777
TOTAL	573,921	573,919	2	450,129	449,652	477

4.4 PROGRAMME 4: VETERINARY SERVICES

Purpose

The Program promotes animal health, welfare, production and the health and welfare of both humans and animals through veterinary public health programmes. It also provides veterinary services to the Masibuyele Esibayeni (MESP) programme in terms of advice and animal health services.

Programme 4: Veterinary Services consists of three sub-programmes: Animal Health, Veterinary Public Health and Food Safety and Veterinary Laboratory Services.

Strategic objectives

- To manage diseases of economic, trade and zoonotic importance
- To ensure veterinary public health & food safety
- To provide veterinary laboratory diagnostic services

Service delivery achievements

In the year under review, the Programme managed to control and eradicate the Foot and Mouth Disease (FMD) outbreak in Bushbuckridge Local Municipality. Animal movement restrictions in the affected areas were consequently lifted and the Bohlabela District resumed its local trades.

Rabies control and management was intensified and as a result its incidence diminished. There have been no human cases reported in the province.

The turnout at animal inspections increased due to increased awareness campaigns conducted at inspection points in an attempt to empower farmers on diseases such as FMD.

The Programme continued with the delivery of primary animal health care to the citizens of the province, targeting mainly the resource poor communities. These were rendered from the 11 animal health centres and 11 mobile units that are manned by veterinarians and para-veterinary staff.

Awareness in the safety of meat increased over the year. The supply and provision of safe meat at abattoirs, butcheries, pension pay points and other outlets improved drastically. The component managed to achieve most of its targets as a result of re-assignment of additional tasks and duties to officials across the province. Inspections and surveillance at abattoirs were intensified as the Programme was putting additional measures to control and manage the Avian Flu and Listeriosis outbreaks.

Abattoir compliance levels increased above the National average compliance of 60% to 81% as a result of increased inspection intensity. For this reason, the Abattoir Rating Scheme Awards ceremony was conducted by the Department, recognising abattoirs that contributed to their increased effort in meat safety. Karan Beef abattoir scooped the overall winner award.

Strategic objectives

PROGRAMME 4: VETERINARY SERVICES					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To manage diseases of economic, trade and Zoonotic importance	47 animal diseases of economic, trade and zoonotic importance managed	47 animal diseases of economic, trade and zoonotic importance managed	47 animal diseases of economic, trade and zoonotic importance managed	0	None
To ensure Veterinary Public Health & Food Safety	49 abattoirs registered	49 abattoirs registered	49 abattoirs registered	0	None
To provide veterinary laboratory diagnostic services	122 769 tests performed meet prescribed standards	92 000 tests performed meet prescribed standards	101 187 tests performed meet prescribed standards	9 187	Increased submissions from farmers

Sub-Programme 4.1: Animal Health							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of epidemiological units visited for veterinary interventions	New Indicator	5 132 epidemiological units visited for veterinary interventions	6 164 epidemiological units visited for veterinary interventions	3 210 epidemiological units visited for veterinary interventions	1 942 epidemiological units visited for veterinary interventions	(1 268)	Limited human resource capacity
Number of clients serviced for animal and animal products export control	New Indicator	1 006 clients serviced for animal and animal products export control	875 clients serviced for animal and animal products export control	259 clients serviced for animal and animal products export control	762 clients serviced for animal and animal products export control	503	There were more requests for exports
Number of animal vaccinations against controlled animal diseases	438 710 animal vaccinations against controlled animal diseases	487 118 animal vaccinations against controlled animal diseases	574 969 animal vaccinations against controlled animal diseases	675 151 animal vaccinations against controlled animal diseases	394 862 animal vaccinations against controlled animal diseases	(280 289)	Limited human resource capacity
Number of animals sampled/tested for disease surveillance purposes	101 462 animals sampled/tested for disease surveillance purposes	110 024 animals sampled/tested for disease surveillance purposes	138 124 animals sampled/tested for disease surveillance purposes	184 233 animals sampled/tested for disease surveillance purposes	102 958 animals sampled/tested for disease surveillance purposes	(81 275)	Limited human resource capacity

Sub-Programme 4.1: Animal Health							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of animal inspections for regulatory purposes	4 505 330 animal inspections for regulatory purposes	4 976 624 animal inspections for regulatory purposes	4 974 277 animal inspections for regulatory purposes	4 677 187 animal inspections for regulatory purposes	4 927 364 animal inspections for regulatory purposes	250 177	More animals were presented at the inspection points than planned
Clinical Services							
Number of primary animal health care interactions held	32 330 primary animal health care interactions held	46 530 primary animal health care interactions held	42 441 primary animal health care interactions held	40 000 primary animal health care interactions held	36 730 primary animal health care interactions held	(3 270)	Limited human resources

Sub-Programme 4.2: Veterinary Public Health and Food Safety							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
% level of abattoir compliance to meat safety legislation	New Indicator	74.9% level of abattoir compliance to meat safety legislation	82% level of abattoir compliance to meat safety legislation	60% level of abattoir compliance to meat safety legislation	81% level of abattoir compliance to meat safety legislation	21%	Increased level of compliance as a result of increased abattoir inspections to ensure safer meat
Number of contact sessions held with all role players	1 020 contact sessions held with all role players	900 contact sessions held with all role players	1 004 contact sessions held with all role players	900 contact sessions held with all role players	941 contact sessions held with all role players	41	Illegal meat investigations necessitated more contact sessions
Number of export establishments registered	9 export establishments registered	8 export establishments registered	11 export establishments registered (HAR red meat & poultry abattoirs)	11 export establishments registered	9 export establishments registered	(2)	Two establishments did not comply in time for registration
Number of abattoirs registered	54 abattoirs registered	52 abattoirs registered	49 abattoirs registered	49 abattoirs registered	49 abattoirs registered	0	None
Number of abattoir inspections conducted	548 abattoir inspections conducted	594 abattoir inspections conducted	496 abattoir inspections conducted	490 abattoir inspections conducted	507 abattoir inspections conducted	17	Increased inspections to follow ups to address non-conformances

Sub-Programme 4.3: Veterinary Laboratory Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of tests performed the quality of which meets the ISO 17025 standard and OIE requirements	88 942 tests performed the quality of which meets the ISO 17025 standard and OIE requirements	78 489 tests performed the quality of which meets the ISO 17025 standard and OIE requirements	122 769 tests performed the quality of which meets the ISO 17025 standard and OIE requirements	92 000 tests performed the quality of which meets the ISO 17025 standard and OIE requirements	101 187 tests performed the quality of which meets the ISO 17025 standard and OIE requirements	9 187	Increased submissions from clients
Number of epidemiological studies conducted	3 epidemiological studies conducted	3 epidemiological studies conducted	3 epidemiological studies conducted	3 epidemiological studies conducted	3 epidemiological studies conducted	0	None

Strategy to overcome areas of under performance

The Programme will continue to utilise veterinarians serving under the Compulsory Community Programme that is being implemented in partnership with DAFF on an annual basis to alleviate the impact of insufficient number of staff.

Changes to planned targets

None

Linking performance with budgets

The programme has spent 99.8% of its allocated budget of R118,987,000 compared to 99.8% in the previous financial year.

Programme 4: VETERINARY SERVICES

Sub- Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Animal Health	85,728	85,653	75	82,726	82,547	179
Veterinary Public Health	23,658	23,591	67	20,526	20,525	1
Veterinary Lab Services	9,601	9,510	91	8,526	8,521	5
TOTAL	118,987	118,754	233	111,778	111,593	185

4.5 PROGRAMME 5: TECHNOLOGY, RESEARCH AND DEVELOPMENT

Purpose

The Programme deals with agricultural research and the development and transfer of appropriate agricultural technologies. The Programme conducts adaptive research to improve agricultural productivity. It is responsible for establishment and strengthening of partnerships in agriculture research. The key services of the programme include research in crop and animal production as well as range and forage research.

Programme 5: Technology, Research and Development consists of three Sub-Programmes: Research Services, Information Services and Infrastructure Support Services.

Strategic objectives

- To provide expert and needs based research, development and technology transfer services impacting positively on development objectives
- To develop, maintain and disseminate agricultural information to farmers
- To provide and maintain research farm infrastructure

Service Delivery Achievements

The Programme is bearing fruits of the latest investments in order to ensure that farmers are supported across the range of activities with sound research and technology development. Scientific articles are increasing as a result of the availability of the latest analytical equipment. Scientist maturation and ability to communicate widely with the scientific community is also increasing. The support of the programme to the sector with GIS, Remote Sensing and Satellite Image processing capability is also on the increase. The programme is responding to the increasing farm sales, MESP interests and accelerated Land Reform with veld condition assessments, that had a significantly higher output.

Strategic Objectives

PROGRAMME 5: TECHNOLOGY, RESEARCH AND DEVELOPMENT					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To provide expert and needs based research, development and technology transfer services impacting on development objectives	20 research and technology development projects implemented to improve agricultural production	19 research and technology development projects implemented to improve agricultural production	19 research and technology development projects implemented to improve agricultural production	0	None
To develop, maintain and disseminate agricultural information to farmers	356 Information packs developed	340 Information packs developed	399 Information packs developed	59	More maps and natural resource information reports produced in support of veld condition assessments for MESP

PROGRAMME 5: TECHNOLOGY, RESEARCH AND DEVELOPMENT					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To provide and maintain research farm infrastructure	2 Research infrastructure managed	2 research infrastructure managed	2 research infrastructure managed	0	None

Sub-Programme 5.1: Research Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of research and technology development projects implemented to improve agricultural production	20 research and technology development projects implemented to improve agricultural production	20 research and technology development projects implemented to improve agricultural production	20 research and technology development projects implemented to improve agricultural production	19 research and technology development projects implemented to improve agricultural production	19 research and technology development projects implemented to improve agricultural production	0	None
Technology Transfer Services							
Number of demonstration trails conducted	31 demonstration trails conducted	21 demonstration trails conducted	22 demonstration trials conducted	22 demonstration trials conducted	22 demonstration trials conducted	0	None
Number of articles in popular media	2 articles in popular media	4 articles in popular media	6 articles in popular media	6 articles in popular media	6 articles in popular media	0	None
Number of veld/pasture assessments conducted	188 assessments introduced to research stations	171 veld/farm assessments conducted	163 veld/ farm assessments conducted	144 veld/ pasture assessments conducted	216 veld/ pasture assessments conducted	72	The Department received higher than anticipated application for MESP support, which required the assessments.
Number of aquatic systems assessed	New Indicator	New Indicator	14 aquatic systems assessed	12 aquatic systems assessed	12 aquatic systems assessed	0	None

Sub-Programme 5.2: Information Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of research presentations made nationally or internationally	6 presentations made at scientific events	7 research presentations made nationally or internationally	103 research presentations made nationally or internationally	94 research presentations made nationally or internationally	108 research presentations made nationally or internationally	14	More demand for scientific presentations, which included amongst others Veld and Pasture Management, Livestock Management, etc.
Number of scientific papers published nationally or internationally	2 scientific papers published	2 scientific papers published nationally or internationally	4 scientific papers published nationally or internationally	3 scientific papers published nationally or internationally	7 scientific papers published nationally or internationally	4	The scientific papers were published in order to address veld conditions and groundnut production
Number of hectares of agricultural land protected through guiding subdivision/rezoning/change of agricultural land use	New Indicator	30 171.66 hectares of agricultural land protected through guiding subdivision/rezoning/change of agricultural land use	7 648.5 hectares of agricultural land protected through guiding subdivision/rezoning/change of agricultural land use	5 000 hectares of agricultural land protected through guiding subdivision/rezoning/change of agricultural land use	11 444.21 hectares of agricultural land protected through guiding subdivision/rezoning/change of agricultural land use	6 444.21	Farms that required subdivision were bigger than those submitted in the previous years
Number of Information packs developed	2 Information packs disseminated	379 Information packs developed	356 Information packs developed	340 Information packs developed	399 Information packs developed	59	More maps and natural resource information reports produced in support of veld condition assessments for MESP

Sub-Programme 5.3: Infrastructure Support Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2016/2017	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of research infrastructure managed	4 Research infrastructure maintained	4 Research infrastructure managed	2 research infrastructure managed	2 research infrastructure managed	2 research infrastructure managed	0	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking performance with budgets

The programme has spent 99.8% of its allocated budget of R54,358,000 compared to 99.6% in the previous financial year.

Programme 5: TECHNOLOGY, RESEACH AND DEVELOPMENT

Sub-Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Research	31,339	31,279	60	41,307	41,127	180
Technology Transfers Services	6,247	6,237	10	5,906	5,837	69
Infrastructure Support Services	16,772	16,744	28	15,936	15,921	15
TOTAL	54,358	54,260	98	63,149	62,885	264

4.6 PROGRAMME 6: AGRICULTURAL ECONOMICS SERVICES

Purpose:

To provide timely and relevant support to internal and external clients with regard to agricultural marketing, agricultural statistical information, and agricultural feasibility and viability studies in order to ensure sustainable agriculture and rural development.

Programme 6: Agricultural Economics consists of two Sub-Programmes: Agri-Business Support and Development and Macro Economics Support.

Strategic objectives

- To provide Agribusiness support through entrepreneurial development, marketing services, value adding, production and resource economics
- To provide macro-economic and statistical information on the performance of the agricultural sector to inform planning and decision making

Service Delivery Achievements

The Programme increased and intensified its support to clients and cooperatives that were supplying the Government Nutrition Program (GNP) with agricultural economic advice. This was necessary because these cooperatives had to take advantage of the market opportunity that was created. This resulted in the Programme overachieving on most targets set such as number of clients who benefited from agricultural advice and number of agribusiness supported with agricultural economic services towards accessing markets. The GNP also increased the demand by farmers and clients for economic information. The Programme facilitated farmers to be compliant to the South African Good Agricultural Practices (SA GAP). This will improve access to markets by ensuring that the produce meets food safety standards.

Strategic Objectives

PROGRAMME 6: AGRICULTURAL ECONOMICS					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To provide Agribusiness support through entrepreneurial development, marketing services, value adding, production and resource economics	4 056 clients who have benefited from agricultural economic advice provided	1 000 clients who have benefited from agricultural economic advice provided	1 114 clients who have benefited from agricultural economic advice provided	114	The Government Nutrition program encouraged more farmers to produce hence the increase in demand for economic advice
To provide macro-economic and statistical information on the performance of the agricultural sector to inform and decision making	89 agribusiness provided with agricultural economic services towards accessing markets	105 agribusiness supported with agricultural economic services towards accessing markets	118 agribusiness supported with agricultural economic services towards accessing markets	13	The availability of the Government Nutrition Market encouraged more farmers to continue to produce

Sub Programme 6.1: Agricultural Business Support and Development							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of Agribusiness supported with agricultural economic services towards accessing markets	78 agribusiness with agricultural economic services to accessing markets	95 agribusiness provided with agricultural economic services towards accessing markets	89 agribusiness provided with agricultural economic services towards accessing markets	105 agribusiness supported with agricultural economic services towards accessing markets	118 agribusiness supported with agricultural economic services towards accessing markets	13	The availability of the Government Nutrition Market encouraged more farmers to continue to produce
Number of clients who have benefited from agricultural economic advice	7 361 clients provided with agricultural economic advice	5 002 clients who have benefited from agricultural economic advice	4 056 clients who have benefited from agricultural economic advice provided	1 000 clients who have benefited from agricultural economic advice provided	1 114 clients who have benefited from agricultural economic advice provided	114	The Government Nutrition Programme encouraged more farmers to produce hence the increase in demand for economic advice

Sub-Programme 6.2 Macro-Economic Support							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of agricultural economic information responses provided	3 requests responded to on macro-economic information	17 agricultural economic information responses provided	21 agricultural economic information responses provided	20 agricultural economic information responses provided	25 agricultural economic information responses provided	5	More clients had interest in economic information
Number of economic reports compiled	11 macro-economic reports developed	4 economic reports compiled	4 economic reports compiled	4 economic reports compiled	4 economic reports compiled	0	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking performance with budgets

The programme has spent 92.6% of its allocated budget of R13,248,000 compared to 99.5% in the previous financial year.

Programme 6: AGRICULTURAL ECONOMICS SERVICES

Sub- Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Agri-Business Support & Development	3,134	3,041	93	2,875	2,829	46
Macroeconomics Support	10,114	9,226	888	8,066	8,061	5
TOTAL	13,248	12,267	981	10,941	10,890	51

4.7 PROGRAMME 7: STRUCTURED AGRICULTURAL TRAINING

Purpose

This Programme is responsible for providing agricultural training at the Further Education and Training level (NQF level 1 to 4). Further Education and Training (FET) programmes are conducted throughout the province for farmers on commodity basis. Furthermore, the Programme is responsible for the development of the curriculum and founding documents for the Agricultural Training Institute in the Province.

Key services currently provided include farmer training and skills transfer as well as accredited further education and training courses.

Programme 7: Structured Agricultural Training consists of one Sub-Programmes: Further Education and Training (Agricultural Skills Development).

Strategic objectives

- To facilitate and provide structured agricultural education and training in line with the Agriculture Education and Training Strategy

Service Delivery Achievements

The Programme was successful in the provision of agricultural skills programmes to farmers using in-house staff and resources.

The Programme launched Marapyane Farmer Training Centre, following the incorporation of the Lowveld College of Agriculture into the University of Mpumalanga. The centre has already started with the intake of farmers who have been trained on various agricultural skills.

Strategic Objectives

PROGRAMME 7: STRUCTURED AGRICULTURAL TRAINING					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To facilitate and provide structured agricultural education and training in line with the Agriculture Education and Training Strategy	9 224 participants trained in agricultural skills development programmes	9 120 participants trained in agricultural skills development programmes	9 125 participants trained in agricultural skills development programmes	5	More farmers showed up in training events than planned

Sub-Programme 7.1: Further Education and Training (Agricultural Skills Development)							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of participants trained in agricultural skills development programmes	8 256 Learners completing non-accredited short courses	9 006 participants trained in agricultural skills development programmes	9 224 participants trained in agricultural skills development programmes	9 120 participants trained in agricultural skills development programmes	9 125 participants trained in agricultural skills development programmes	5	More farmers showed up in training events than planned
Number of formal skills programmes offered	9 formal skills programmes offered	9 formal/accredited skills programmes offered	9 accredited skills programmes offered	2 formal skills programmes offered	2 formal skills programmes offered	0	None
Number of farmers completing formal skills programmes	96 completing accredited skills programmes	103 learners completing accredited skills programmes	82 farmers completing accredited skills programmes	24 farmers completing formal skills programmes	24 farmers completing formal skills programmes	0	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking performance with budgets

The Programme has spent 99.7% of its allocated budget of R18,559,000 compared to 99.4% in the previous financial year.

PROGRAMME 7: STRUCTURED AGRICULTURAL TRAINING

Sub- Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Higher Education and Training	-	-	-	-	-	-
Further Education & Training	18,559	18,504	55	16,255	16,163	92
TOTAL	18,559	18,504	55	16,255	16,163	92

4.8 PROGRAMME 8: RURAL DEVELOPMENT COORDINATION

Purpose

The Programme: Rural Development is aimed at creating vibrant, equitable rural communities with food security for all, through the sustainable rural economic livelihoods. The Programme will mainly focus on the two legs of the Comprehensive Rural Development strategy, which are Agrarian transformation and land reform.

Programme 8: Rural Development consists of two Sub-Programmes namely; Rural Development Planning and Monitoring and Social Facilitation.

This Sub-Programme is responsible for the coordination of rural development, arranging and sourcing strategic partners in conjunction with rural communities.

Strategic objectives

- To coordinate comprehensive rural development programme to improve the social and economic livelihoods of rural communities.
- To engage communities and stakeholders on matters with regard to conflict.

Service Delivery Achievements

The Programme coordinated the provision of support from stakeholders in order to contribute towards the development of communities in rural areas.

In addition, the Programme managed to facilitate the provision of support to 15 youth projects through the Fortune 40 Young Incubation Programme. Eight of these projects were developed into agricultural enterprises. These enterprises were linked to various markets, including the Government Nutrition Programme.

Strategic Objectives

PROGRAMME 8: RURAL DEVELOPMENT					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To coordinate comprehensive rural development programme to improve the social and economic livelihoods of rural communities.	1 Outcome 7 integrated provincial plan developed	1 Outcome 7 integrated provincial plan developed	1 Provincial Rural Development plan compiled	0	None
To engage communities and stakeholders on matters with regard to conflict	New Indicator	105 Land Reform farms supported	105 Land Reform farms supported	0	None

Sub-Programme 8.1: Rural Development Planning and Monitoring							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of Outcome 7 integrated plans developed	New Indicator	1 Outcome 7 integrated plan developed	1 Outcome 7 integrated provincial plan developed	1 Outcome 7 integrated provincial plan developed	1 Provincial Rural Development plan compiled	0	None
Number of Outcome 7 reports complied	New Indicator	4 Outcome 7 reports complied	4 Outcome 7 reports complied	4 Outcome 7 reports complied	4 Outcome 7 reports complied	0	None
Number of rural development enterprises supported	New Indicator	8 rural development enterprises supported	8 Rural Development Enterprises supported	8 Rural Development Enterprises supported	8 Fortune 40 enterprises supported	0	None

Sub-Programme 8.2: Social Facilitation							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of workshops held on social facilitation	20 workshops held on social facilitation	New Indicator	New Indicator	20 workshops held on social facilitation	20 workshops held on social facilitation	0	None

Strategy to overcome areas of underperformance

None

Changes to planned targets

None

Linking performance with budgets

The Programme spent 99.6% of its allocated budget of R22,074,000 compared to 97.6% in the previous financial year.

PROGRAMME 8: RURAL DEVELOPMENT

Sub- Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Comprehensive, Rural Development Programme	17,882	17,844	38	17,368	16,871	497
Social Facilitation	4,192	4,137	55	3,414	3,413	1
TOTAL	22,074	21,981	93	20,782	20,284	498

4.9 PROGRAMME 9: ENVIRONMENTAL AFFAIRS

Purpose

The purpose of the Programme is to promote a well-managed, sustainable environment.

The main role of the Environmental Affairs Programme is to facilitate sustainable development through environmental planning and co-ordination, greener governance, environmental awareness and capacity building, integrated pollution and waste management, enforcing compliance to environmental legislation and to promote biodiversity management. The proactive prevention of negative impact on the environment by listed activities is one of the key regulatory functions of government to ensure that citizens live in an environment that is not harmful to their health or well-being; and to protect the environment for the benefit of present and future generations through reasonable and other legislative or regulatory measures, in line with section 24 of the Constitution, Act 108 of 1996.

Programme 9: The Programme consists of the following sub-units: Sub-Programme 9.1: Environmental Policy, Planning and Coordination, Sub-Programme 9.2 Environmental Compliance and Enforcement, Sub-Programme 9.3: Environmental Impact Management, Sub programme 9.4 Pollution and Waste Management and Sub-Programme 9.5: Environmental Empowerment Services.

Strategic objectives

- To provide environmental policy, planning and co-ordination services
- To ensure compliance to and enforcement of environmental management legislation
- To promote and maintain environmental quality management
- To promote and encourage environmental empowerment

Service Delivery Achievements

The Programme launched the Mpumalanga Provincial Inspectorate/Green Scorpions for the Environmental Management Inspectors (including the Local Authorities EMI's) in September 2017. In addition, the programme hosted the 7th National Environmental Compliance and Enforcement Lekgotla in November 2017 which was an overwhelming success. These events increased awareness to the public. The over-achievement on criminal investigations was due to SAPS involvement and improved understanding of environmental crime.

The Programme through administrative enforcement action was able to achieve on all its targets to ensure compliance by private and public institutions to environmental legislation. This contributed towards ensuring the preservation of the environment and resources.

The Programme managed to implement the Provincial Greenest Municipality Competition. This contributed in ensuring that the municipalities address the issues of waste, climate change, biodiversity and environmental degradation. From this programme, Govan Mbeki Local Municipality managed to be awarded the second prize at the National Greenest Municipality Competition.

The Programme expanded on creating environmental awareness through programmes such as Arbor Day and Climate Change School event, wherein 5 652 trees were planted and 605 schools participated respectively.

Strategic Objectives

PROGRAMME 9: ENVIRONMENTAL AFFAIRS					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To provide environmental policy, planning and co-ordination services	2 Legislated Tools Developed	3 Legislated Tools Developed	1 Legislated Tools Developed (EIP Annual Report)	(2)	Delays in the appointment of service provider due to technical challenges on the project to be implemented
To ensure compliance to and enforcement of environmental management legislation	139 environmental inspection conducted and finalized	120 environmental inspection conducted	146 environmental inspections conducted	26	Received more complaints than anticipated
To promote and maintain environmental quality management	99% (180) EIA applications finalized within legislated timeframe	98% of complete EIA applications finalized within legislated time frame	100% (99/99) of complete EIA applications finalized within legislated time frame	2%	All applications received were finalized within legislated time frame
To promote and encourage environmental empowerment	4 486 environmental awareness activities conducted	605 environmental awareness activities conducted	652 environmental awareness activities conducted	47	More was achieved through DEA pilot Green Schools Programme implemented in Mpumalanga

Sub Programme 9.1 : Environmental Policy, Planning & Coordination							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of Legislative Tools Developed	1 Legislative Tool Developed	1 Legislative Tool Developed	2 Legislative Tools Developed	3 Legislated Tools Developed	1 Legislated Tool Developed (EIP Annual Report)	(2)	Delays in the appointment of service provider due to technical challenges on the project to be implemented
Number of Intergovernmental Sector Tools Reviewed	2 Intergovernmental Sector Tools Reviewed	1 Intergovernmental Sector Tool Reviewed	2 Intergovernmental Sector Tools Reviewed	1 Intergovernmental Sector Tool Reviewed	1 Intergovernmental Sector Tool Reviewed	0	None
Number of Functional Environmental Information Management Systems	New Indicator	New Indicator	3 Functional Environmental Information Management Systems (WIS, NECER & NEAS)	3 Functional Environmental information Management Systems	3 Functional Environmental information Management Systems	0	None
Number of Climate Change Response Tools Developed	1 Climate Change Response Tool Developed	0 Climate Change Response Tool Developed	1 Climate Change Response Tool Developed	1 Climate Change Response Tool Developed	1 Climate Change Response Tool Developed	0	None
Percentage of implementation of the Local Government Support Strategy	New Indicator	100% Implementation of 1 Local Government Support Strategy	100% Implementation of 1 Local Government Support Strategy	100% of 1 Local Government Support Strategy	100% of 1 Local Government Support Strategy	0	None

Sub Programme 9.2 : Environmental Compliance and Enforcement							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of administrative enforcement notices issued for non-compliance with environmental management legislation	44 administrative enforcement actions taken	58 enforcement actions finalized for non-compliance with environmental management legislation	59 enforcement actions finalized for non-compliance with environmental management legislation	40 administrative enforcement notices issued for non-compliance with environmental management legislation	54 Administrative Enforcements issued for non-compliance with environmental legislation	14	Received more cases than anticipated
Number of completed criminal investigations handed to the NPA for prosecution	New Indicator	New Indicator	New Indicator	8 completed criminal investigations handed to the NPA for prosecution	20 completed criminal investigations handed to the NPA for prosecution	12	Received more cases for investigations than anticipated
Number of environmental inspections conducted and finalized	76 environmental compliance inspections conducted	118 environmental compliance inspections conducted	139 environmental inspections conducted and finalized	120 environmental inspection conducted	146 environmental inspections conducted	26	Received more complaints than anticipated
Number of section 24G applications received	11 section 24G applications evaluated and authorised	21 section 24G applications evaluated and authorised	13 section 24G fines paid	20 section 24G applications finalized	15 Section 24g applications finalized	(5)	Non-payment of administrative fines

1. 24G Application refers to an application for rectification of unlawful commencement or continuation of activities listed in terms of National Environmental Management Act or National Environmental Management Waste Act

Sub Programme 9.3 : Environmental Quality Management							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Percentage EIA applications finalized within legislated time frame	100% (214) EIA applications finalized within legislated time frame	100% (218) EIA applications finalized within legislated time frame	99% (180) EIA applications finalized within legislated timeframe	98% of complete EIA applications finalized within legislated time frame	100% (99/99) of complete EIA applications finalized within legislated time frame	2	None
Percentage of atmospheric emission licenses (AELs) issued within legislated time-frames	100% (5) atmospheric emission license (AELs) applications finalized within legislated time-frames	100% (5) atmospheric of emission license (AELs) with complete applications issued within legislated time-frames	40% (2) atmospheric emission license (AELs) with complete applications issued within legislated time-frames	100% atmospheric emission license (AELs) with complete applications issued within legislated time-frames	100% (1/1) atmospheric emission license (AELs) with complete applications issued within legislated time-frames	0	None

Sub Programme 9.3 : Environmental Quality Management							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Percentage of Waste licenses applications finalized within legislated time frames	80% (37) waste licenses applications issued	80% (15) waste licenses application finalized within legislated timeframes	100% (10) Waste License applications finalized within legislated timeframes	80% Waste License applications finalized within legislated timeframes	0% Waste License applications finalized within legislated timeframes	0	No applications received
Number of change of land use applications received and commented on	84 change of land and water use applications received and commented on	276 change of land and water use applications received and commented on	133 change of land and water use applications received and commented on	100 change of land use applications received and commented on	41 change of land use applications received and commented on	(60)	Received fewer applications than anticipated
Number of Ambient Air Quality Monitoring Stations managed	0 Ambient Air Quality Monitoring Stations commissioned; operated and maintained	0 Ambient Air Quality Monitoring Stations commissioned; operated and maintained	5 Ambient Air Quality Monitoring Stations commissioned; operated and maintained	5 Ambient Air Quality Monitoring Stations managed	5 Ambient Air Quality Monitoring Stations managed	0	None

Sub Programme 9.4: Environmental Empowerment Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of work opportunities created through environmental programmes	37 job opportunities created through environmental programmes	71 job opportunities created through environmental programmes	89 work opportunities created through environmental programmes	89 work opportunities created through environmental programmes	89 work opportunities created through environmental programmes	0	None
Number of environmental capacity building activities conducted	18 environmental capacity building activities conducted	20 environmental capacity building activities conducted	554 environmental capacity building activities conducted	440 environmental capacity building activities conducted	451 environmental capacity building activities conducted	11	More achieved due to partnership with Rand Water for training
Number of environmental awareness activities conducted	104 environmental awareness activities conducted	5 412 environmental awareness activities conducted	4 486 environmental awareness activities conducted	605 environmental awareness activities conducted	652 environmental awareness activities conducted	47	DEA (Department of Environmental Affairs) Green Schools Programme was implemented as a new pilot programme within Mpumalanga

Sub Programme 9.4: Environmental Empowerment Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of municipalities monitored for GMC (Greenest municipality Competition)	18 municipalities monitored for GMC (Greenest municipality Competition)	18 municipalities monitored for GMC (Greenest municipality Competition)	18 municipalities monitored for GMC (Greenest municipality Competition)	17 municipalities monitored for GMC (Greenest municipality Competition)	17 municipalities monitored for GMC (Greenest municipality Competition)	0	None

Strategy to overcome areas of under performance

Conduct proactive compliance awareness to organs of state (e.g. Local Municipalities) and communities on waste issues to receive more applications for the landfill sites and Air quality facilities for Waste License and Air emission licenses applications for approval.

Changes to planned targets

None

Linking performance with budgets

The Programme has spent 99.8% of its allocated budget of R101,193,000 compared to 97.8% in the previous financial year.

Programme 9: ENVIRONMENTAL AFFAIRS

Sub- Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Environmental Affairs	2,373	2,350	23	3,434	3,435	(1)
Environ Pol Plan & Coordination	3,180	2,954	226	2,857	2,405	452
Compliance & Enforcement	7,107	7,024	83	6,515	6,185	330
Poll waste & Impact Management	19,396	19,123	273	16,743	17,058	(315)
Environmental Empowerment	69,137	69,517	(380)	62,458	60,859	1,599
TOTAL	101,193	100,968	225	92,007	89,942	2,065

5. TRANSFER PAYMENTS

5.1. TRANSFER PAYMENTS TO PUBLIC ENTITIES

The table below reflects the transfer payments made for the period 1 April 2017 to 31 March 2018

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)	Achievements of the public entity
0	0	0	0	0

5.2. TRANSFER PAYMENTS TO ALL ORGANIZATIONS OTHER THAN PUBLIC ENTITIES

None

6. CONDITIONAL GRANTS

6.1. Conditional Grants and earmarked funds paid.

None

6.2. Conditional Grants and Earmarked Funds Received

The table/s below details the conditional grants and ear-marked funds received during for the period 1 April 2017 to 31 March 2018

Conditional Grant 1: Comprehensive Agricultural Support Programme Grant (CASP)

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
Purpose of the grant	<ul style="list-style-type: none"> To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform, restitution and redistribution, and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in export. To revitalize and develop extension and advisory services in order to provide the necessary technical support for the development of farmers To address damage to infrastructure caused by floods.
Expected outputs of the grant	<ul style="list-style-type: none"> 15 boreholes drilled, equipped and reticulated to point of use (4 boreholes drilled but not equipped) 29 km fence constructed 49 ha installed with irrigation system 4 tunnels constructed 2 animal handling facilities constructed 500 ha of forestry replanted 2 pack houses constructed 800m access road regavelled 3 access bridges constructed/ refurbished 9 earth dams rehabilitated 10 poultry structures constructed 4 animal health clinics refurbished 7 X High Mast Light 6 Fortune 40 projects furnished 1 milling plant installed in 1 milling facility 6 pack houses constructed for SA GAP certification 507 smallholder farmers supported 3 604 jobs created To procure corporate wear and protective clothing for Extension and Advisory Services To pay the travel and subsistence allowance for the contract officials To pay for the renewal of the digital pen license

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
	<ul style="list-style-type: none"> • To fund the professional development activities of the Extension Practitioners (Attendance of professional conferences, symposiums and workshops; Hosting of Extension Summits and Awarding of Extension Awards). • To establish the Provincial Extension Coordination Forum and ensure that it is functional. • Maintenance of the 55 ERP contract Extension Practitioners. • Educational excursion for Agricultural Advisors. • Reskilling of the Extension Practitioners in soft, technical and ICT skills • Procurement of ICT gadgets and working tools
Actual outputs achieved	<ul style="list-style-type: none"> • 11 boreholes drilled, equipped and reticulated to point of use • 50.45 km fence constructed • 52 ha installed with irrigation system • 7 tunnels completed (4 X new tunnels and 3 X refurbished tunnels) • 1 animal handling facilities completed • 125 ha of forestry replanted • 2 pack houses constructed • 12,2km access road regravelled • 3 access bridges • 6 earth dams • 3 animal health clinics refurbished • 3 high mast lights • 6 Fortune 40 projects furnished • 1 milling plant being installed including milling equipment • 6 SA GAP projects assisted with ablution facilities, storeroom and chemical room • 411 beneficiaries of CASP supported • 613 jobs created • Paid for the renewal of the digital pen license • Paid the travel and subsistence allowance for the contract officials • Procured only protective clothing for some of the Extension and Advisory Services personnel who were left out in 2016/17 • Funded the professional development activities of the Extension Practitioners (Attendance of professional conferences, symposiums and workshops; Hosting of Extension Summits and Awarding of Extension Awards and registration with SACNASP) • Two officials participated in the international tour where they went to Japan and Kenya under the Smallholder Horticulture Empowerment and Promotion (SHEP). • Reskilling of the Extension Practitioners in ICT skills, technical skills and soft skills. • Maintain the Vodacom contract for the provision of voice and data
Amount per amended DORA	R 155 447
Amount received (R'000)	R 155 447
Reasons if amount as per DORA not received	N/A
Amount spent by the Department	R 152 979
Reasons for the funds unspent by the Department	Invoices could not be paid due to BAS payment system failure
Reasons for deviations on performance	None
Measures taken to improve performance	None
Monitoring mechanism by the transferring Department	Monthly, Quarterly, Annual Reports. Quarterly Review meetings and project visits

Conditional Grant 2: Ilima/Letsema Projects Grant

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
Purpose of the grant	To expand the provision of agricultural services, and promote and facilitate agricultural development by targeting subsistence, emerging and commercial farmers
Expected outputs of the grant	This Programme is expected to support farmers with production inputs for their fields and gardens. The Department targeted to plant 14 000 hectares and establish 2000 gardens. Through this support the Department planned to support 10 000 households.
Actual outputs achieved	The Department managed to support 10 484 households benefited from agricultural food security initiatives. Total 18 852.93 hectares were cultivated for food production in communal areas and land reform projects. Out of 2000 planned food gardens, 1 983 food gardens established and maintained.
Amount per amended DORA	R 52 213 000
Amount received (R'000)	R 52 213 000
Reasons if amount as per DORA not received	N/A
Amount spent by the Department	R 52 197 000
Reasons for the funds unspent by the Department	N/A
Reasons for deviations on performance	None
Measures taken to improve performance	None
Monitoring mechanism by the transferring Department	Monthly, Quarterly, Annual Reports. Quarterly Review meetings and project visits

Conditional Grant 3: Land Care Programme Grant: Poverty Relief and Infrastructure Development

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
Purpose of the grant	To promote sustainable use and management of natural resources by engaging in community based initiatives that support the pillars of sustainability (social, economic and environmental), leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> • 3700 hectares protected / rehabilitated to improve agricultural production • 140 green jobs opportunities created through LandCare programme • 40 awareness campaigns conducted on LandCare • 620 Hectares of land where weeds and invader plants are under control • 22 Schools participating in the Junior LandCare programme
Actual outputs achieved	<ul style="list-style-type: none"> • 3700 hectares protected / rehabilitated to improve agricultural production • 226 green jobs opportunities created through LandCare programme • 42 awareness campaigns conducted on LandCare • 664.40 Hectares of land where weeds and invader plants are under control • 22 Schools
Amount per amended DORA	R 6 608 000
Amount received (R'000)	R 6 608 000
Reasons if amount as per DORA not received	N/A
Amount spent by the Department	R 6 514 000
Reasons for the funds unspent by the Department	One service provider had challenges with CSD (banking details) and the funds could not be paid on time.
Reasons for deviations on performance	None
Measures taken to improve performance	N/A
Monitoring mechanism by the transferring Department	Monthly and Quarterly reporting and project visits for monitoring

Conditional Grant 4: Expanded Public Works Programme Integrated Grant for Provinces

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
Purpose of the grant.	To incentivise provincial Departments to expand work creation efforts through the use of labour intensive delivery methods in identified focus areas, in compliance with the Expanded Public Works Programme (EPWP) guidelines.
Expected outputs of the grant	The Programme is expected to create jobs through all Departmental programmers. The Department planned to create 1 660 jobs.
Actual outputs achieved	Through different programmes the Department managed to create 1 033 job opportunities and 358 full time equivalents.
Amount per amended DORA	R 3 605 000
Amount received (R'000)	R 3 605 000
Reasons if amount as per DORA not received	N/A
Amount spent by the Department	R 3 605 000
Reasons for the funds unspent by the Department	N/A
Reasons for deviations on performance	Fewer jobs created due to changes in the reporting requirements for EPWP
Measures taken to improve performance	Comprehensive support to food gardens will contribute towards job creation in that local people will be hired for erecting the fence and assisting with labour during the installation of irrigation systems
Monitoring mechanism by the transferring Department	Monthly and Quarterly reports, Review meetings and Site visits

7. DONOR FUNDS RECEIVED

None

8. CAPITAL INVESTMENT

8.1. CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

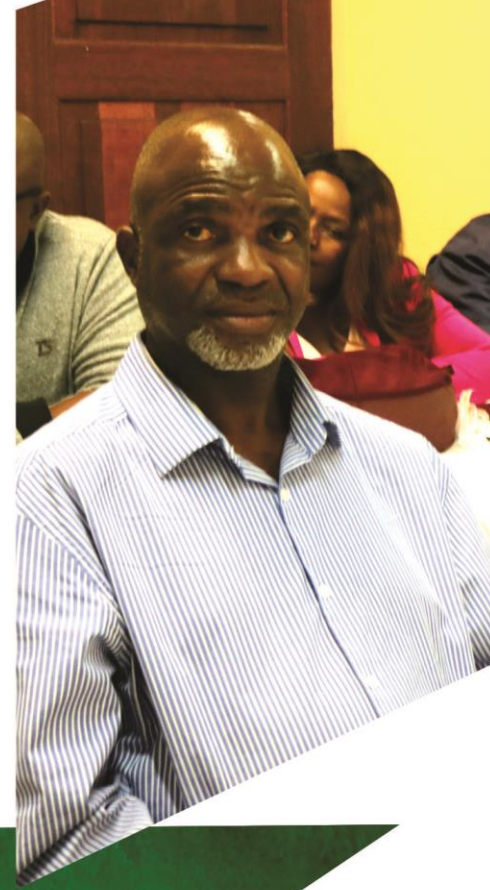
Infrastructure projects were implemented as per Departmental approved project list and 90% of the the Projects were completed, with Agri-Hubs at 50%. Agri-Hubs are earmarked to improve farmers' access to agriculture value chain and will be completed by the 31st of March 2019. Departmental facilities were maintained in the financial year under review i.e. Marapyane Training Centre, Nootgedacht Research Station and Environmental Centres. Development relating to the above resulted in the department spending 100% of its budget vote. Disposal, scrapping and losses are dealt with in line with the PFMA and Treasury Regulations. Periodic Asset verification and Conditional Assessments were undertaken to ensure that the departmental Asset Register is kept up to date. In relation to Capital Asset Maintenance backlog, the Department did not have a backlog.

Infrastructure projects	2017/18			2016/17		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	-	-	-	-	1,265	-1265
Existing infrastructure assets	48,692	41,709	6,983	16,500	7,536	8,964
- Upgrades and additions	-	-	-	3,500	2,208	1,292
- Rehabilitation, renovations and refurbishments	-	-	-	1,500	1,321	179
- Maintenance and repairs	48,692	41,709	6,983	11,500	4,007	7,493
New Infrastructure assets: capital	70,437	69,260	1,177			
Infrastructure transfer	-	-	-	100,922	68,093	32,829
- Current	-	-	-	100,922	68,093	32,829
- Capital				-	-	-
Infrastructure leases	12,898	15,922	-3,024	-	-	-
Total	132,027	126,891	5,136	117,422	76,894	40,528



agriculture, rural development,
land & environmental affairs

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



PART C:

GOVERNANCE

1. INTRODUCTION

The commitment by the Department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the Department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer.

2. RISK MANAGEMENT

The Accounting Officer (AO) for the Department takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework and the Risk Management Unit facilitates the Departmental risk management activities and reports directly to the Accounting Officer.

The Department adopted the ERM Policy, ERM Strategy and the ERM Implementation Plan for the 2017/18 financial period, which were approved by the Accounting Officer. The ERM Implementation Plan gave effect to the Departmental ERM Policy and Strategy and outlines the roles and responsibilities of management and staff in embedding risk management in the Department.

The Department assessed significant risks that could have an impact on the achievement of its objectives, both at strategic and Programme levels, and reviewed on a quarterly basis. Risks were prioritized based on the likelihood and impact (inherently and residually) and additional mitigations were agreed upon to reduce risks to acceptable levels. New/emerging risks were identified during the quarterly review processes.

The Department established an ERM Committee to assist the Accounting Officer in executing her responsibilities relating to risk management. The committee adhered to the Terms of Reference approved by the Accounting Officer. ERM Committee evaluated the effectiveness of the mitigating strategies implemented to address the risks of the Department and recommended further action where relevant.

The Audit Committee provided the independent oversight of the Department's system of risk management. The Audit Committee was furnished with quarterly ERM progress reports and Departmental risk profiles and registers to execute their independent oversight role. The Audit Committee's evaluation of the risk management process was in relation to the progress of implementation of the Risk Management Implementation Plan and risks faced by the Department and their relevant risk response/treatment strategies.

The process of risk management was also assessed by Mpumalanga Provincial Treasury and Department of Planning, Monitoring and Evaluation (DPME), through FMCMM and MPAT respectively. The results of these assessment tools are indicative of an effective and efficient risk management system.

3. FRAUD AND CORRUPTION

The Mpumalanga Government adopted an anti-Corruption Strategy which confirms the Province' zero tolerance stance towards fraud and corruption. The Department has an approved Fraud Prevention Plan and the Fraud Prevention Implementation Plan. The latter gives effect to the Fraud Prevention Plan.

Training and awareness campaigns were conducted to all districts and head office. The emphasis was made on the procedures to follow and the importance of reporting fraud and corruption.

The Integrity Unit in the Office of the Premier (OTP) provides a centralized function in the management and investigation of National Anti-Corruption Hotline. All cases reported through the National Anti-Corruption Hotline were communicated accordingly and follow-ups made with OTP.

4. MINIMIZING CONFLICT OF INTEREST

A high standard of professional ethics must be promoted and maintained in the public service. To this effect, all members of the Senior Management Service (SMS), Middle Management Services (MMS) and all officials in Finance and Supply Chain Management are required to disclose to the executive authority particulars of all their financial interests in accordance with Chapter 2 of the Public Service Regulations, 2016. The objective of Chapter 2 is to identify any conflicts of interest in order to promote just and fair administrative actions of officials in senior positions and thereby to protect the public service from actions that may be detrimental to its functioning. Such disclosures take place annually. Should any conflict of interest arise it will be dealt with, in accordance with the Public Service Regulations and related prescripts.

Employees who wish to perform remunerative work outside the public service (RWOPS), must apply in accordance with approved Departmental policy governing RWOPS. All applications must be in writing in a prescribed form and must, amongst others, address the nature and extent of remunerative work to be performed, including the times/hours of duty and relation thereof (possible conflict of interest or areas of concern) to the normal duties that the employee performs in the public service. Such applications are then subject to review. Employees must apply annually in terms of the policy. Where non-compliance is detected such instances will be dealt with in accordance with the policy and, where appropriate, in terms of the Disciplinary Code and Procedures for the Public Service. The Department provided training and awareness on RWOPS to its officials in the four districts and head office.

The ethics officers were appointed by the Executive Authority to monitor compliance regarding disclosures. Members of different committees (oversight and bid committees) are required to sign declaration of interest forms, to assist the Department in managing conflict of interests for members serving on these structures.

5. CODE OF CONDUCT

Newly appointed employees receive and sign the Code of Conduct. Workshops are conducted to further clarify the Code of Conduct. In cases where employees do not adhere to the stipulations of the Code of Conduct, disciplinary measures are evoked. In the 2017/18 financial year 11 cases of misconduct were handled.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

In the year under review, the Department assisted officials that were injured on duty. Phephamsebenzi Campaign was held prior to December holidays to emphasise safety for the officials even when they are on holidays. Occupational Health and Safety Committees are established in the Districts and Head Office. These Committees assist in advocating for safety at the workplace. Employees that experience traumatic events are being assisted through the Employee Health and Wellness Unit.

7. PORTFOLIO COMMITTEES

The Portfolio Committee scheduled the following with the Department for 2017/18 Financial Year.

Portfolio Committee Meeting	Date
First Quarter Performance Report 2017/18	17 August 2017
Second Quarter Performance Report 2017/18	16 November 2017
Annual Report 2016/17	26 October 2017
Third Quarter Performance Report 2017/18	27 February 2018

Matter raised by the Portfolio Committee and how the Department addressed them:

Portfolio Committee Meeting	Matters raised	How the Department has addressed them
First Quarter Performance Report 2017/18	1. The Accounting Officer must comply with Section 39(1) (a) of the PFMA No.1 of 1999.	The Department notes the resolution by the Committee and will ensure that the expenditure is in accordance with the vote of the Department and the main divisions within the vote.
	2. Address the causes leading to the reoccurrence of the accruals to ensure that projects are not negatively affected by this.	The Department notes the resolution by the Committee and will ensure that root causes that leads to accruals, are minimised and or eliminate through improvement of the control environment in this regard.
	3. Submit an action plan regarding the converting of the Elijah Mango College to an agricultural college. Furthermore, the Department must submit a progress report on the work done at the Marapyane College.	<p>Plan on converting Elijah Mango into a farmer training centre: The Department has developed a full plan for the opening of Elijah Mango College as a farmer training centre. The plan includes amongst others to develop an activity plan with an outline of critical phases, a full estimate based on the buildings allocated to the Department, the works needed to bring them to operational state, presentation to request special budget allocation for the Mandate, appointment of Director: Structured Agricultural Training for programme development, accreditation and supervision of staff, carry out refurbishments in order to ready the facility for Farmer Training Programme development for farmers training (NQF 1 to NQF 4) and the appointment of Director: Structured Agricultural Training for programme development, accreditation and supervision of staff. All these plans were to be concluded before 31 March 2018.</p> <p>Progress report on the Marapyane College: Since the announcement by the Premier on the programme to re-open Marapyane College, the Department developed an action plan and has been tracking its progress against this plan (Table 2). In addition, the Department has been following the National Government movements where it was resolved that the feasibility of centralising all Colleges of Agriculture into the Department of Higher Education and Training be finalised by DAFF and DHET. Based on the expert study and its recommendations, the Department (DARDLEA) will be re-opening Marapyane College as a farmer training centre.</p>
	4. Achieve all planned targets as per the approved APP for 2017/18. In addition, the Department must submit the revised Implementation Plan for the 2017/18 financial year.	The Department notes the resolution by the Committee, and will ensure that the APP is implemented as approved. The Department has, as one of the systems, Departmental review sessions. In sessions, progress on the planned targets is reported on a monthly basis at the Programme level and quarterly at the Departmental level. Programme Heads present progress on their performance against the set targets, expenditure on the allocated budget and the encountered challenges and the remedial actions thereafter.

Portfolio Committee Meeting	Matters raised	How the Department has addressed them
	5. Prioritise the reviewing of delegations in District offices to ensure proper support to projects.	The Department has prioritised the delegations in District offices and currently in a process of reviewing the financial and none financial delegations, which encompasses the district offices. The main purpose is to ensure effective and efficient service delivery and proper risks management.
	6. Conduct communication sessions on the health impact of the Avian Flu in the province.	<p>The Department had various radio interviews with Ligwalagwala FM and Rise FM to raise awareness on Avian Influenza between the months June to August 2017.</p> <p>The Department had an information session through the Ehlanzeni District Municipality Disaster Management Advisory Forum in Ehlanzeni District on 6 September 2017 where various stakeholders (local municipalities, sister Departments, South African Weather Services etc.) were in attendance. The main discussion included amongst others the impact of the Avian Flu, its health impact in human beings as well as the control measures.</p> <p>Information articles have been prepared by the Department; this will be published through various print media in the month of October 2017. The articles outline the details of the Avian influenza such as the disease itself, its clinical signs and symptoms, whether it affects humans and control measures.</p> <p>The Department also continues to raise awareness through the farmer's days', information sessions and one on one extension sessions across the province.</p>
	7. Conduct a work study on the functions of the Department.	The Department will immediately commence with the processes of conducting the work study as resolved by the Committee. The Committee will be furnished with quarterly progress reports on the matter.
	8. Submit the plan on how the dismissed Umbhaba Estate farm workers will be assisted.	The Department has noted that the affected farm workers reside in different areas, and as a result the Department commenced with a process of identifying them. After which a meeting will be convened to start with the profiling of the affected farm workers with an intention to establish the number of those still interested in farming, type of farming and age groups to establish if they can be assisted through other programmes such as Fortune 40 programme. The Department will report progress on the matter to the Committee after conducting its assessment which will then inform the plan to be developed. The plan will be submitted to the Committee upon conclusion.
Second Quarter Performance Report 2017/18	1. The Department must ensure that the reclassification of all budgets and expenditure payments to goods and services does not result in an audit finding with the Auditor General at the end of the financial year.	The Resolution of the Committee is noted, the Department will continue in monitoring the classification of budget and expenditure in order to avoid audit queries.

Portfolio Committee Meeting	Matters raised	How the Department has addressed them
	<p>2.Regarding the unauthorised expenditure of R13 000 000.00 the Committee recommends that:</p> <p>a. The Department must report whether the unauthorised expenditure was reported to Provincial Treasury as required by Section 38 (1)(g) of the PFMA, 1999.</p> <p>b. The Accounting Officer must take effective and necessary disciplinary steps against officials who made or permitted the unauthorised expenditure as required by Section 38 (1)(h)(iii)</p> <p>c. The Department must spend its allocated budget on the core mandate of the Department to ensure that service delivery is not compromised.</p>	<p>The unauthorised expenditure was not reported to Provincial Treasury. This is due to the approval received from Provincial Treasury with regard to the funds availability and the budget adjustment period thereof.</p> <p>Taking reference to the above response 2 (a); there are no disciplinary steps taken.</p> <p>The Resolution of the Committee is noted, the Department will spend its allocated budget on the core mandate of the Department to ensure that service delivery is not compromised.</p>
	<p>3.The Department must submit the reports as indicated on finding 'C' above on or before 28 November 2017:</p>	<p>The requested reports on the programmes below submitted to the Committee as Annexures.</p> <ul style="list-style-type: none"> - Report on the Government Nutrition Programme - Report on the Dismissed Farm Workers of Umbhaba Estate - Report on the re-opening of Marapyane College, Indicating the set timeframes
	<p>4.The Department must achieve all planned targets as per the approved APP for 2017/18.</p>	<p>The Department notes the resolution by the Committee and will endeavour to ensure that all planned targets are achieved as per the approved plan.</p>
	<p>5.The Department must ensure that a special Cabinet approval is obtained to fill posts within the Engineering section.</p>	<p>The Department is in a process of consolidating critical posts (inclusive of engineering services) for approval by Cabinet. Currently, one of the Candidate Engineers has since qualified as a Professional Engineer and the Department has appointed him as Acting Chief Engineer.</p>

8. SCOPA RESOLUTIONS

SCOPA Meeting	Date
SCOPA resolutions 2015/16 Annual Report	10 November 2017

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
1.2.1. (i)	Achieved of planned targets	The Accounting Officer must ensure that all targets in the APP approved by the Legislature are implemented and achieved.	The Department notes the resolution by the Committee, and will ensure that the APP is implemented as approved. The Department conducts Departmental performance review sessions as per the Procedure Manual on Performance and Information Management.	Ongoing

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
			In these sessions, progress on the planned targets is reported on a monthly basis at the Programme level and quarterly at the Departmental level. Programme Heads present progress on their performance against the set targets, expenditure on the allocated budget and the encountered challenges and the remedial actions thereafter.	
ii)	Achieved of planned targets	The Accounting Officer must provide the Committee with the list of beneficiaries drought relief programme indicating amounts received per individual or project.	The Department procured drought relief items in bulk and distributed to farmers affected. The list of beneficiaries and the budget was attached.	Yes
1.2. (i)	Accruals	The Accounting Officer must take disciplinary actions against official(s) for incurring accruals that were not cash backed.	The Department notes the resolution by the Committee; however upon analysis of the accruals, these accruals were in relation to projects overlapping to the current financial year which were budgeted for. These did not have any negative impact on the Departmental plans; hence no disciplinary actions were taken.	Ongoing
1.3 (i)	Unauthorised expenditure	The unauthorized expenditure amounting R2 722 000.00 is not condoned pending investigation report, proof of disciplinary measures and recovery of the R2 722 000.00 from persons found liable in law.	The Department has conducted an investigation on the unauthorized expenditure amounting R2 722 000.00, the report was attached as an Annexure.	Yes
(ii)	Unauthorised expenditure	The Accounting Officer must ensure that the investigation is completed on time to allow consequence management regime to unfold as required by section 38 (1) (h) (i-iii). A report in progress made must be furnished to the Committee on 30 September 2017, 30 November 2017 and 28 February 2018.	The Department had conducted an investigation on the matter through Office of the Premier. Following the recommendation from the investigation report, the then Acting CFO was charged. The Department held several hearings with the official. The matter was ultimately taken to the Labour Court which ruled in favour of the official.	Yes
1.4 (i)	Procurement and contract management	The Accounting Officer must taking disciplinary action against official(s) who failed to comply with Preferential Procurement Policy Framework Act of South Africa, 2000 (Act No.5 of 2000) and its regulations	The Department has given the responsible official verbal warning for failing to ensure that the matter is reported to the Provincial Treasury within specified timeframe as well as the Auditor General, after the deviation was approved by the Accounting Officer.	Yes
1.5 (i)	Expenditure management	The Executive Authority must take disciplinary actions against the Accounting Officer/ official (s) for incurring irregular expenditure amounting R33 144 000 in the 2015/16 financial year.	The Department conducted an investigation on the matter. The outcome of the report indicates that most of the issues raised as irregular expenditure were compliance matters, of which responsible officials received verbal warnings.	Ongoing

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
			The report for 2015/16 irregular expenditure was submitted to Provincial Treasury for condonation. During the current financial year, the Department has referred the matter to Governance and Compliance Advisory Committee for condonation. Currently, the Department awaits for the outcome from the Committee.	
1.6 (i)	Leadership	The Executive Authority must take disciplinary actions against the Accounting Officer for failure to exercise oversight responsibility regarding financial and performance reporting and compliance with legislation in the Department.	The Executive Authority notes the resolution by the Committee. The Department will give progress on the resolution in view of the other resolutions and investigation that are still ongoing or to be initiated. However, the Department has since appointed the CFO who amongst his responsibilities is to oversee and ensure that financial performance issues are well performed. The Department continues to strengthen the current internal control systems to ensure improvements on the reporting of financial and non-financial performance.	Ongoing
1.7 (i)	Report of the audit committee	The Accounting Officer must ensure that the process of paying officials transferred to the Department of Health is finalised not later than 30 September 2017.	The Department has since written a letter to the Department of Health on 11 July 2017 to request back the submitted personnel files, with the intention of absorbing the excess staff into the positions that were vacated through various terminations. The Department awaits the response from the Department of Health to finalise the process and progress on the matter will be reported to the Committee upon conclusion.	Ongoing
(ii)	Report of the audit committee	The Accounting Officer must ensure that the Department has a plan in place to adequately implement the internal and external recommendations by the Audit Committee and other assurance bodies.	The Department has developed an Audit Action Plan and Decision Register which are monitored on a quarterly and monthly basis respectively. Progress on the plans is discussed during the Audit Committee sittings and management meetings.	Ongoing

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
None	None	None

10. INTERNAL CONTROL UNIT

The Department has an Internal Audit unit under the control and direction of the Audit Committee as required by section 38(1) (a) (ii) of the Public Finance Management Act. The Internal audit operates in accordance with the Treasury Regulation, section 3.2 and in line with the International Standards for the Professional Practice of Internal Auditing (ISPPIA). The unit strives for service excellence and value add to the Departmental operations.

The Internal Audit Unit derived its operational plan from the risk assessment conducted by the Risk Management unit, then evaluated the Internal Control, Risk Management and Governance processes for weaknesses and make recommendations for improvements.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Purpose and Objective of the Internal Audit Activity:

Internal Auditing is an independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of the Department of Agriculture, Rural Development, Land and Environmental Affairs (DARDLEA). It assists DARDLEA in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's governance, risk management, internal control.

Summary of the audit work done

The Internal Audit unit has performed the following audits in 2017/18 financial year:

- Audit of Asset Management
- Audit of Corporate Services
- Audit of Risk Management
- Audit of Information Technology
- Audit of Performance Information (Programme 3, 9, and 5)
- Audit of Project Management
- Audit of Interim Financial Statements
- Follow up audit on Internal & External audit recommendations

The Internal Audit work was performed in due professional care and without bias. Management has been supportive to the audit process and committed themselves to the implementation of the audit action plans.

KEY ACTIVITIES AND OBJECTIVE OF THE AUDIT COMMITTEE

Audit Committee key activities

- The Audit Committee plays an oversight role over:
 - 1) Financial management, operational and other reporting practices
 - 2) Internal controls and risk management and governance risks
 - 3) Information technology governance in its support to achievement of Departmental objectives
 - 4) Safeguarding and effective utilization of Departmental resources and
 - 5) Compliance with laws and regulations
- The Audit Committee directs the work of Internal audit activity
- The Committee also oversees the work of the external audit function.

Audit Committee Objectives

- To ensure or secure transparency, accountability and the sound management of revenue and expenditure as well as the assets and liabilities of the Department.

Composition of the Audit Committee and meetings

Name	Qualifications	Internal or External	Date of Appointment	Date Resigned	No. of Prescribed Meetings	Meetings Attended
Mr. KJ Chisale	ACCA(UK);CIA;C CSA; CFE; PG Certificate in Fraud Examination; LGSETA Accredited Assessor; IIA Fellowship Certificate	External	01 October 2015	Not applicable	4	4
Ms N Jaxa	MBA General; BCom (Hons)	External	01 October 2015	Not applicable	4	5
Mr A Dzuguda	BCom (Hons) Certificate in Taxation	External	01 October 2015	Not applicable	4	5
Ms T Semane	BCom (Acc); Postgraduate Dip. In BA; Associate Diploma	External	01 October 2015	Not applicable	4	3

12. AUDIT COMMITTEE REPORT

Audit committee members and attendance

The audit committee was established in accordance with sections 38(1)(a)(ii) and 77 of the PFMA. The audit committee charter requires that the audit committee comprises a minimum of three members, the majority of whom should be from outside the public service (department) or the majority of whom should be non-executive members.

The audit committee comprises four members, including the chair, Mr. Chisale. In terms of section 77(b) of the PFMA, the audit committee must meet at least twice a year. During the financial year ended 31 March 2018, the audit committee met on five occasions. The table below shows the attendance of these meetings:

Name	Qualifications	Internal or External	Date of Appointment	Date Resigned	No. of Prescribed Meetings	Meetings Attended
Mr. KJ Chisale	ACCA(UK);CIA;CCSA; CFE; PG Certificate in Fraud Examination; LGSETA Accredited Assessor; IIA Fellowship Certificate	External	01 October 2015	Not applicable	4	4
Ms N Jaxa	MBA General; BCom (Hons)	External	01 October 2015	Not applicable	4	5
Mr A Dzuguda	BCom (Hons) Certificate in Taxation	External	01 October 2015	Not applicable	4	5
Ms T Semane	BCom (Acc); Postgraduate Dip. In BA; Associate Diploma	External	01 October 2015	Not applicable	4	3

Audit committee's responsibility

The audit committee has complied with its responsibilities arising from section 38(1)(a)(ii) of the PFMA read with treasury regulation 3.1.10, and reports that it operated in terms of the audit committee charter read in conjunction with the internal audit charter.

Effectiveness of internal control

The audit committee acknowledges management's efforts to strengthen internal controls in the department. There is a need for increased technical support, monitoring and evaluation from head office to unlock the full potential of these efforts.

The audit committee is concerned about the high risk exposure on internal control due to the high vacancy rate in key positions e.g. senior management, veterinarians and etc. Management has made efforts in addressing the recommendations of the internal audit and external auditors although there could still be areas of improvement.

The quality of monthly and quarterly reports submitted in terms of the PFMA and DORA

The audit committee is satisfied with the content and quality of management and quarterly reports prepared and issued during the year under review in compliance with the statutory framework. The audit committee has engaged with management to remedy shortcomings, especially relating to reports on performance against predetermined objectives.

The audit committee has reviewed and commented on the department annual financial statements and report on performance information and their timely submission to the external auditors by 31 May 2018.

Internal audit function

The accounting officer is obliged, in terms of the PFMA, to ensure that the entity has a system of internal audit under the control and direction of the audit committee. The audit committee is satisfied that the internal audit function has properly discharged its functions and responsibilities during the year under review.

The committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the department.

The audit committee is satisfied that the internal audit function has performed the external quality assessment that covers all aspects of the internal audit activity. The assessment indicates that the internal audit function obtained a generally conformance rating with the International Standards for the Professional Practice of Internal Auditing that can be applied in internal audit work.

Risk management function

The audit committee is responsible for the oversight of the risk management function. The risk management committee reports to the audit committee on the department's management of risk. The committee has reviewed the risk register and the reports from the risk committee and is generally satisfied with the maturity of the risk management process.

Evaluation of the finance function

The audit committee is satisfied with the department's finance function during the year under review.

Performance management

Part of the responsibilities of the audit committee includes the review of performance management. The audit committee has in terms of the performance of the Department performed the following functions:

- Review and comment on compliance with statutory requirements and performance management best practices and standards.
- Review and comment on the alignment of the annual performance plan, budget, strategic plan.
- Review and comment on the relevance of indicators to ensure that they are measurable and relate to services performed by the department public entity.
- Review of reported noncompliance with legislation
- Review of compliance with in year reporting requirements
- Review of the quarterly performance reports submitted by the internal audit function

The audit committee is satisfied that the performance report has been prepared in terms of the PFMA, the Treasury Regulations and any other related regulatory requirements for reporting performance.

Evaluation of the annual financial statements

The audit committee has reviewed the annual financial statements, which focused on the following:

- Significant financial reporting judgements and estimates contained in the annual financial statements.
- Clarity and completeness of disclosures and whether disclosures made have been set properly in context.
- Quality and acceptability of, and any changes in, accounting policies and practices.
- Compliance with accounting standards and legal requirements.
- Significant adjustments and/or unadjusted differences resulting from the audit.
- Reflection of unusual circumstances or events and management's explanation for the accounting treatment adopted.
- Reasons for major year-on-year fluctuations.

The audit committee is comfortable that the annual financial statements have been prepared in terms of the Modified Cash Standards and the PFMA.

Auditor-General's Report

- We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved except for the payments to suppliers were not made within 30 days
- We have also reviewed the Auditor General's report and management report for the year under review 2017/18 and we concur with the conclusion reached.

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



MR. K.J. CHISALE
CHAIRPERSON OF THE AUDIT COMMITTEE
DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS
31 MAY 2018



agriculture, rural development,
land & environmental affairs

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



PART D:

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all Departments in the public service.

2. OVERVIEW OF HUMAN RESOURCES

A commentary is provided in relation to the overview of human resources on the following:

The status of human resources in the Department of Agriculture, Rural Development, Land and Environmental Affairs (DARDLEA)

The Department of Agriculture, Rural Development, Land and Environmental Affairs (DARDLEA) has repositioned itself as an employer of choice. This served to assist the Department in business partnering between the line and support functions within the Department. Due to shortage of scarce skills in the agricultural sector, the Department continued to attract and utilise foreign skills on contract basis. However, the Moratorium on the filling of vacant and funded posts has started to impact negatively on service delivery since fewer officials carry the workload of the Department.

The Department repositioned itself through various strategic initiatives that include movement from a transactional role to transformational / strategic partner and change agent. It further ensured that the right employees with the right skills and competences are placed in the right positions. It continued to ensure that there was employee value proposition through candidate management and positive employee experience.

As at 31 March 2018, the total number of employees were 1 304. The Department experienced high volume of employees exiting the service during the year 2017/18, with a record of 92 employees. Due to the Moratorium which was imposed since 2015, the Department could not fill or replace posts that are left vacant by these employees.

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

The following HR priorities were identified for the year under review:

Filling of critical vacant and funded posts

In the financial year of 2017/18, the Department only filled seven (7) State Veterinarian posts due to the Moratorium imposed on the filling of vacant and funded posts. The current statistics on employment equity is 49% of females and 51% of males in the Department. Female representation in the SMS category is 33% while that of people with disability is 1.8%.

Improving the skills base of human capital

Two hundred and forty-eight (248) employees were capacitated on management and leadership, Workplace Skills Plan development, administrative skills, mentoring and coaching and cleaning skills.

Workforce planning and key strategies to attract and recruit a skilled and capable workforce

The Department has started the processes for the implementation of talent management programme through Internship Programme to serve as a talent pipeline feeder for most of the scarce and critical posts of the Department to invest, mentor and transfer skills and to fill the posts on permanent basis. The EPWP Programme (mainly for youth) was aimed at giving the youth experience and increasing chances of employability. The one-year employment contracts were extended with another.

DARDLEA also conducted Exit Interviews to identify challenges and themes to action, reposition and brand itself. The results of the Exit Interviews will be utilised to improve the best practices inclusive of the strengthening of Employee Engagement to reduce attrition/turnover.

DARDLEA is also a member of the National Job Evaluation Coordination Committee in the Agricultural Sector called Integrated Technical Committee on Agriculture (ITCA) where transversal jobs in the Agricultural Sector are nationally coordinated through Job Evaluation and standardised recruitment requirements to reduce job hopping and talent poaching in the Agricultural Sector and for career pathing. This ensures that the Department remunerates employees at the right level and is in line with the salary survey of the Private Sector.

DARDLEA also has Talent Management recruitment database for people with disabilities in order to absorb them in identified positions. This is also strengthened by the Disability Forum, Employment Equity Forum and Gender and Transformation Forum to drive the target to meet the Employment Equity Target as per Chapter 3 Part I section 27 of the Public Service Regulations of 2016 as amended, as well as Chapter 3, Section 20 of the Employment Equity Act 55 of 1998 and Cabinet Resolution of 2005 and November 2012.

Employee performance management

An Employee Performance Management and Development Policy was in place. Quarterly assessments and moderations were conducted on quarterly basis, followed by annual moderation at the end of every fourth quarter. The Department coordinated Personal Development Programmes that focused towards capacity development of existing employees in order to close the skills gap.

Employee wellness programmes

The Employee Wellness Programme has provided services in line with the four pillars of the Employee Health and Wellness Strategic Framework of 2012 developed by DPSA. These programmes include: HIV/AIDS and TB Management, Health and Productivity Management, Wellness Management and Safety, Health, Environment, Risk and Quality Management (SHERQ).

Highlight of achievements and challenges faced by the Department, as well as future human resource plans /goals.

Filling of vacant posts

The Department only filled seven (7) State Veterinary posts due to the Moratorium imposed on the vacant and funded post during this financial year 2017/18. Forty five (45) EPWP employees' contracts were extended to another 12 months.

Employment Equity

The Department has total female representation percentage of 49%, female representation on Senior Management of 33% and People with disability representation of 1.8%.

Performance Management and Development System (PMDS)

One thousand and seventy seven 1277 (level 1-12) employees complied with the submission of performance contract and assessments for 2017/18. Incentive bonuses and pay progression for 2017/18 was finalised.

Employee Health and Wellness

The Department reached 793 employees during the rolling out of HIV/AIDS, Health and Wellness Programmes. Five workshops on Health and Wellness Programmes organised and employees of the Department participated in a sporting activity organised provincially. One hundred and fifty five (155) employees did voluntary HIV/AIDS test.

Human Resource Development (HRD)

Two hundred and forty-eight (248) employees were capacitated on short courses during the financial year 2017/18.

Challenges

Some non-compliance with the Performance Management and Development System received attention and more emphasis was placed on resolving it. The Department has projected to fill 53 posts in 2018/19.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

The human resource oversight statistics tabulate amongst others the personnel related expenditure, employment and vacancies, filling of SMS posts, job evaluation, employment changes, signing of performance agreements by SMS members, performance rewards, foreign works, leave utilisation, employee health and wellness issues, labour relations issues and skill development issues.

3.1 Personnel related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 01 April 2017 and 31 March 2018

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Pr1: Administration**	185 231	104 888	710	0	56.6	492
Pr2: Sustainable Resource Management**	55 339	35 366	124	0	63.9	305
Pr3: Farmer Support And Development**	573 919	174 070	29	0	30.3	461
Pr4: Veterinary Services**	118 754	102 818	387	0	86.6	391
Pr5: Research & Technology Development Services**	54 260	41 766	0	0	77.0	370
Pr6: Agricultural Economics**	12 267	10 711	35	0	87.3	670
Pr7: Structured Agric Education & Training**	18 504	12 477	11	0	67.4	367
Pr8: Rural Development**	21 981	18 700	0	0	85.1	645
Pr9: Environmental Affairs**	100 968	68 468	166	0	67.8	482
TOTAL	1 141 223	569 264	1 461	0	49.9	437

Table 3.1.2 Personnel costs by salary band for the period 01 April 2017 and 31 March 2018

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	14 157	2.5	75	189
Skilled (level 3-5)	67 497	11.9	420	161
Highly skilled production (levels 6-8)	222 175	39.0	417	533
Highly skilled supervision (levels 9-12)	225 005	39.5	366	615
Senior and Top management (levels 13-16)	40 4300	7.1	26	1 555
TOTAL	569 264	100	1 304	437

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 01 April 2017 and 31 March 2018

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Pr1: Administration**	92 753	88.4	8568	8.2	2 329.00	2.2	3869	3.7
Pr2: Sustainable Resource Management**	30 616	86.6	238	0.7	1 504.00	4.3	1720	4.9
Pr3: Farmer Support And Development**	152 747	87.8	2246	1.3	4 908.00	2.8	7500	4.3
Pr4: Veterinary Services**	88 580	86.2	40	0.0	3 529.00	3.4	4864	4.7
Pr5: Research & Technology Development Services**	35 754	85.6	326	0.8	1482	3.5	2382	5.7
Pr6: Agricultural Economics**	9 506	88.7	35	0.3	153	1.4	354	3.3
Pr7: Structured Agric Education & Training**	10 399	83.3	0	0.0	513	4.1	937	7.5
Pr8: Rural Development**	16 623	88.9	15	0.1	237	1.3	517	2.8
Pr9: Environmental Affairs**	58 925	86.0	272	0.4	1 733.00	2.5	3370	4.9
TOTAL	495 903	87.1	11740	2.1	16 388.00	2.9	25513	4.5

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 01 April 2017 and 31 March 2018

Salary band	Salaries		Overtime		Home Owners allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	9 896	69.9	99	0.7	1 232	8.7	1 699	12.0
Skilled (level 3-5)	48 800	72.3	1282	1.9	4 657	6.9	5 332	7.9
Highly skilled production (levels 6-8)	189 328	86.4	6887	3.1	7 110	3.2	11 331	5.1
Highly skilled supervision (levels 9-12)	213 755	9.5	2925	1.3	2 700	1.2	6 750	3
Senior management (level 13-16)	34 123	84.4	0	0	809	2	606	1.5
TOTAL	495 902	6.4	11 194	1.9	16 507	2.7	25 719	5.1

3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies. The tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

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

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2018

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Pr1: Administration**, Permanent	215	213	0.9	0
Pr2: Sustainable Resource Management**, Permanent	194	116	40.2	0
Pr3: Farmer Support And Development**, Permanent	606	378	37.6	0
Pr4: Veterinary Services**, Permanent	345	263	23	0
Pr5: Research & Technology Development Services**, Permanent	222	113	49.1	0
Pr6: Agricultural Economics**, Permanent	18	16	11.1	0
Pr7: Structured Agric Education & Training**, Permanent	43	34	20,9	0
Pr8: Rural Development**, Permanent	65	29	55,4	0
Pr9: Environmental Affairs, Permanent	209	142	32,1	0
TOTAL	1 917	1 304	32.0	0

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2018

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (Levels 1-2), Permanent	375	74	80.3	0
Skilled (Levels 3-5), Permanent	476	373	21.6	0
Highly skilled production (Levels 6-8), Permanent	530	459	13.4	0
Highly skilled supervision (Levels 9-12), Permanent	495	371	25.1	0
Senior management (Levels 13-16), Permanent	41	27	34.1	0

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
TOTAL	1 917	1 304	32.0	0

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2018

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related, Permanent	95	47	50.5	0
Agriculture Animal Oceanography Forestry & Other Science, Permanent	35	23	34.3	0
Agriculture Related, Permanent	380	211	44.5	0
Appraisers-Valuers And Related Professionals, Permanent	1	1	0	0
Artisan Project And Related Superintendents, Permanent	1	1	0	0
Attorneys, Permanent	1	1	0	0
Auxiliary And Related Workers, Permanent	11	10	9.1	0
Biochemistry Pharmacol. Zoology & Life Scie. Techni, Permanent	113	85	24.8	0
Building And Other Property Caretakers, Permanent	12	12	0	0
Bus And Heavy Vehicle Drivers, Permanent	1	1	0	0
Cartographers And Surveyors, Permanent	1	1	0	0
Chemical And Physical Science Technicians, Permanent	2	2	0	0
Cleaners In Offices Workshops Hospitals Etc., Permanent	140	74	47.1	0
Client Inform Clerks(Switchb Recept Inform Clerks), Permanent	4	3	25	0
Communication And Information Related, Permanent	3	3	0	0
Conservation Labourers, Permanent	2	2	0	0
Economists, Permanent	13	12	7.7	0
Engineering Sciences Related, Permanent	6	6	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Engineers And Related Professionals, Permanent	12	9	25	0
Farm Hands And Labourers, Permanent	241	222	7.9	0
Farming Forestry Advisors And Farm Managers, Permanent	26	20	23.1	0
Finance And Economics Related, Permanent	15	11	26.7	0
Financial And Related Professionals, Permanent	22	20	9.1	0
Financial Clerks And Credit Controllers, Permanent	89	62	30.3	0
Food Services Aids And Waiters, Permanent	11	10	9.1	0
Forestry Labourers, Permanent	2	1	50	0
Geologists Geophysicists Hydrologists & Relat Prof, Permanent	1	0	100	0
Head Of Department/Chief Executive Officer, Permanent	1	1	0	0
Health Sciences Related, Permanent	2	2	0	0
Horticulturists Foresters Agricul.& Forestry Techn, Permanent	89	67	24.7	0
Human Resources & Organisat Developm & Relate Prof, Permanent	4	4	0	0
Human Resources Clerks, Permanent	130	58	55.4	0
Human Resources Related, Permanent	29	22	24.1	0
Information Technology Related, Permanent	4	4	0	0
Language Practitioners Interpreters & Other Commun, Permanent	7	7	0	0
Legal Related, Permanent	1	1	0	0
Light Vehicle Drivers, Permanent	1	1	0	0
Logistical Support Personnel, Permanent	3	3	0	0
Material-Recording And Transport Clerks, Permanent	1	1	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Messengers Porters And Deliverers, Permanent	1	1	0	0
Motor Vehicle Drivers, Permanent	11	9	18.2	0
Motorised Farm And Forestry Plant Operators, Permanent	16	16	0	0
Natural Sciences Related, Permanent	103	79	23.3	0
Nature Conservation And Oceanographical Rel.Techni, Permanent	5	5	0	0
Other Administrat & Related Clerks And Organisers, Permanent	130	81	37.7	0
Other Administrative Policy And Related Officers, Permanent	2	2	0	0
Other Occupations, Permanent	5	5	0	0
Production Advisers : Factories, Permanent	1	1	0	0
Risk Management And Security Services, Permanent	2	1	50	0
Safety Health And Quality Inspectors, Permanent	9	7	22.2	0
Secretaries & Other Keyboard Operating Clerks, Permanent	23	18	21.7	0
Security Guards, Permanent	5	3	40	0
Senior Managers, Permanent	44	17	61.4	0
Trade Trainers, Permanent	3	3	0	0
Veterinarians, Permanent	45	35	22.2	0
TOTAL	1 917	1 304	32.0	0

Notes

- The CORE classification, as prescribed by the DPSA, is used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (d) in respect of which a Department experiences a high degree of difficulty to recruit or retain the services of employees.

4 Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2018

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0
Salary Level 16	1	1	100%	0	0
Salary Level 15	0	0	0%	0	0
Salary Level 14	7	4	57%	3	43%
Salary Level 13	33	21	63%	12	36%
Total	41	27	63%	15	37%

Table 3.3.2 SMS post information as on 30 September 2017

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0
Salary Level 16	1	1	100%	0	0
Salary Level 15	0	0	0%	0	0
Salary Level 14	7	4	571%	3	43%
Salary Level 13	33	21	63%	12	36%
Total	41	27	63%	15	37%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2017 and 31 March 2018

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	0	0	0	0	0
Salary Level 13	0	0	0	0	0
Total	0	0	0	0	0

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

Reasons for vacancies not advertised within six months
Moratorium imposed on the filling of vacant and funded posts

Reasons for vacancies not filled within six months
Moratorium imposed on the filling of vacant and funded posts

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2017 and 31 March 2018

Reasons for vacancies not advertised within six months
Moratorium imposed on the filling of vacant and funded posts

Reasons for vacancies not filled within six months
Moratorium imposed on the filling of vacant and funded posts

3.4 Job Evaluation

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2017 and 31 March 2018

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	423	0	0	0	0	0	0
Skilled (Levels 3-5)	467	0	0	0	0	0	0
Highly Skilled Production (Levels 6-8)	499	0	0	0	0	0	0
Highly Skilled Supervision (Levels 9-12)	487	0	0	0	0	0	0
Senior Management Service Band A	34	0	0	0	0	0	0
Senior Management Service Band B	5	0	0	0	0	0	0
Senior Management Service Band C	1	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
TOTAL	1917	0	0	0	0	0	0

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2017 and 31 March 2018

Gender	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
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case. 1 April 2017 and 31 March 2018

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2017 and 31 March 2018

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

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2017 and 31 March 2018

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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3.5 Employment Changes

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2017 and 31 March 2018

Salary band	Number of employees at beginning of period-1 April 2017	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
01 Lower Skilled (Levels 1-2) Permanent	222	0	2	0.9
02 Skilled (Levels 3-5) Permanent	253	0	28	11.1
03 Highly Skilled Production (Levels 6-8) Permanent	549	22	48	8.7
04 Highly Skilled Supervision (Levels 9-12) Permanent	305	4	10	3.3
05 Senior Management Service Band A Permanent	30	0	2	6.7
06 Senior Management Service Band B Permanent	4	1	2	50
07 Senior Management Service Band C Permanent	1	0	0	100
08 Senior Management Service Band D Permanent	1	0	0	0
Contracts	2	2	0	0
TOTAL	1 367	29	92	6.7

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2017 and 31 March 2018

Critical occupation	Number of employees at beginning of period-April 2017	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Administrative Related Permanent	47	0	1	2.1
Agricul Animal Oceanography Forestry & Other Scien Permanent	25	1	1	4
Agriculture Related Permanent	215	16	29	13.5
Appraisers-Valuers And Related Professionals Permanent	1	0	0	0
Artisan Project And Related Superintendents Permanent	1	0	0	0
Attorneys Permanent	1	0	0	0

Critical occupation	Number of employees at beginning of period-April 2017	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Auxiliary And Related Workers Permanent	11	0	1	9.1
Biochemistry Pharmacol. Zoology & Life Scie. Techni Permanent	93	2	6	6.5
Building And Other Property Caretakers Permanent	12	0	0	0
Bus And Heavy Vehicle Drivers Permanent	1	0	0	0
Cartographers And Surveyors Permanent	1	0	0	0
Chemical And Physical Science Technicians Permanent	2	0	0	0
Cleaners In Offices Workshops Hospitals Etc. Permanent	77	0	3	3.9
Client Inform Clerks(Switchb Recept Inform Clerks) Permanent	3	0	0	0
Communication And Information Related Permanent	3	0	0	0
Conservation Labourers Permanent	2	0	0	0
Economists Permanent	13	0	0	0
Engineering Sciences Related Permanent	6	0	0	0
Engineers And Related Professionals Permanent	9	0	0	0
Farm Hands And Labourers Permanent	238	0	19	8
Farming Forestry Advisors And Farm Managers Permanent	20	0	0	0
Finance And Economics Related Permanent	12	1	1	8.3
Financial And Related Professionals Permanent	20	0	0	0
Financial Clerks And Credit Controllers Permanent	64	0	1	1.6
Food Services Aids And Waiters Permanent	10	0	0	0
Forestry Labourers Permanent	1	0	0	0
Geologists Geophysicists Hydrologists & Relat Prof Permanent	1	0	0	0
Head Of Department/Chief Executive Officer Permanent	1	0	0	0

Critical occupation	Number of employees at beginning of period-April 2017	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Health Sciences Related Permanent	2	0	0	0
Horticulturists Foresters Agricul.& Forestry Techn Permanent	72	1	6	8.3
Human Resources & Organisat Developm & Relate Prof Permanent	4	0	0	0
Human Resources Clerks Permanent	57	1	0	0
Human Resources Related Permanent	23	0	0	0
Information Technology Related Permanent	5	0	0	0
Language Practitioners Interpreters & Other Commun Permanent	7	0	0	0
Legal Related Permanent	1	0	0	0
Light Vehicle Drivers Permanent	1	0	0	0
Logistical Support Personnel Permanent	3	0	0	0
Material-Recording And Transport Clerks Permanent	1	0	0	0
Messengers Porters And Deliverers Permanent	1	0	0	0
Motor Vehicle Drivers Permanent	10	0	0	0
Motorised Farm And Forestry Plant Operators Permanent	17	0	1	5.9
Natural Sciences Related Permanent	84	0	7	8.3
Nature Conservation And Oceanographical Rel.Techni Permanent	5	0	0	0
Other Administrat & Related Clerks And Organisers Permanent	83	1	3	3.6
Other Administrative Policy And Related Officers Permanent	2	0	0	0
Other Occupations Permanent	5	0	3	60
Production Advisers : Factories Permanent	1	0	0	0
Risk Management And Security Services Permanent	2	0	0	0
Safety Health And Quality Inspectors Permanent	8	0	2	25

Critical occupation	Number of employees at beginning of period-April 2017	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Secretaries & Other Keyboard Operating Clerks Permanent	19	0	1	5.3
Security Guards Permanent	5	0	2	40
Senior Managers Permanent	16	2	1	6.3
Trade Trainers Permanent	3	0	0	0
Veterinarians Permanent	39	4	3	7.7
Veterinary Assistants Permanent	1	0	1	100
Total	1 367	29	92	6.7

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - in respect of which a Department experiences a high degree of difficulty to recruit or retain the services of employees.

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

Table 3.5.3 Reasons why staff left the Department for the period 1 April 2017 and 31 March 2018

Termination Type	Number	% of Total Resignations
Death, Permanent	7	7.6
Resignation, Permanent	24	26.8
Retirement, Permanent	29	34.8
Contract expired	32	31.5
TOTAL	92	7.05

Table 3.5.4 Promotions by critical occupation for the period 01 April 2017 and 31 March 2018

Occupation	Employees at the beginning of the period	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	47	0	0	39	83
Agricul Animal Oceanography Forestry & Other Scien	25	0	0	16	64
Agriculture Related	217	0	0	128	59
Appraisers-Valuers And Related Professionals	1	0	0	0	0
Artisan Project And Related Superintendents	1	0	0	1	100
Attorneys	1	0	0	1	100
Auxiliary And Related Workers	11	0	0	9	81.8
Biochemistry Pharmacol. Zoology & Life Scie. Techni	91	0	0	68	74.7
Building And Other Property Caretakers	12	0	0	6	50
Bus And Heavy Vehicle Drivers	1	0	0	1	100
Cartographers And Surveyors	1	0	0	1	100
Chemical And Physical Science Technicians	2	0	0	1	50
Cleaners In Offices Workshops Hospitals Etc.	77	0	0	44	57.1
Client Inform Clerks(Switchb Recept Inform Clerks)	3	0	0	3	100
Communication And Information Related	3	0	0	2	66.7
Conservation Labourers	2	0	0	2	100
Economists	13	0	0	12	92.3
Engineering Sciences Related	6	0	0	5	83.3
Engineers And Related Professionals	9	0	0	4	44.4
Farm Hands And Labourers	237	0	0	166	70
Farming Forestry Advisors And Farm Managers	20	0	0	10	50

Occupation	Employees at the beginning of the period	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Finance And Economics Related	12	0	0	11	91.7
Financial And Related Professionals	20	0	0	12	60
Financial Clerks And Credit Controllers	64	0	0	49	76.6
Food Services Aids And Waiters	10	0	0	7	70
Forestry Labourers	1	0	0	1	100
Geologists Geophysicists Hydrologists & Relat Prof	1	0	0	0	0
Head Of Department/Chief Executive Officer	1	0	0	0	0
Health Sciences Related	2	0	0	2	100
Horticulturists Foresters Agricul.& Forestry Techn	72	0	0	31	43.1
Human Resources & Organisat Developm & Relate Prof	4	0	0	4	100
Human Resources Clerks	57	0	0	47	82.5
Human Resources Related	23	0	0	19	82.6
Information Technology Related	5	0	0	5	100
Language Practitioners Interpreters & Other Commun	7	0	0	7	100
Legal Related	1	0	0	1	100
Light Vehicle Drivers	1	0	0	1	100
Logistical Support Personnel	3	0	0	2	66.7
Material-Recording And Transport Clerks	1	0	0	1	100
Messengers Porters And Deliverers	1	0	0	1	100
Motor Vehicle Drivers	10	0	0	9	90

Occupation	Employees at the beginning of the period	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Motorised Farm And Forestry Plant Operators	17	0	0	16	94.1
Natural Sciences Related	85	0	0	62	72.9
Nature Conservation And Oceanographical Rel.Techni	5	0	0	4	80
Other Administrat & Related Clerks And Organisers	83	0	0	67	80.7
Other Administrative Policy And Related Officers	2	0	0	1	50
Other Occupations	5	0	0	4	80
Production Advisers : Factories	1	0	0	1	100
Risk Management And Security Services	2	0	0	1	50
Safety Health And Quality Inspectors	8	0	0	6	75
Secretaries & Other Keyboard Operating Clerks	19	0	0	18	94.7
Security Guards	5	0	0	2	40
Senior Managers	16	0	0	11	68.8
Trade Trainers	3	0	0	3	100
Veterinarians	39	0	0	20	51.3
Veterinary Assistants	1	0	0	0	0
TOTAL	1 367	0	0	945	69.1

Table 3.5.5 Promotions by salary band for the period 01 April 2017 and 31 March 2018

Salary Band	Employees 1 April 2017	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower Skilled (Levels 1-2), Permanent	219	0	0	12	5.5
Skilled (Levels 3-5), Permanent	256	0	0	319	124.6
Highly Skilled Production (Levels 6-8), Permanent	549	0	0	312	56.8

Salary Band	Employees 1 April 2017	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Highly Skilled Supervision (Levels 9-12), Permanent	305	0	0	279	91.5
Senior Management (Levels 13-16), Permanent	38	0	0	23	60.5
TOTAL	1 367	0	0	945	69.1

3.6. Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionals	178	1	2	16	167	2	1	9	376
Technicians And Associate Professionals	159	0	0	25	131	1	1	13	330
Labourers And Related Workers	176	0	0	0	142	0	0	3	321
Plant And Machine Operators And Assemblers	28	0	0	0	0	0	0	0	28
Service Shop And Market Sales Workers	3	0	0	0	1	0	0	0	4
Clerks	59	0	0	1	149	2	0	11	222
Senior Officials And Managers	11	0	0	1	6	0	0	0	18
Craft And Related Trade Workers	5	0	0	0	0	0	0	0	5
Total	619	1	2	43	596	5	2	36	1 304
Employees with disabilities	11	0	0	0	9	0	0	3	23

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	1	0	0	0	1	0	0	0	2
Senior Management, Permanent	19	0	0	4	11	0	0	1	35
Professionally qualified and experienced specialists and mid-management, Permanent	168	1	1	28	148	3	2	11	362
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	173	0	1	10	202	1	0	18	405
Semi-skilled and discretionary decision making, Permanent	182	0	0	0	165	1	0	5	353
Unskilled and defined decision making, Permanent	44	0	0	0	31	0	0	0	75
Contract (Senior Management), Permanent	2	0	0	0	0	0	0	0	2
Contract (Professionally Qualified), Permanent	2	0	0	1	3	0	0	1	7
Contract (Skilled Technical), Permanent	27	0	0	0	35	0	0	1	62
Contract (Semi-Skilled), Permanent	1	0	0	0	0	0	0	0	1
TOTAL	619	1	2	43	596	5	2	37	1 304

Table 3.6.3 Recruitment for the period 01 April 2017 and 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management, Permanent	3	0	0	0	1	0	0	0	4
Contract (Skilled technical), Permanent	11	1	0	0	14	0	0	0	26
TOTAL	14	1	0	0	15	0	0	0	30
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 01 April 2017 and 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	11	0	0	4	7	0	0	1	23
Professionally qualified and experienced specialists and mid-management	124	1	0	21	119	2	1	9	277
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	30	0	1	6	155	0	0	13	305
Semi-skilled and discretionary decision making	68	0	0	0	147	1	0	3	319
Unskilled and defined decision making	9	0	0	0	3	0	0	0	12
Total	442	1	1	32	439	3	1	26	945
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 01 April 2017 and 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	2	0	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	6	0	0	0	1	0	0	0	7
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	22	0	0	0	6	0	0	0	28
Semi-skilled and discretionary decision making	47	0	0	0	7	0	0	0	54
Unskilled and defined decision making	1	0	0	0	0	0	0	0	1
Total	78	0	0	0	14	0	0	0	92
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 01 April 2017 and 31 March 2018

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	7	0	0	0	4	0	0	0	11

Table 3.6.7 Skills development for the period 01 April 2017 and 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	19	0	0	3	30	2	1	4	59
Professionals	10	0	0	5	26	0	0	6	47
Technicians and associate professionals	2	0	0	0	2	0	0	0	4
Clerks	49	0	0	0	88	0	0	1	138
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	80	0	0	8	146	2	1	11	248
Employees with disabilities	0	0	0	0	0	0	0	0	0

3.7. Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2017

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100
Salary Level 16	1	1	0	0
Salary Level 15	0	0	0	0
Salary Level 14	7	4	4	57
Salary Level 13	33	21	20	61
Total	42	27	25	60

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 May 2017

Reasons
None

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 May 2017

Reasons
None

3.8. Performance Rewards

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 01 April 2017 and 31 March 2018

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	255	589	433	3 775	14 805
Female	260	609	42.7	3 565	13 710
Asian					
Male	1	2	50	34	33 504
Female	1	2	50	14	13 713
Coloured					
Male	2	5	40	46	23 085
Female	1	1	100	40	39 707
White					
Male	16	32	50	344	21 490
Female	21	42	50	600	28 579
Employees with a disability	11	22	50	173	15 699
TOTAL	568	1304	43.6	8 589	15 122

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 01 April 2017 and 31 March 2018

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	41	75	54.7	208	5 084	1.5
Skilled (Levels 3-5)	182	359	50.7	1189	6 535	1.8
Highly Skilled Production (Levels 6-8)	161	468	34.4	2171	13 065	1
Highly Skilled Supervision (Levels 9-12)	173	375	46.1	4416	25 525	2
Total	557	1277	43.6	7917	14 214	1.5

Table 3.8.3 Performance Rewards by critical occupation for the period 01 April 2017 and 31 March 2018

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial Clerks And Credit Controllers	34	60	56.7	380	11 173
Production Advisers : Factories	1	1	100	14	13 848
Human Resources Clerks	32	58	55.2	361	11 291
Motorised Farm And Forestry Plant Operators	7	16	43.8	47	6 713
Geologists Geophysicists Hydrologists & Relat Prof	4	40	10	143	35 807
Veterinarians	3	4	75	66	22 144
Human Resources & Organisat Developm & Relate Prof	1	1	100	6	5 580
Messengers Porters And Deliverers	1	1	100	16	16 301
Risk Management And Security Services	22	81	27.2	336	15 256
Biochemistry Pharmacol. Zoology & Life Scie. Techni	6	7	85.7	106	17 727
Safety Health And Quality Inspectors	3	11	27.3	117	38 900
Finance And Economics Related	2	3	66.7	23	11 641
Logistical Support Personnel	42	79	53.2	994	23 661
Natural Sciences Related	35	81	43.2	405	11 584
Other Administrat & Related Clerks And Organisers	1	1	100	79	79 407
Appraisers-Valuers And Related Professionals	5	10	50	37	7 421
Auxiliary And Related Workers	3	5	60	61	20 282
Other Occupations	1	1	100	35	34 873
Legal Related	0	5	0	0	0
Nature Conservation And Oceanographical Rel. Techni	10	23	43.5	209	20 946
Agricul Animal Oceanography Forestry & Other Scien	13	20	65	268	20 640

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial And Related Professionals	8	12	66.7	42	5 219
Building And Other Property Caretakers	21	47	44.7	573	27 263
Administrative Related	1	3	33.3	12	11 546
Communication And Information Related	13	18	72.2	109	8 407
Secretaries & Other Keyboard Operating Clerks	36	74	48.6	199	5 537
Cleaners In Offices Workshops Hospitals Etc.	15	22	68.2	395	26 327
Human Resources Related	1	1	100	5	5 257
Attorneys	0	1	0	0	0
Forestry Labourers	0	1	0	0	0
Head Of Department/Chief Executive Officer	0	2	0	0	0
Chemical And Physical Science Technicians	6	7	85.7	138	23 058
Language Practitioners Interpreters & Other Commun	2	3	66.7	18	9 235
Trade Trainers	1	1	100	14	14 339
Material-Recording And Transport Clerks	103	222	46.4	579	5 622
Farm Hands And Labourers	1	2	50	34	33 504
Other Administrative Policy And Related Officers	0	1	0	0	0
Artisan Project And Related Superintendents	0	1	0	0	0
Bus And Heavy Vehicle Drivers	6	17	35.3	311	51 882
Senior Managers	11	20	55	204	18 510
Farming Forestry Advisors And Farm Managers	2	3	66.7	13	6 521
Client Inform Clerks(Switchb Recept Inform Clerks)	8	12	66.7	190	23 725
Economists	1	9	11.1	34	38 684

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Engineers And Related Professionals	0	1	0	0	0
Cartographers And Surveyors	1	1	100	5	5 336
Light Vehicle Drivers	4	6	66.7	110	27 415
Engineering Sciences Related	5	10	50	34	6 778
Motor Vehicle Drivers	0	3	0	0	0
Security Guards	1	2	50	6	5 835
Health Sciences Related	4	10	40	22	5 473
Food Services Aids And Waiters	22	67	32.8	416	18 916
Horticulturists Foresters Agricul.& Forestry Techn	2	2	100	24	11 811
Conservation Labourers	2	4	50	32	15 824
Information Technology Related	0	3	0	0	0
Agriculture Related	63	211	29.9	1313	20 846
Total	568	1 304	43.6	8 589	15 122

Notes

- The CORE classification, as prescribed by the DPSA, was used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (d) in respect of which a Department experiences a high degree of difficulty to recruit or retain the services of employees;

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 01 April 2017 and 31 March 2018

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	11	33	33.3	672	61 118	1.7
Band B	0	4	0	0	0	0
Band C	0	1	0	0	0	0
Band D	0	1	0	0	0	0
Total	11	39	28.2	672	61 118	1.7

3.9 Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 01 April 2017 and 31 March 2018

Salary band	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	8	100	6	75	2	25
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	8	100	6	75	2	25

Table 3.9.2 Foreign workers by major occupation for the period 01 April 2017 and 31 March 2018

Major occupation	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	7	87.5	5	83.3	2	28.6
Technicians and associated professionals	1	12.5	1	16.7	0	0
TOTAL	8	100	6	100	2	25

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	335	94.9	46	8.2	7	180
Skilled (Levels 3-5)	903	90.7	131	23.2	7	641
Highly skilled production (Levels 6-8)	1 764	92	209	37.1	8	2 432
Highly skilled supervision (Levels 9-12)	1 005	92.1	160	28.4	6	2 309
Senior management (Levels 13-16)	102	96.1	18	3.1	6	395
TOTAL	4 109	90.7	564	100	7	5 957

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2017 to 31 December 2017

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)
Skilled (Levels 3-5)	126	100	1	16.7	126	69
Highly skilled production (Levels 6-8)	197	100	5	83.3	39	245
TOTAL	323	100	6	100	54	313

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

Table 3.10.3 Annual Leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days taken	Average per employee	Number of Employees using annual leave
Contract (Levels 13-16)	28	14	2
Lower skilled (Levels 1-2)	2 103	19	109
Skilled (Levels 3-5)	9 262	24	388
Highly skilled production (Levels 6-8)	10 412	20	509

Salary band	Total days taken	Average per employee	Number of Employees using annual leave
Highly skilled supervision (Levels 9-12)	8 015	22	360
Senior management (Levels 13-16)	764	21	36
TOTAL	30 697	22	1 412

Table 3.10.4 Capped leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 December 2017
Contract (Levels 13-16)	0	0	0	0
Contract (Levels 3-5)	0	0	0	0
Contract (Levels 6-8)	0	0	0	0
Contract (Levels 9-12)	0	0	0	0
Highly skilled production (Levels 6-8)	1	1	95	95
Highly skilled supervision (Levels 9-12)	42	21	84	84
Lower skilled (Levels 1-2)	2	2	26	26
Senior management (Levels 13-16)	3	3	75	75
Skilled (Levels 3-5)	10	3	83	83
TOTAL	58	6	86	86

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

Table 3.10.5 Leave payouts for the period 01 April 2017 and 31 March 2018

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Capped leave payouts on termination of service for current financial year	5757	62	93
Current leave payout on termination of service for current financial year	86	3	29
Leave payout for current financial year due to non-utilisation of leave for the previous cycle	52	2	26
TOTAL	5894	67	88

3.11. HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	None

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Mr M. M. Mahlalela: Director Transversal Services
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		2 Officials The unit had R340 000 for goods and services
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		Voluntary Testing, Candle Lighting, Health and Wellness Programme, Healthy Lifestyle Programme, Condom Distribution and information sharing
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.	Yes		Mr R Mhlongo- Chairperson and Gert Sibande District Mr KV Nkwalase–Chairperson and NEHAWU Representative- Ehlanzeni South Mr P Radebe - Head Office Ms S Shongwe- Ehlanzeni South Ms B Mahlangu- Nkangala District Ms MS Mbatha- Head Office Mr MM Mahlalela- Head Office Ms H Mapholi- - Secretary-Head Office
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		Disability, Employment Equity, Gender, Bereavement, HIV/AIDS, Occupational Health and Safety and, Sexual Harassment Policies Wellness Management, Health and Productivity Management, Employment Equity, HIV/AIDS and TB management , Occupational Health and Safety , Sexual Harassment Employee Equity Policies
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		Implementation of HIV/AIDS and TB Management Policy
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		More employees know their status and are on treatment, discrimination in minimal

Question	Yes	No	Details, if yes
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.			793 employees attended a Health and wellness awareness workshops of which 155 people did voluntary testing for HIV. An increase of 70 people taking HIV tests compared to 85 testing in the previous year

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 October 2017 and 31 December 2017

Total number of Collective agreements	None
--	-------------

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2017 and 31 March 2018

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	1	9.1
Written warning	4	36.3
Final written warning	0	0
Suspended without pay	3	27.3
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	3	27.3
Total	11	100

Total number of Disciplinary hearings finalised	0
--	----------

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2017 and 31 March 2018

Type of misconduct	Number	% of total
Non-compliance	1	9.1
Poor Performance	3	27.3
Fraud	2	18.1
Insolent behaviour	1	9.1
Withdrawn cases	3	27.3
Insubordination	1	9.1
Total	11	100

Table 3.12.4 Grievances logged for the period 1 April 2017 and 31 March 2018

Grievances	Number	% of Total
8.1. Number of grievances resolved	28	2.14
Number of grievances not resolved	0	0
Total number of grievances lodged	28	2.14

Table 3.12.5 Disputes logged with Councils for the period 1 April 2017 and 31 March 2018

Disputes	Number	% of Total
Number of disputes upheld	2	0.14
Number of disputes dismissed	0	0
Total number of disputes lodged	2	0.14

Table 3.12.6 Strike actions for the period 1 April 2017 and 31 March 2018

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2017 and 31 March 2018

Number of people suspended	4
Number of people who's suspension exceeded 30 days	4
Average number of days suspended	60
Cost of suspension(R'000)	0

3.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2017 and 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	96	0	35	0	56
	Male	17	0	21	0	
Professionals	Female	182	0	32	0	50
	Male	206	0	18	0	
Technicians and associate professionals	Female	152	0	2	0	4
	Male	195	0	2	0	

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Clerks	Female	165	0	70	0	96
	Male	62	0	26	0	
Service and sales workers	Female	1	0	0	0	0
	Male	6	0	0	0	
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	
Craft and related trades workers	Female	0	0	0	0	0
	Male	5	0	0	0	
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	29	0	0	0	
Elementary occupations	Female	152	0	0	0	0
	Male	186	0	0	0	
Sub Total	Female	661	0	139	0	206
	Male	706	0	67	0	
Total		1367	0	206	0	206

Table 3.13.2 Training provided for the period 1 April 2017 and 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	96	0	25	0	45
	Male	17	0	20	0	
Professionals	Female	182	0	48	0	83
	Male	206	0	35	0	
Technicians and associate professionals	Female	152	0	25	0	50
	Male	195	0	25	0	
Clerks	Female	165	0	55	0	70
	Male	62	0	15	0	
Service and sales workers	Female	1	0	0	0	0
	Male	6	0	0	0	
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	
Craft and related trades workers	Female	0	0	0	0	0
	Male	5	0	0	0	
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	29	0	0	0	
Elementary occupations	Female	152	0	0	0	0
	Male	186	0	0	0	
Sub Total	Female	661	0	0	0	0
	Male	706	0	0	0	
Total			0	248	0	248

3.13. Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2017 and 31 March 2018

Nature of injury on duty	Number	% of total
Required basic medical attention only	18	1.4
Temporary Total Disablement	1	0.1
Permanent Disablement	0	0
Fatal	0	0
Total	19	1.5

3.15. Utilisation of Consultants

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

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

Table 3.15.1 Report on Consultants using appropriated funds for period 1 April 2017 and 31 March 2018

Project Title	Number of Consultants	Duration (Work Days)	Contract Value (Rand)
Nkomazi Maize Mill	1	22	88 472,86
BBR Abattoir	1	220	4 147 760,78
Elandspruit F40	1	198	781 986,46
Ermelo Soil Lab	1	20	82 108,49
Pfuka Utitirela	1	87	344 761,65
Tiptap Piggery	1	73	290 270,97
Lekkerloop F40	1	223	880 009,25
Retloshoma F40	1	69	272 757,32
Silwanendlala Dam	1	67	265 046,01
Zejebo	1	15	60 325,38
One Stop Centre	1	241	3 169 554,17
Zamelani Ukusebenza	1	194	886 682,98
Mzinti Feedlot	1	94	372 222,82
Sinenhlanhla Ethembisile	1	39	157 206,86
Intamakuphila	1	23	94 050,00
Allandale	1	17	73 986,00
Siyaphambili	1	35	186 435,34

Project Title	Number of Consultants	Duration (Work Days)	Contract Value (Rand)
Various Projects	1	178	6 945 666,73
Boschfontein F40	1	76	890 586,05
Mkhondo One Stop Centre	1	151	2 061 585,50
Mkhondo Abattoir	1	21	384 604,87
Nooitgedacht Poultry	1	4	16 462,35
White Hills	1	27	108 417,91
Siyachuba F40	1	28	110 899,20
Amatungwase Irrigation	1	15	59 609,69
Samkelisiwe Tunnels Project	1	88	348 980,09
Khulani Trust Forestry	1	94	374 690,95
Nooitgedacht Farm	1	77	305 700,94
Letolo Phase 2	1	23	92 663,99
Athole Farm	1	26	102 738,26
Nompumelelo Mushrooms	1	47	560 554,26
Zamasli Project	1	404	319 005,00
Marapyane	1	27	109 229,00
Servile	1	86	341 235,10
Tsambkhullu	1	96	379 184,00
Bellview	1	74	293 251,87
Lekkerloop	1	51	203 115,21
Sibange Cattle Farmers	1	88	240 075,80
Apple Projects	1	150	838 631,77
Boschfontein Fortune 40	1	98	712 672,86
Nkomazi Boreholes	1	15	298 324,68
Motlomobi	1	30	257 271,88
Zoeknog	1	90	267 785,66

Number of Projects	Total Individual Consultants	Duration (Work Days)	Total Contract Value
43	09	3 701	28 776 580.96

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2017 and 31 March 2018

Project Title	Percentage Ownership by HDI	Percentage Management by HDI	Number of Consultants from HDI Group that work on the project
Nkomazi Maize Mill	38% black male owned 62% white male owned	100%	1
BBR Abattoir	38% black male owned 62% white male owned	100%	1
Elandspruit F40	38% black male owned 62% white male owned	100%	1

Project Title	Percentage Ownership by HDI	Percentage Management by HDI	Number of Consultants from HDI Group that work on the project
Ermelo Soil Lab	38% black male owned 62% white male owned	100%	1
Pfuka Utitirela	38% black male owned 62% white male owned	100%	1
Tiptap Piggery	38% black male owned 62% white male owned	100%	1
Lekkerloop F40	38% black male owned 62% white male owned	100%	1
Retloshoma F40	38% black male owned 62% white male owned	100%	1
Silwanendlala Dam	38% black male owned 62% white male owned	100%	1
Zejebo	38% black male owned 62% white male owned	100%	1
One stop Center	38% black male owned 62% white male owned	100%	1
Zamelani Ukusebenza	38% black male owned 62% white male owned	100%	1
Mzinti Feedlot	100% black owned	100%	1
Sinenhlanhla Ethembisile	100% black owned	100%	1
Intamakuphila	100% black owned	100%	1
Allandale	100% black owned	100%	1
Siyaphambili	100% black owned	100%	1
Various Projects	100% black owned	100%	1
Boschfontein F40	33.33% black owned 66.67% others	100%	1
Mkhondo one Stop Center	30% black owned 70% others	100%	1
Mkhondo Abbatoir	30% black owned 70% others	100%	1
Nooitgedacht Poultly	20.50% black owned 79.50% others	100%	1
White hills	20.50% black owned 79.50% others	100%	1
Siyachuba F40	20.50% black owned 79.50% others	100%	1
Amatungwase irrigation	20.50% black owned 79.50% others	100%	1
Samkelisiwe tunnels project	20.50% black owned 79.50% others	100%	1
Khulani Trust Forestry	20.50% black owned 79.50% others	100%	1
Nooitgedacht Farm	49% white owned 51% black male owned	100%	1
Letolo Phase 2	49% white owned 51% black male owned	100%	1
Athole Farm	49% white owned 51% black male owned	100%	1
Nompumelelo Mushrooms	100% black male owned	100%	1
Zamasli Project	100% black male owned	100%	1

Project Title	Percentage Ownership by HDI	Percentage Management by HDI	Number of Consultants from HDI Group that work on the project
Marapyane	2% black women owned 19.36% black male owned 78.64% white male owned		1
Servile	2% black women owned 19.36% black male owned 78.64% white male owned	100%	1
Tsambkhullu	2% black women owned 19.36% black male owned 78.64% white male owned	100%	1
Bellview	2% black women owned 19.36% black male owned 78.64% white male owned	100%	1
Lekkerloop	2% black women owned 19.36% black male owned 78.64% white male owned	100%	1
Sibange Cattle Farmers	100% black male owned	100%	1
Apple Projects	100% black male owned	100%	1
Boschfontein f40	100% black male owned	100%	1
Nkomazi Boreholes	100% black male owned	100%	1
Motlomobi	100% black male owned	100%	1
Zoeknog	100% black male owned	100%	1

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2018 and 31 March 2015

None

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2014 and 31 March 2015

None

3.16. Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2017 and 31 December 2017

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



agriculture, rural development,
land & environmental affairs

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



PART E:

FINANCIAL INFORMATION

Report of the auditor-general to the Mpumalanga Provincial Legislature on vote no. 5: Department of Agriculture, Rural Development, Land and Environmental Affairs

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Agriculture, Rural Development, Land and Environmental Affairs set out on pages 140 to 227, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Agriculture, Rural Development, Land and Environmental Affairs as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (Dora).

Basis for opinion

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

Emphasis of matters

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

Restatement of corresponding figures

7. As disclosed in note 27 to the financial statements, the corresponding figures for 31 March 2017 have been restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2018.

Accruals and payables not recognised

8. As disclosed in note 18 to the financial statements, payables that exceeded the payment term of 30 days as required in treasury regulation 8.2.3 amounted to R9 911 000. This amount, in turn, exceeded the voted funds to be surrendered of R2 578 000 as per the statement of financial performance by R7 333 000. The amount of R7 333 000 would therefore have constituted unauthorised expenditure had the amounts due been paid in a timely manner.

Irregular expenditure

9. As disclosed in note 21 to the financial statements, irregular expenditure of R10 678 000 was incurred, as a proper tender process had not been followed.

Responsibilities of the accounting officer for the financial statements

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

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

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

Introduction and scope

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
15. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2018:

Programmes	Pages in the annual performance report
Programme 2 – sustainable resource management	41 - 45
Programme 3 – farmer support and development	46 - 49
Programme 4 – veterinary services	50 - 53
Programme 7 – structured agricultural training	61 - 62
Programme 9 – environmental affairs	65 - 70

17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

18. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 2 – sustainable resource management
- Programme 3 – farmer support and development
- Programme 4 – veterinary services
- Programme 7 – structured agricultural training
- Programme 9 – environmental affairs

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. Refer to the annual performance report on pages 35 to 70 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a number of targets.

Report on the audit of compliance with legislation

Introduction and scope

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

22. The material findings on compliance with specific matters in key legislation are as follows:

Financial statements, performance report and annual report

23. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA. Material misstatements of expenditure and disclosure items identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified audit opinion.

Procurement and contract management

24. Bid documentation for the procurement of commodities designated for local content and production did not stipulate the minimum threshold for local production and content, as required by preferential procurement regulation 9(1).

Expenditure management

25. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.

Other information

26. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
27. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
28. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
29. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.
30. I have nothing to report in this regard.

Internal control deficiencies

31. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

Leadership

32. Management did not monitor the processes in place to ensure that suppliers were paid within 30 days of receipt of an invoice.

Management did not monitor bid specification processes to ensure that bid specifications complied with the minimum local content requirements.

Financial and performance management

33. Management did not review and re-perform calculations of schedules supporting the items included in the annual financial statements.

Auditor-General

Mbombela
31 July 2018



Annexure – Auditor-general’s responsibility for the audit

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

Financial statements

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

Communication with those charged with governance

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

**APPROPRIATION STATEMENT
for the year ended 31 March 2018**

Appropriation per programme									
2017/18							2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	190 821	-	(4 700)	186 121	185 231	890	99.5%	138 573	137 803
2. Sustainable Resource Management	53 210	-	2 130	55 340	55 339	1	100.0%	70 519	69 507
3. Farmers Support and Development	546 653	-	27 268	573 921	573 920	1	100.0%	450 129	449 652
4. Veterinary Services	126 060	-	(7 073)	118 987	118 754	233	99.8%	111 778	111 593
5. Research and Technology Development Services	58 608	-	(4 250)	54 358	54 260	98	99.8%	63 149	62 885
6. Agricultural Economics Services	14 348	-	(1 100)	13 248	12 267	981	92.6%	10 941	10 890
7. Structured Agricultural Education and Training	20 149	-	(1 590)	18 559	18 504	55	99.7%	16 255	16 163
8. Rural Development Coordination	23 969	-	(1 895)	22 074	21 981	93	99.6%	20 782	20 284
9. Environmental Affairs	109 983	-	(8 790)	101 193	100 968	225	99.8%	92 007	89 942
Programme sub total	1 143 801	-	-	1 143 801	1 141 223	2 578	99.8%	974 133	968 719
TOTAL	1 143 801	-	-	1 143 801	1 141 223	2 578	99.8%	974 133	968 719
ADD:									
Departmental receipts				7 633				7 973	
Actual amounts per statement of financial performance (total revenue)				1 151 434				982 106	
Actual amounts per statement of financial performance (total expenditure)					1 141 223				968 719

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Appropriation per economic classification									
2017/18								2016/17	
	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	1 061 528	(49 228)	(590)	1 011 710	1 009 235	2 475	99.8%	898 995	855 244
Compensation of employees	573 880	(1 470)	(2 650)	569 760	569 264	496	99.9%	532 197	531 137
Salaries and wages	474 904	21 025	426	496 355	495 903	452	99.9%	461 840	460 980
Social contributions	98 976	(22 495)	(3 076)	73 405	73 361	44	99.9%	70 357	70 157
Goods and services	487 648	(47 758)	2 060	441 950	439 971	1 979	99.6%	363 798	324 107
Administrative fees	2 949	(166)	(30)	2 753	2 672	81	97.1%	2 105	2 022
Advertising	6 295	240	-	6 535	6 534	1	100.0%	890	827
Minor assets	863	(313)	(47)	503	479	24	95.2%	502	308
Audit costs: External	7 669	-	(1 172)	6 497	6 489	8	99.9%	7 024	7 024
Catering: Departmental activities	3 136	(1 342)	(35)	1 759	1 759	-	100.0%	1 684	1 662
Communication	10 993	3 474	(4)	14 463	14 340	123	99.1%	7 588	7 411
Computer services	2 299	617	(1 180)	1 736	1 734	2	99.9%	2 042	2 042
Consultants: Business and advisory services	1 288	(600)	-	688	684	4	99.4%	256	256
Infrastructure and planning services	24 509	5 268	(1 000)	28 777	28 777	-	100.0%	24 454	24 312
Laboratory services	1 357	316	(1 035)	638	634	4	99.4%	577	572
Legal services	12 811	9 540	(250)	22 101	22 056	45	99.8%	7 368	7 332
Contractors	74 997	(11 484)	(890)	62 623	60 819	1 804	97.1%	46 470	34 704
Agency and support / outsourced services	15 163	(547)	3 583	18 199	18 159	40	99.8%	1 954	1 941
Fleet services	13 857	328	-	14 185	14 185	-	100.0%	12 675	12 675

**APPROPRIATION STATEMENT
for the year ended 31 March 2018**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Clothing material and supplies	1 370	(569)	-	801	785	16	98.0%	409	259
Inventory: Farming supplies	41 576	12 717	2 710	57 003	56 961	42	99.9%	53 234	45 628
Inventory: Food and food supplies	-	-	-	-	-	-	-	85	6
Inventory: Fuel, oil and gas	9 937	(4 934)	(320)	4 683	4 594	89	98.1%	4 188	3 954
Inventory: Learner and teacher support material	353	(353)	-	-	-	-	-	10	-
Inventory: Materials and supplies	27 478	(12 922)	-	14 556	13 978	578	96.0%	19 969	8 538
Inventory: Medical supplies	2 609	(105)	(2 400)	104	81	23	77.9%	579	574
Inventory: Medicine	5 571	(2 213)	(2 016)	1 342	1 176	166	87.6%	1 455	1 292
Inventory: Other supplies	44 546	(25 104)	-	19 442	18 946	496	97.4%	11 387	11 387
Consumable supplies	6 435	1 310	(639)	7 106	7 085	21	99.7%	5 606	5 596
Consumable: Stationery, printing and office supplies	8 462	(4 079)	(161)	4 222	4 050	172	95.9%	4 242	4 181
Operating leases	20 250	(1 372)	(1 870)	17 008	16 983	25	99.9%	19 259	19 158
Property payments	42 335	(21 941)	700	21 094	21 047	47	99.82%	21 913	21 222
Transport provided: Departmental activity	347	(322)	-	25	23	2	92.0%	152	111
Travel and subsistence	45 799	7 873	(1 090)	52 582	54 440	(1 858)	103.5%	57 654	56 908
Training and development	35 082	4 983	9 388	49 453	49 450	3	100.0%	43 295	44 505
Operating payments	8 733	(4 699)	(115)	3 919	3 914	5	99.9%	3 655	3 671
Venues and facilities	8 205	(993)	(67)	7 145	7 137	8	99.9%	3 833	3 813
Rental and hiring	374	(366)	-	8	-	8	-	284	278

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	6 998	213	-	7 211	7 160	51	99.3%	8 629	8 625
Provinces and municipalities	160	(148)	-	12	11	1	91.7%	338	338
Provinces	-	-	-	-	-	-	-	332	332
Provincial agencies and accounts	-	-	-	-	-	-	-	332	332
Municipalities	160	(148)	-	12	11	1	91.7%	6	6
Municipal bank accounts	160	(148)	-	12	11	1	91.7%	6	6
Departmental agencies and accounts	1 750	(1 750)	-	-	-	-	-	845	845
Departmental agencies and accounts	1 750	(1 750)	-	-	-	-	-	845	845
Households	5 088	2 111	-	7 199	7 149	50	99.3%	7 446	7 442
Social benefits	5 088	2 111	-	7 199	7 149	50	99.3%	7 446	7 442
Payment for capital assets	75 275	49 015	590	124 880	124 828	52	100.0%	68 646	103 987
Buildings and other fixed structures	63 428	51 484	2 815	117 727	118 223	496	100.4%	30 698	66 424
Buildings	4 300	103 912	3 975	112 187	112 686	499	100.4%	4 164	40 568
Other fixed structures	59 128	(52 428)	(1 160)	5 540	5 537	3	99.9%	26 534	25 856
Machinery and equipment	11 847	(2 469)	(2 225)	7 153	6 605	548	92.3%	37 948	37 563
Transport equipment	1 650	(40)	(360)	1 250	1 200	50	96.0%	2 468	2 467
Other machinery and equipment	10 197	(2 429)	(1 865)	5 903	5 405	498	91.6%	35 480	35 096
Payments for financial assets	-	-	-	-	-	-	-	863	863
TOTAL	1 143 801	-	-	1 143 801	1 141 223	2 578	99.8%	974 133	968 719

APPROPRIATION STATEMENT
for the year ended 31 March 2018

PROGRAMME 1 - ADMINISTRATION

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.1 Office of the MEC	7 548	760	-	8 308	8 299	9	99.9%	6 199	6 141
1.2 Senior Management	25 306	3 309	-	28 615	28 594	21	99.9%	21 688	21 651
1.3 Corporate Services	72 249	(1 954)	-	70 295	70 295	-	100.0%	52 330	52 219
1.4 Financial Management	75 939	-	(4 700)	71 239	70 384	855	98.8%	52 950	52 419
1.5 Communication Services	9 779	(2 115)	-	7 664	7 659	5	99.9%	5 406	5 373
Total	190 821	-	(4 700)	186 121	185 231	890	99.5%	138 573	137 803

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	179 718	(353)	(3 700)	175 665	174 934	731	99.6%	126 212	125 583
Compensation of employees	107 291	(980)	(1 400)	104 911	104 889	22	100.0%	85 855	85 298
Salaries and wages	85 640	8 235	(1 400)	92 475	92 753	(278)	100.3%	75 469	74 912
Social contributions	21 651	(9 215)	-	12 436	12 136	300	97.6%	10 386	10 386
Goods and services	72 427	627	(2 300)	70 754	70 045	709	99.0%	40 357	40 285
Administrative fees	951	(445)	-	506	881	(375)	174.1%	926	680
Advertising	4 495	1 735	-	6 230	6 062	168	97.3%	95	632
Minor assets	45	(7)	-	38	20	18	52.6%	108	76
Audit costs: External	7 669	-	(1 172)	6 497	6 489	8	99.9%	7 024	7 024
Catering: Departmental activities	447	(28)	-	419	480	(61)	114.6%	446	724
Communication	1 907	245	-	2 152	1 797	355	83.5%	975	971
Computer services	1 352	(352)	(680)	320	326	(6)	101.9%	486	291
Consultants: Business and advisory services	1 288	(600)	-	688	684	4	99.4%	195	256
Infrastructure and planning services	2 980	1 935	-	4 915	2 979	1 936	60.6%	-	-
Legal services	8 061	5 517	-	13 578	16 630	(3 052)	122.5%	7 068	7 332
Contractors	7 837	2 049	-	9 886	7 944	1 942	80.4%	185	153
Agency and support / outsourced services	163	1 399	-	1 562	195	1 367	12.5%	220	207
Inventory: Clothing material and accessories	250	(220)	-	30	-	30	-	-	-
Inventory: Farming supplies	-	1 557	-	1 557	-	1 557	-	-	-
Inventory: Materials supplies	50	(50)	-	-	13	(13)	-	-	-
Consumable supplies	1 697	(1 055)	(448)	194	1 181	(987)	608.8%	614	624

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18						2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Consumable: Stationery, printing and office supplies	1 550	(924)	-	626	2 328	(1 702)	371.9%	1 578	1 575
Operating leases	500	64	-	564	-	564	-	-	-
Property payments	8 306	(3 421)	-	4 885	5 351	(466)	109.5%	5 394	5 394
Transport provided: Departmental activity	-	-	-	-	-	-	-	18	18
Travel and subsistence	12 072	559	-	12 631	12 627	4	100.0%	10 726	9 871
Training and development	6 548	(5 894)	-	654	1 124	(470)	171.9%	2 122	2 122
Operating payments	2 038	(543)	-	1 495	1 436	59	96.1%	524	951
Venues and facilities	2 221	(894)	-	1 327	1 498	(171)	112.9%	1 613	1 349
Rental and hiring	-	-	-	-	-	-	-	40	35
Transfers and subsidies	6 998	213	-	7 211	7 160	51	99.3%	8 287	8 293
Provinces and municipalities	160	(148)	-	12	11	1	91.7%	6	6
Municipalities	160	(148)	-	12	11	1	91.7%	6	6
Municipal bank account	160	(148)	-	12	11	1	91.7%	6	6
Departmental agencies and accounts	1 750	(1 750)	-	-	-	-	-	845	845
Departmental agencies and accounts	1 750	(1 750)	-	-	-	-	-	845	845
Households	5 088	2 111	-	7 199	7 149	50	99.3%	7 436	7 442
Social benefits	5 088	2 111	-	7 199	7 149	50	99.3%	7 436	7 442
Payment for capital assets	4 105	140	(1 000)	3 245	3 137	108	96.7%	3 211	3 064
Machinery and equipment	4 105	140	(1 000)	3 245	3 137	108	96.7%	3 211	3 064
Transport equipment	1 400	-	(200)	1 200	1 200	-	100.0%	2 468	2 467
Other machinery and equipment	2 705	140	(800)	2 045	1 937	108	94.7%	743	597
Payments for financial assets	-	-	-	-	-	-	-	863	863
TOTAL	190 821	-	(4 700)	186 121	185 231	890	99.5%	138 573	137 803

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 1.1: Office of the MEC

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	7 498	760	-	8 258	8 299	(41)	100.5%	6 028	5 970
Compensation of employees	5 276	(100)	-	5 176	5 176	-	100.0%	4 386	4 383
Goods and services	2 222	860	-	3 082	3 123	(41)	101.3%	1 642	1 587
Payment for capital assets	50	-	-	50	-	50	-	171	171
Machinery and equipment	50	-	-	50	-	50	-	171	171
TOTAL	7 548	760	-	8 308	8 299	9	99.9%	6 199	6 141

Sub-programme 1.2: Senior Management

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	25 156	3 309	-	28 465	28 594	(129)	100.5%	21 499	21 524
Compensation of employees	14 285	(210)	-	14 075	14 070	5	100.0%	13 831	13 314
Goods and services	10 871	3 519	-	14 390	14 524	(134)	100.9%	7 668	8 210
Payment for capital assets	150	-	-	150	-	150	-	189	127
Machinery and equipment	150	-	-	150	-	150	-	189	127
TOTAL	25 306	3 309	-	28 615	28 594	21	99.9%	21 688	21 651

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 1.3: Corporate Services

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	68 077	(589)	-	67 488	67 280	208	99.7%	49 169	49 349
Compensation of employees	35 623	(340)	-	35 283	35 274	9	100.0%	33 499	33 440
Goods and services	32 454	(249)	-	32 205	32 006	199	99.4%	15 670	15 909
Transfers and subsidies	2 947	(1 750)	-	1 197	1 155	42	96.5%	2 887	2 007
Departmental agencies and accounts	1 750	(1 750)	-	-	-	-	-	845	845
Households	1 197	-	-	1 197	1 155	42	96.5%	2 042	1 162
Payment for capital assets	1 225	385	-	1 610	1 860	(250)	115.5%	-	-
Machinery and equipment	1 225	385	-	1 610	1 860	(250)	115.5%	-	-
Payments for financial assets	-	-	-	-	-	-	-	274	863
TOTAL	72 249	(1 954)	-	70 295	70 295	-	100.0%	52 330	52 219

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 1.4: Financial Management

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	69 453	(1 963)	(3 700)	63 790	63 102	688	98.9%	44 502	43 367
Compensation of employees	47 886	(60)	(1 400)	46 426	46 419	7	100.0%	31 167	31 160
Goods and services	21 567	(1 903)	(2 300)	17 364	16 683	681	96.1%	13 335	12 207
Transfers and subsidies	4 051	1 963	-	6 014	6 005	9	99.9%	5 400	6 286
Provinces and municipalities	160	(148)	-	12	11	1	91.7%	6	6
Municipalities	160	(148)	-	12	11	1	91.7%	6	6
Households	3 891	2 111	-	6 002	5 994	8	99.9%	5 394	6 280
Payment for capital assets	2 435	-	(1 000)	1 435	1 277	158	89.0%	2 768	2 766
Machinery and equipment	2 435	-	(1 000)	1 435	1 277	158	89.0%	2 768	2 766
Payment for financial assets	-	-	-	-	-	-	-	280	-
TOTAL	75 939	-	(4 700)	71 239	70 384	855	98.8%	52 950	52 419

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 1.5: Communication Services

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	9 534	(1 870)	-	7 664	7 659	5	99.9%	5 014	5 373
Compensation of employees	4 221	(270)	-	3 951	3 950	1	100.0%	2 972	3 001
Goods and services	5 313	(1 600)	-	3 713	3 709	4	99.9%	2 042	2 372
Payment for capital assets	245	(245)	-	-	-	-	-	83	-
Machinery and equipment	245	(245)	-	-	-	-	-	83	-
Payment for financial assets	-	-	-	-	-	-	-	309	-
TOTAL	9 779	(2 115)	-	7 664	7 659	5	99.9%	5 406	5 373

PROGRAMME 2 – SUSTAINABLE RESOURCE MANAGEMENT

2017/18								2016/17	
Sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Engineering Services	36 685	410	1 170	38 265	38 250	15	100.0%	41 464	41 339
2.2 Land Care Services	9 910	(260)	-	9 650	9 551	99	99.0%	9 217	9 174
2.3 Disaster Risk Management	6 615	(150)	960	7 425	7 537	(112)	101.5%	19 838	18 994
Total	53 210	-	2 130	55 340	55 338	2	100.0%	70 519	69 507

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	52 840	(5 200)	2 130	49 770	49 559	211	99.6%	69 608	60 931
Compensation of employees	35 869	(490)	-	35 379	35 365	14	100.0%	39 069	39 052
Salaries and wages	25 431	4 307	-	29 738	30 616	(878)	103.0%	33 982	33 981
Social contributions	10 438	(4 797)	-	5 641	4 749	892	84.2%	5 087	5 071
Goods and services	16 971	(4 710)	2 130	14 391	14 194	197	98.6%	30 539	21 879
Administrative fees	267	(95)	-	172	98	74	57.0%	144	60
Minor assets	135	(127)	-	8	-	8	-	46	46
Catering: Departmental activities	600	(159)	-	441	455	(14)	103.2%	340	313
Communication	423	(358)	-	65	82	(17)	126.2%	184	131
Computer services	219	(213)	-	6	-	6	-	337	337
Infrastructure and planning services	-	-	-	-	-	-	-	20	-
Legal service	-	715	-	715	-	715	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Contractors	8 529	(5 516)	-	3 013	4 769	(1 756)	158.3%	18 063	9 645
Inventory: Clothing Material and accessories	-	34	-	34	33	1	97.1%	98	98
Inventory: Farming supplies	600	(463)	-	137	73	64	53.3%	1 789	1 789
Inventory: Food and food supplies	-	-	-	-	-	-	-	6	6
Inventory: Fuel, gas and oil	132	(67)	-	65	497	(432)	764.6%	239	239
Inventory: Materials and supplies	200	(30)	-	170	59	111	34.7%	2 019	2 019
Inventory: Other supplies	-	2 832	-	2 832	3 432	(600)	121.2%	869	869
Consumable supplies	341	40	-	381	374	7	98.2%	385	385
Consumable: Stationery, printing and office supplies	403	(403)	-	-	-	-	-	18	5
Operating leases	154	(154)	-	-	-	-	-	2	-
Property payments	900	(656)	960	1 204	(131)	1 335	(10.9%)	436	427
Transport provided: Departmental activity	-	-	-	-	-	-	-	68	68
Travel and subsistence	3 160	(38)	-	3 122	4 164	(1 042)	133.4%	5 174	5 178
Training and development	-	665	1 170	1 835	-	1 835	-	-	-
Operating payments	848	(833)	-	15	127	(112)	846.7%	164	158
Venues and facilities	59	117	-	176	162	14	92.0%	138	106
Rental and hiring	1	(1)	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Payment for capital assets	370	5 200	-	5 570	5 779	(209)	103.8%	911	8 576
Building and other fixed structures	350	5 200	-	5 550	5 779	(229)	104.1%	485	8 151
Buildings	-	5 550	-	5 550	5 779	(229)	104.1%	-	7 666
Other fixed structures	350	(350)	-	-	-	-	-	485	485
Machinery and equipment	20	-	-	20	-	20	-	426	425
Other machinery and equipment	20	-	-	20	-	20	-	426	425
TOTAL	53 210	-	2 130	55 340	55 338	2	100.0%	70 519	69 507

Sub-programme 2.1: Engineering Services

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	36 685	410	1 170	38 265	38 250	15	100.0%	41 038	40 914
Compensation of employees	32 638	(150)	-	32 488	32 479	9	100.0%	35 602	35 592
Goods and services	4 047	560	1 170	5 777	5 771	6	99.9%	5 436	5 322
Payment for capital assets	-	-	-	-	-	-	-	426	425
Machinery and equipment	-	-	-	-	-	-	-	426	425
TOTAL	36 685	410	1 170	38 265	38 250	15	100.0%	41 464	41 339

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 2.2: Land Care Services

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	9 910	(260)	-	9 650	9 551	99	99.0%	9 217	9 174
Compensation of employees	2 251	(190)	-	2 061	2 059	2	99.9%	2 399	2 398
Goods and services	7 659	(70)	-	7 589	7 492	97	98.7%	6 818	6 776
TOTAL	9 910	(260)	-	9 650	9 551	99	99.0%	9 217	9 174

Sub-programme 2.3: Disaster Risk Management

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6 245	(5 350)	960	1 855	1 758	97	94.8%	19 353	10 843
Compensation of employees	980	(150)	-	830	827	3	99.6%	1 068	1 062
Goods and services	5 265	(5 200)	960	1 025	931	94	90.8%	18 285	9 781
Payment for capital assets	370	5 200	-	5 570	5 779	(209)	103.8%	485	8 151
Building and other fixed structures	350	5 200	-	5 550	5 779	(229)	104.1%	485	8 151
Machinery and equipment	20	-	-	20	-	20	-	-	-
TOTAL	6 615	(150)	960	7 425	7 537	(112)	101.5%	19 838	18 994

APPROPRIATION STATEMENT
for the year ended 31 March 2018

PROGRAMME 3 – FARMER SUPPORT AND DEVELOPMENT

Sub-programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Farmers Settlement and Development	128 872	-	8 675	137 547	137 547	-	100.0%	122 546	122 540
3.2 Extension and Advisory Services	321 659	-	15 883	337 542	337 543	(1)	100.0%	247 140	247 446
3.3 Food Security	96 122	-	2 710	98 832	98 830	2	100.0%	80 443	79 666
Total	546 653	-	27 268	573 921	573 920	1	100.0%	450 129	449 652

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Economic classification	2017/18							2016/17	
	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	489 147	(42 100)	21 968	469 015	468 852	163	100.0%	407 153	377 877
Compensation of employees	165 984	-	7 000	172 984	174 070	(1 086)	100.6%	169 126	169 123
Salaries and wages	139 032	7 443	5 413	151 888	152 747	(859)	100.6%	147 394	147 394
Social contributions	26 952	(7 443)	1 587	21 096	21 323	(227)	101.1%	21 732	21 729
Goods and services	323 163	(42 100)	14 968	296 031	294 782	1 249	99.6%	238 027	208 754
Administrative fees	502	417	-	919	961	(42)	104.6%	504	855
Advertising	1800	(1 500)	-	300	250	50	83.3%	795	195
Minor assets	189	(170)	-	19	17	2	89.5%	181	-
Catering: Departmental activities	1 505	(1 206)	-	299	231	68	77.3%	495	454
Communication	7 381	3 149	-	10 530	11 543	(1 013)	109.6%	5 343	5 343
Computer services	-	1 188	-	1 188	957	231	80.6%	601	1 000
Consultants: Business and advisory services	-	-	-	-	-	-	-	61	-
Infrastructure and planning services	19 834	3 898	-	23 732	25 798	(2 066)	108.7%	24 325	24 261
Laboratory services	-	139	-	139	-	139	-	-	-
Legal fees	4 500	1 661	-	6 161	2 996	3 165	48.6%	200	-
Contractors	47 012	(8 556)	-	38 456	38 048	408	98.9%	19 533	16 289
Agency and support/outsourced services	15 000	(3 108)	3 583	15 475	17 964	(2 489)	116.1%	3	3
Fleet services	13 857	328	-	14 185	14 185	-	100.0%	12 675	12 675
Inventory: Clothing material and supplies	730	(730)	-	-	-	-	-	250	-
Inventory: Farming supplies	40 213	8 832	2 710	51 755	54 567	(2 812)	105.4%	51 047	43 358
Inventory: Food and food supplies	-	-	-	-	-	-	-	19	-

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Fuel ,oil, gas	8 000	(4 581)	-	3 419	3 130	289	91.5%	3 292	3 292
Inventory: Materials and supplies	26 287	(12 063)	-	14 224	13 590	634	95.5%	14 500	5 937
Inventory: Other supplies	44 546	(28 755)	-	15 791	14 903	888	94.4%	10 518	456
Consumable supplies	2 779	2 051	-	4 830	3 289	1 541	68.1%	3 000	2 909
Consumable: Stationery, printing and office supplies	4 651	(2 182)	-	2 469	1 084	1 385	43.9%	2 346	2 346
Operating leases	10 136	3 811	-	13 947	13 744	203	98.5%	16 866	16 866
Property payments	23 857	(16 689)	-	7 168	6 927	241	96.6%	7 159	6 584
Transport provided: Departmental activity	-	25	-	25	23	2	92.0%	66	25
Travel and subsistence	12 611	5 276	457	18 344	16 638	1 706	90.7%	20 989	21 571
Training and development	28 534	10 137	8 218	46 889	48 326	(1 437)	103.1%	40 003	41 465
Operating payments	3 336	(2 416)	-	920	1 086	(166)	118.0%	1 287	898
Venues and facilities	5 615	(769)	-	4 846	4 525	321	93.4%	1 725	1 729
Rental and hiring	288	(287)	-	1	-	1	-	244	243
Transfers and subsidies	-	-	-	-	-	-	-	342	332
Provinces and municipalities	-	-	-	-	-	-	-	332	332
Provinces	-	-	-	-	-	-	-	332	332
Households	-	-	-	-	-	-	-	10	-
Social benefits	-	-	-	-	-	-	-	10	-
Payment for capital assets	57 506	42 100	5 300	104 906	105 068	(162)	100.2%	42 634	71 443
Building and other fixed structures	52 078	44 709	5 300	102 087	102 425	(338)	100.3%	22 727	51 680
Building	-	96 787	5 300	102 087	102 425	(338)	100.3%	-	28 953
Other fixed structures	52 078	(52 078)	-	-	-	-	-	22 727	22 727
Machinery and equipment	5 428	(2 609)	-	2 819	2 643	176	93.8%	19 907	19 763
Other machinery and equipment	5 428	(2 609)	-	2 819	2 643	176	93.8%	19 907	19 763
TOTAL	546 653	-	27 268	573 921	573 920	1	100.0%	450 129	449 652

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 3.1: Farmers Settlement and Development

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	125 352	(1 100)	8 675	132 927	134 919	(1 992)	101.5%	116 176	116 189
Compensation of employees	23 850	-	-	23 850	27 044	(3 194)	113.4%	18 155	18 307
Goods and services	101 502	(1 100)	8 675	109 077	107 875	1 202	98.9%	98 021	97 882
Payment for capital assets	3 520	1 100	-	4 620	2 628	1 992	56.9%	6 370	6 351
Building and other fixed structures	-	1 900	-	1 900	-	1 900	-	-	-
Machinery and equipment	3 520	(800)	-	2 720	2 628	92	96.6%	6 370	6 351
TOTAL	128 872	-	8 675	137 547	137 547	-	100.0%	122 546	122 540

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 3.2: Extension and Advisory Services

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	267 673	(41 000)	10 583	237 256	235 103	2 153	99.1%	216 666	188 029
Compensation of employees	138 163	-	7 000	145 168	143 509	1 659	98.9%	147 280	147 464
Goods and services	129 505	(41 000)	3 583	92 088	91 594	494	99.5%	69 386	40 565
Transfers and subsidies	-	-	-	-	-	-	-	10	-
Households	-	-	-	-	-	-	-	10	-
Payment for capital assets	53 986	41 000	5 300	100 286	102 440	(2 154)	102.1%	30 464	59 417
Building and other fixed structure	52 078	42 809	5 300	100 187	102 425	(2 238)	102.2%	22 727	51 680
Machinery and equipment	1 908	(1 809)	-	99	15	84	15.2%	7 737	7 737
TOTAL	321 659	-	15 883	337 542	337 543	(1)	100.0%	247 140	247 446

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 3.3: Food Security

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	96 122	-	2 710	98 832	98 830	2	100.0%	74 311	73 659
Compensation of employees	3 966	-	-	3 966	3 517	449	88.7%	3 691	3 352
Goods and services	92 156	-	2 710	94 866	95 313	(447)	100.5%	70 620	70 307
Transfers and subsidies	-	-	-	-	-	-	-	332	332
Provinces and municipalities	-	-	-	-	-	-	-	332	332
Payment for capital assets	-	-	-	-	-	-	-	5 800	5 675
Machinery and equipment	-	-	-	-	-	-	-	5 800	5 675
TOTAL	96 122	-	2 710	98 832	98 830	2	100.0%	80 443	79 666

APPROPRIATION STATEMENT
for the year ended 31 March 2018

PROGRAMME 4 – VETERINARY SERVICES

Detail per sub-programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Animal Health	88 561	-	(2 833)	85 728	85 653	75	99.9%	82 726	82 547
4.2 Veterinary Public Health	26 238	-	(2 580)	23 658	23 591	67	99.7%	20 526	20 525
4.3 Veterinary Laboratory Services	11 261	-	(1 660)	9 601	9 510	91	99.1%	8 526	8 521
Total	126 060	-	(7 073)	118 987	118 754	233	99.8%	111 778	111 593

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2017/18							2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	124 396	-	(6 813)	117 583	117 378	205	99.8%	110 210	110 112
Compensation of employees	103 617	-	(780)	102 837	102 818	19	100.0%	97 320	97 224
Salaries and wages	89 476	-	(230)	89 246	88 580	666	99.3%	83 822	83 802
Social contributions	14 141	-	(550)	13 591	14 238	(647)	104.8%	13 498	13 422
Goods and services	20 779	-	(6 033)	14 746	14 560	186	98.7%	12 890	12 888
Administrative fees	299	1	-	300	270	30	90.0%	116	114
Minor assets	258	(193)	-	65	143	(78)	220.0%	20	39
Catering: Departmental activities	96	35	-	131	32	99	24.4%	58	52
Communication	378	177	-	555	319	236	57.5%	315	307
Laboratory services	1 357	8	(1 035)	330	625	(295)	189.4%	577	572
Legal services	-	214	-	214	-	214	-	-	-
Contractors	356	526	-	882	490	392	55.6%	1 202	1 194
Agency and support/outsourced services	-	1 027	-	1 027	-	1 027	-	-	-
Inventory: Clothing material and accessories	390	(59)	-	331	71	260	21.5%	-	-
Inventory: Farming supplies	163	2 012	-	2 175	1 524	651	70.1%	250	327
Inventory: Fuel, oil and gas	447	(306)	-	141	103	38	73.0%	20	45
Inventory: Materials and supplies	434	(292)	-	142	204	(62)	143.7%	360	410
Inventory: Medical supplies	2 532	(28)	(2 400)	104	81	23	77.9%	579	574
Inventory: Medicine	5 571	(2 288)	(2 016)	1 267	1 160	107	91.6%	1 338	1 174
Inventory: Other supplies	-	404	-	404	414	(10)	102.5%	-	-
Consumable supplies	575	(230)	-	345	449	(104)	130.1%	315	418
Consumable: Stationery, printing and office supplies	338	309	-	647	232	415	35.9%	190	124

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating leases	2 619	(1 572)	-	1 047	1 674	(627)	159.9%	637	545
Property payments	1 128	413	(165)	1 376	620	756	45.1%	795	828
Transport provided: Departmental activity	347	(347)	-	-	-	-	-	-	-
Travel and subsistence	3 075	(166)	(417)	2 492	4 927	(2 435)	197.7%	5 147	4 887
Operating payments	330	424	-	754	697	57	92.4%	913	965
Venues and facilities	86	(76)	-	10	525	(515)	5250.0%	58	313
Rental and hiring	-	7	-	7	-	7	-	-	-
Payment for capital assets	1 664	-	(260)	1 404	1 376	28	98.0%	1 568	1 481
Buildings and other fixed structures	1 500	-	(160)	1 340	1 338	2	99.9%	1 266	1 266
Other fixed structures	1 500	-	(160)	1 340	1 338	2	99.9%	1 266	1 266
Machinery and equipment	164	-	(100)	64	38	26	59.4%	302	215
Other machinery and equipment	164	-	(100)	64	38	26	59.4%	302	215
TOTAL	126 060	-	(7 073)	118 987	118 754	233	99.8%	111 778	111 593

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 4.1: Animal Health

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	87 061	-	(2 673)	84 388	84 315	73	99.9%	81 192	81 086
Compensation of employees	74 522	-	(180)	74 342	74 331	11	100.0%	71 722	71 702
Goods and services	12 539	-	(2 493)	10 046	9 984	62	99.4%	9 470	9 384
Payment for capital assets	1 500	-	(160)	1 340	1 338	2	99.9%	1 534	1 461
Buildings and other fixed structures	1 500	-	(160)	1 340	1 338	2	99.9%	1 266	1 266
Machinery and equipment	-	-	-	-	-	-	-	268	195
TOTAL	88 561	-	(2 833)	85 728	85 653	75	99.9%	82 726	82 547

Sub-programme 4.2: Veterinary Public Health

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	26 174	-	(2 580)	23 594	23 553	41	99.8%	20 516	20 525
Compensation of employees	20 916	-	(240)	20 676	20 675	1	100.0%	18 120	18 156
Goods and services	5 258	-	(2 340)	2 918	2 878	40	98.6%	2 396	2 369
Payment for capital assets	64	-	-	64	38	26	59.4%	10	-
Machinery and equipment	64	-	-	64	38	26	59.4%	10	-
TOTAL	26 238	-	(2 580)	23 658	23 591	67	99.7%	20 526	20 525

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 4.3: Veterinary Laboratory Services

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	11 161	-	(1 560)	9 601	9 510	91	99.1%	8 502	8 501
Compensation of employees	8 179	-	(360)	7 819	7 812	7	99.9%	7 478	7 366
Goods and services	2 982	-	(1 200)	1 782	1 698	84	95.3%	1 024	1 135
Payment for capital assets	100	-	(100)	-	-	-	-	24	20
Machinery and equipment	100	-	(100)	-	-	-	-	24	20
TOTAL	11 261	-	(1 660)	9 601	9 510	91	99.1%	8 526	8 521

PROGRAMME 5 – RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES

2017/18								2016/17	
Sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Research	32 899	-	(1 560)	31 339	31 279	60	99.8%	41 307	41 127
5.2 Technology Transfer Services	8 087	-	(1840)	6 247	6 237	10	99.8%	5 906	5 837
5.3 Infrastructure Support Services	17 622	-	(850)	16 772	16 744	28	99.8%	15 936	15 921
Total	58 608	-	(4 250)	54 358	54 260	98	99.8%	63 149	62 885

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	53 258	-	(3 720)	49 538	49 451	87	99.8%	46 099	45 841
Compensation of employees	43 915	-	(2 120)	41 795	41 764	31	99.9%	38 366	38 112
Salaries and wages	36 091	1 040	(1 470)	35 661	35 754	(93)	100.3%	32 784	32 538
Social contributions	7 824	(1 040)	(650)	6 134	6 010	124	98.0%	5 582	5 574
Goods and services	9 343	-	(1 600)	7 743	7 687	56	99.3%	7 733	7 729
Administrative fees	220	(87)	-	133	104	29	78.2%	33	18
Minor assets	-	47	-	47	19	28	40.4%	101	101
Catering: Departmental activities	106	(63)	-	43	24	19	55.8%	-	-
Communication	181	33	-	214	125	89	58.4%	149	134
Computer services	728	(6)	(500)	222	451	(229)	203.2%	618	414
Laboratory services	-	19	-	19	9	10	47.4%	-	-
Legal services	-	150	-	150	-	150	-	-	-
Contractors	479	(424)	-	55	4	51	7.3%	1 616	1 552
Inventory: Farming supplies	550	165	-	715	722	(7)	101.0%	148	154
Inventory: Fuel, oil and gas	1 043	(21)	(320)	702	722	(20)	102.8%	477	360
Inventory: Materials and supplies	142	(142)	-	-	7	(7)	-	35	149

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2017/18								2017/18	
	Adjusted Appropriation		Adjusted Appropriation		Adjusted Appropriation		Adjusted Appropriation		Adjusted Appropriation
Economic classification	R'000	Economic classification	R'000	Economic classification	R'000	Economic classification	R'000	Economic classification	R'000
Inventory: Medicine	-	75	-	75	16	59	21.3%	117	118
Inventory: Other supplies	-	415	-	415	197	218	47.5%		
Consumable supplies	197	(152)	-	45	220	(175)	488.9%	258	246
Consumable: Stationery, printing and office supplies	116	31	-	147	200	(53)	136.1%	60	33
Operating lease	1 388	(598)	(730)	60	-	60	-	-	-
Property payments	1 467	(504)	-	963	965	(2)	100.2%	710	1 108
Travel and subsistence	2 313	1 231	(50)	3 494	3 696	(202)	105.8%	3 153	3 103
Training and development	-	24	-	24	-	24	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating payments	309	(131)	-	178	189	(11)	106.2%	258	239
Venues and facilities	104	(62)	-	42	17	25	40.5%	-	-
Payment for capital assets	5 350	-	(530)	4 820	4 809	11	99.8%	17 050	17 044
Buildings and other fixed structures	4 200	-	-	4 200	4 199	1	100.0%	3 012	3 012
Buildings	-	-	-	-	-	-	-	3 012	3 012
Other fixed structure	4 200	-	-	4 200	4 199	1	100.0%	-	-
Machinery and equipment	1 150	-	(530)	620	610	10	98.4%	14 038	14 032
Transport equipment	250	(40)	(160)	50	-	50	-	-	-
Other machinery and equipment	900	40	(370)	570	610	(40)	107.0%	14 038	14 032
TOTAL	58 608	-	(4 250)	54 358	54 260	98	99.8%	63 149	62 885

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 5.1: Research

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	28 049	-	(1 400)	26 649	26 599	50	99.8%	24 257	24 083
Compensation of employees	22 910	-	(670)	22 240	22 220	20	99.9%	19 655	19 586
Goods and services	5 139	-	(730)	4 409	4 379	30	99.3%	4 602	4 497
Payment for capital assets	4 850	-	(160)	4 690	4 680	10	99.8%	17 050	17 044
Buildings and other fixed structures	4 200	-	-	4 200	4 199	1	100.0%	3 012	3 012
Machinery and equipment	650	-	(160)	490	481	9	98.2%	14 038	14 032
TOTAL	32 899	-	(1 560)	31 339	31 279	60	99.8%	41 307	41 127

Sub-programme 5.2: Technology Transfer Services

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	7 587	-	(1 470)	6 117	6 108	9	99.9%	5 906	5 837
Compensation of employees	5 804	-	(930)	4 874	4 866	8	99.8%	4 476	4 649
Goods and services	1 783	-	(540)	1 243	1 242	1	99.9%	1 430	1 188
Payment for capital assets	500	-	(370)	130	129	1	99.2%	-	-
Machinery and equipment	500	-	(370)	130	129	1	99.2%	-	-
TOTAL	8 087	-	(1 840)	6 247	6 237	10	99.8%	5 906	5 837

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 5.3: Infrastructure Support Services

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	17 622	-	(850)	16 772	16 744	28	99.8%	15 936	15 921
Compensation of employees	15 201	-	(520)	14 681	14 678	3	100.0%	14 235	13 877
Goods and services	2 421	-	(330)	2 091	2 066	25	98.8%	1 701	2 044
TOTAL	17 622	-	(850)	16 772	16 744	28	99.8%	15 936	15 921

PROGRAMME 6 – AGRICULTURAL ECONOMICS SERVICES

2017/18								2016/17	
Sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Agric- Business Support and Development	3 734	-	(600)	3 134	3 041	93	97.0%	2 875	2 829
6.2 Macro Economics Support	10 614	-	(500)	10 114	9 226	888	91.2%	8 066	8 061
Total	14 348	-	(1 100)	13 248	12 267	981	92.6%	10 941	10 890

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	14 278	-	(1 030)	13 248	12 267	981	92.6%	10 941	10 890
Compensation of employees	11 528	-	-	11 528	10 712	816	92.9%	9 251	9 271
Salaries and wages	9 975	-	-	9 975	9 506	469	95.3%	8 203	8 225
Social contributions	1 553	-	-	1 553	1 206	347	77.7%	1 048	1 046
Goods and services	2 750	-	(1 030)	1 720	1 555	165	90.4%	1 690	1 619
Administrative fees	150	(77)	(30)	43	26	17	60.5%	21	29
Minor assets	47	-	(47)	-	-	-	-	-	-
Catering: Departmental activities	50	10	(35)	25	8	17	32.0%	10	27
Communication	28	126	(4)	150	29	121	19.3%	30	24
Travel and subsistence	2 286	(204)	(755)	1 327	1 389	(62)	104.7%	1 577	1 452
Operating payments	92	95	(92)	95	77	18	81.1%	30	30
Venues and facilities	97	90	(67)	80	26	54	32.5%	22	57
Payment for capital assets	70	-	(70)	-	-	-	-	-	-
Machinery and equipment	70	-	(70)	-	-	-	-	-	-
Other machinery and equipment	70	-	(70)	-	-	-	-	-	-
TOTAL	14 348	-	(1 100)	13 248	12 267	981	92.6%	10 941	10 890

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 6.1: Agric-Business Support and Development

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3 664	-	(530)	3 134	3 041	93	97.0%	2 875	2 829
Compensation of employees	2 676	-	-	2 676	2 592	84	96.9%	2 375	2 329
Goods and services	988	-	(530)	458	449	9	98.0%	500	500
Payment for capital assets	70	-	(70)	-	-	-	-	-	-
Machinery and equipment	70	-	(70)	-	-	-	-	-	-
TOTAL	3 734	-	(600)	3 134	3 041	93	97.0%	2 875	2 829

Sub-programme 6.2: Macro Economics Support

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	10 614	-	(500)	10 114	9 226	888	91.2%	8 066	8 061
Compensation of employees	8 852	-	-	8 852	8 120	732	91.7%	6 876	6 942
Goods and services	1 762	-	(500)	1 262	1 106	156	87.6%	1 190	1 119
TOTAL	10 614	-	(500)	10 114	9 226	888	91.2%	8 066	8 061

APPROPRIATION STATEMENT
for the year ended 31 March 2018

PROGRAMME 7 – STRUCTURED AGRICULTURE EDUCATION AND TRAINING

Sub-programme	2017/18							2016/17	
	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
7.1 Further Education and Training (FET)	20 149	-	(1 590)	18 559	18 504	55	99.7%	16 255	16 163
Total	20 149	-	(1 590)	18 559	18 504	55	99.7%	16 255	16 163

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	20 149	(1 575)	(1 590)	16 984	16 929	55	99.7%	16 255	16 163
Compensation of employees	13 179		(700)	12 479	12 477	2	100.0%	11 975	11 917
Salaries and wages	12 304		(700)	11 604	10 399	1 205	89.6%	10 032	9 975
Social contributions	875			875	2 078	(1 203)	237.5%	1 943	1 942
Goods and services	6 970	(1 575)	(890)	4 505	4 452	53	98.8%	4 280	4 246
Administrative fees	100	9	-	109	80	29	73.4%	85	54
Advertising	-	-	-	-	222	(222)	-	-	-
Minor assets	75	(75)			29	(29)	-	-	-
Catering: Departmental activities	62	163	-	225	414	(189)	184.0%	59	45
Communication	61	(57)	-	4	-	4	-	-	-
Infrastructure and planning services	-	130	-	130	-	130	-	-	-
Laboratory services	-	150	-	150	-	150	-	-	-
Legal services	-	644	-	644	-	644	-	-	-
Contractors	2 459	(569)	(890)	1 000	704	296	70.4%	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Agency and support / outsourced services	-	-	-	-	-	-	-	1 731	1 731
Inventory: Clothing material and supplies	-	90	-	90	98	(8)	108.9%	-	-
Inventory: Farming supplies	-	241	-	241	23	218	9.5%	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	60	-
Inventory: Fuel, oil and gas	102	(88)	-	14	-	14	-	-	-
Inventory: Learner and teacher support material	353	(353)	-	-	-	-	-	10	-
Inventory: Materials and supplies	365	(365)	-	-	-	-	-	10	-
Inventory: Medical supplies	77	(77)	-	-	-	-	-	-	-
Consumable supplies	461	(99)	-	362	596	(234)	164.6%	50	25
Consumable: Stationery, printing and office supplies	243	(18)	-	225	164	61	72.9%	50	98
Operating leases	553	(538)	-	15	-	15	-	-	-
Property payments	477	(246)	-	231	212	19	91.8%	484	434
Travel and subsistence	1 417	(486)	-	931	1 789	(858)	192.2%	1 641	1 789
Training and development	-	1	-	1	-	1	-	-	-
Operating payments	165	(35)	-	130	40	90	30.8%	100	70
Venues and facilities	-	3	-	3	81	(78)	2700.0%	-	-
Payment for capital assets	-	1 575	-	1 575	1 575	-	100.0%	-	-
Buildings and other fixed structures	-	1 575	-	1 575	1 575	-	100.0%	-	-
Buildings	-	1 575	-	1 575	1 575	-	100.0%	-	-
TOTAL	20 149	-	(1 590)	18 559	18 504	55	99.7%	16 255	16 163

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 7.1: Further Education and Training (FET)

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	20 149	(1 575)	(1 590)	16 984	16 929	55	99.7%	16 255	16 163
Compensation of employees	13 179	-	(700)	12 479	12 477	2	100.0%	11 975	11 917
Goods and services	6 970	(1 575)	(890)	4 505	4 452	53	98.8%	4 280	4 246
Payment for capital assets	-	1 575	-	1 575	1 575	-	100.0%	-	-
Building and other fix structures	-	1 575	-	1 575	1 575	-	100.0%	-	-
TOTAL	20 149	(1 575)	(1 590)	18 559	18 504	55	99.7%	16 255	16 163

PROGRAMME 8 – RURAL DEVELOPMENT COORDINATION

2017/18								2016/17	
Sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
8.1 Development Planning and Monitoring	19 377	-	(1 495)	17 882	17 844	38	99.8%	17 368	16 871
8.2 Social Facilitation	4 592	-	(400)	4 192	4 137	55	98.7%	3 414	3 413
Total	23 969	-	(1 895)	22 074	21 981	93	99.6%	20 782	20 284

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	23 969	-	(1 895)	22 074	21 981	93	99.6%	20 782	20 284
Compensation of employees	20 113	-	(1 400)	18 713	18 700	13	99.9%	15 531	15 527
Salaries and wages	17 353	-	(387)	16 966	16 623	343	98.0%	13 624	13 623
Social contributions	2 760	-	(1 013)	1 747	2 077	(330)	118.9%	1 907	1 904
Goods and services	3 856	-	(495)	3 361	3 281	80	97.6%	5 251	4 757
Administrative fees	75	78	-	153	44	109	28.8%	39	39
Advertising	-	5	-	5	-	5	-	-	-
Minor assets	43	(43)	-	-	-	-	-	-	-
Catering: Departmental activities	91	(41)	-	50	47	3	94.0%	32	-
Communication	133	-	-	133	77	56	57.9%	109	94
Contractors	39	1	-	40	-	40	-	68	68
Inventory: Farming supplies	-	5	-	5	-	5	-	-	-
Consumable supplies	191	-	(191)	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	161	20	(161)	20	-	20	-	-	-
Operating leases	900	(900)	-	-	-	-	-	-	-
Property payments	500	(405)	(95)	-	-	-	-	400	395
Travel and subsistence	1 564	1 008	(48)	2 524	3 037	(513)	120.3%	3 289	3 089
Training and development	-	-	-	-	-	-	-	1 150	900
Operating payments	51	15	-	66	19	47	28.8%	94	94
Venues and facilities	23	342	-	365	57	308	15.6%	70	78
Rental and hiring	85	(85)	-	-	-	-	-	-	-
TOTAL	23 969	-	(1 895)	22 074	21 981	93	99.6%	20 782	20 284

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 8.1: Development Planning and Monitoring

2017/18								2016/17	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	19 377	-	(1 495)	17 882	17 844	38	99.8%	17 368	16 871
Compensation of employees	16 456	-	(1 400)	15 056	15 055	1	100.0%	12 744	12 502
Goods and services	2 921	-	(95)	2 826	2 789	37	98.7%	4 624	4 369
TOTAL	19 377	-	(1 495)	17 882	17 844	38	99.8%	17 368	16 871

Sub-programme 8.2: Social Facilitation

2017/18								2016/17	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 592	-	(400)	4 192	4 137	55	98.7%	3 414	3 413
Compensation of employees	3 657	-	-	3 657	3 645	12	99.7%	2 787	3 025
Goods and services	935	-	(400)	535	492	43	92.0%	627	388
TOTAL	4 592	-	(400)	4 192	4 137	55	98.7%	3 414	3 413

APPROPRIATION STATEMENT
for the year ended 31 March 2018

PROGRAMME 9 – ENVIRONMENTAL AFFAIRS

Sub-programme	2017/18							2016/17	
	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
9.1 CD: Office Support	2 523	-	(150)	2 373	2 350	23	99.0%	3 434	3 435
9.2 Environmental Policy , Planning and Coordination	3 580	-	(400)	3 180	2 954	226	92.9%	2 857	2 405
9.3 Compliance and Enforcement	7 607	-	(500)	7 107	7 024	83	98.8%	6 515	6 185
9.4 Environmental Quality Management	23 196	-	(3 800)	19 396	19 123	273	98.6%	16 743	17 058
9.5 Environmental Empowerment Services	73 077	-	(3 940)	69 137	69 517	(380)	100.5%	62 458	60 859
Total	109 983	-	(8 790)	101 193	100 968	225	99.8%	92 007	89 942

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	103 773	-	(5 940)	97 833	97 884	(51)	100.1%	88 735	87 563
Compensation of employees	72 384	-	(3 250)	69 134	68 469	665	99.0%	65 704	65 613
Salaries and wages	59 602	-	(800)	58 802	58 295	(123)	100.2%	56 530	56 530
Social contributions	12 782	-	(2 450)	10 332	9 544	788	92.4%	9 174	9 083
Goods and services	31 389	-	(2 690)	28 699	29 415	(716)	102.5%	23 031	21 950
Administrative fees	385	33	-	418	208	210	49.8%	237	173
Minor assets	71	255	-	326	251	75	77.0%	46	46
Catering: Departmental activities	179	(53)	-	126	68	58	54.0%	244	47
Communication	501	159	-	660	368	292	55.8%	483	407
Infrastructure and planning services	1 695	(695)	(1 000)	-	-	-	-	109	51
Legal services	250	639	(250)	639	2 430	(1 791)	380.3%	100	-
Contractors	8 286	1 005	-	9 291	8 860	431	95.4%	5 803	5 803
Agency and support / outsourced services	-	135	-	135	-	135	-	-	-
Inventory: Clothing material and supplies	-	316	-	316	583	(267)	184.5%	61	161
Inventory: Farming supplies	50	368	-	418	52	366	12.4%	-	-
Inventory: Fuel ,oil and gas	213	129	-	342	142	200	41.5%	160	18
Inventory: Materials and supplies	-	20	-	20	105	(85)	525.0%	45	23
Consumable supplies	194	755	-	949	976	(27)	102.8%	984	989
Consumable: Stationery, printing and office supplies	1 000	(912)	-	88	42	46	47.7%	-	-
Operating leases	4 000	(1 485)	(1 140)	1 375	1 565	(190)	113.8%	1 754	1 747
Property payments	5 700	(433)	-	5 267	7 103	(1 836)	134.9%	6 535	6 052
Travel and subsistence	7 301	693	(277)	7 717	6 173	1 544	80.0%	5 958	5 968

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Training and development	-	50	-	50	-	50	-	20	18
Operating payments	1 564	(1 275)	(23)	266	243	23	91.4%	285	266
Venues and facilities	-	296	-	296	246	50	83.1%	207	181
Payment for capital assets	6 210	-	(2 850)	3 360	3 084	276	91.8%	3 272	2 379
Building and other fixed structures	5 300	-	(2 325)	2 975	2 907	68	97.7%	3 208	2 315
Buildings	4 300	-	(1 325)	2 975	2 907	68	97.7%	1 152	937
Other fixed structures	1 000	-	(1 000)	-	-	-	-	2 056	1 378
Machinery and equipment	910	-	(525)	385	177	208	46.0%	64	64
Other machinery and equipment	910	-	(525)	385	177	208	46.0%	64	64
TOTAL	109 983	-	(8 790)	101 193	100 968	225	99.8%	92 007	89 942

Sub-programme 9.1: CD: Office Support

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2 508	-	(150)	2 358	2 350	8	99.7%	3 434	3 435
Compensation of employees	803	-	150)	653	521	132	79.8%	1 012	1 011
Goods and services	1 705	-	-	1 705	1 829	(124)	107.3%	2 422	2 424
Payments for capital assets	15	-	-	15	-	15	-	-	-
Machinery and equipment	15	-	-	15	-	15	-	-	-
TOTAL	2 523	-	(150)	2 373	2 350	23	99.0%	3 434	3 435

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 9.2: Environmental Policy Planning and Coordination

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2 960	-	(150)	2 810	2 777	33	98.8%	2 857	2 405
Compensation of employees	2 458	-	(100)	2 358	2 316	42	98.2%	2 562	2 129
Goods and services	502	-	(50)	452	461	(9)	102.0%	295	276
Payment for capital assets	620	-	(250)	370	177	193	47.8%	-	-
Machinery and equipment	620	-	(250)	370	177	193	47.8%	-	-
TOTAL	3 580	-	(400)	3 180	2 954	226	92.9%	2 857	2 405

Sub-programme 9.3: Compliance and Enforcement

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	7 607	-	(500)	7 107	7 024	83	98.8%	6 515	6 185
Compensation of employees	5 670	-	-	5 670	5 620	50	99.1%	4 972	4 970
Goods and services	1 937	-	(500)	1 437	1 404	33	97.7%	1 543	1 215
TOTAL	7 607	-	(500)	7 107	7 024	83	98.8%	6 515	6 185

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Sub-programme 9.4: Environmental Quality Management

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	23 196	-	(3 800)	19 396	19 123	273	98.6%	16 528	17 058
Compensation of employees	17 770	-	(2 800)	14 970	14 747	223	98.5%	13 967	14 359
Goods and services	5 426	-	(1 000)	4 426	4 376	50	98.9%	2 561	2 699
Payment for capital assets	-	-	-	-	-	-	-	215	-
Buildings and other fixed structures	-	-	-	-	-	-	-	215	-
TOTAL	23 196	-	(3 800)	19 396	19 123	273	98.6%	16 743	17 058

Sub-programme 9.5: Environmental Empowerment Services

2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	67 502	-	(1 340)	66 162	66 610	(448)	100.7%	59 401	58 480
Compensation of employees	45 683	-	(200)	45 483	45 265	218	99.5%	43 191	43 144
Goods and services	21 819	-	(1 140)	20 679	21 345	(666)	103.2%	16 210	15 336
Payment for capital assets	5 575	-	(2 600)	2 975	2 907	68	97.7%	3 057	2 379
Buildings and other fixed structures	5 300	-	(2 325)	2 975	2 907	68	97.7%	2 993	2 315
Machinery and equipment	275	-	(275)	-	-	-	-	64	64
TOTAL	73 077	-	(3 940)	69 137	69 517	(380)	100.5%	62 458	60 859

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2018

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

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

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

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

3. Detail on payments for financial assets

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

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

4.1

Per programme	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
Prg 1: Administration	186 121	185 231	890	0%
Prg 2: Sustainable Resource Management	55 340	55 338	2	0%
Prg 3: Farmer Support and Development	573 921	573 920	1	0%
Prg 4: Veterinary Services	118 987	118 754	233	0%
Prg 5: Research and Technology Development Services	54 358	54 260	98	0%
Pr 6: Agricultural Economics Services	13 248	12 267	981	7%
Variance: The programme under spent by 7% due to resignation and transferring of officials to other departments.				
Prg 7: Structured Agricultural Education and Training	18 559	18 504	55	0%
Prg 8: Rural Development Coordination	22 074	21 981	93	0%
Prg 9: Environmental Affairs	101 193	100 968	225	0%

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2018

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments	1 011 710	1 009 235	2 475	0%
Compensation of employees	569 760	569 264	496	0%
Goods and services	441 950	439 971	1 979	0%
Transfers and subsidies	7 211	7 160	51	1%
Provinces and municipalities	12	11	1	8%
Households	7 199	7 149	50	1%
Payments for capital assets	124 880	124 828	52	0%
Buildings and other fixed structures	117 727	118 223	(496)	0%
Machinery and equipment	7 153	6 605	548	8%
Total	1 143 801	1 141 223	2 578	0%

4.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Agriculture, Forestry & Fisheries				0%
Land Care Grant	6 608	6 514	94	1%
Comprehensive Agricultural Support Programme Grant	155 447	152 979	2 468	2%
Ilima/Letsema Projects	52 213	52 197	16	0%
Public Works, Road & Transport				
Expanded Public Works Programme	3 605	3 605	-	0%
Total	217 873	215 311	2 578	0%

The unspent funds is due to late submission of invoices by service providers

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
REVENUE			
Annual appropriation	1	1 143 801	974 133
Departmental revenue	2	7 633	7 973
TOTAL REVENUE		1 151 434	982 106
EXPENDITURE			
Current expenditure			
Compensation of employees	3	569 264	531 137
Goods and services	4	439 971	324 107
Total current expenditure		1 009 235	855 244
Transfers and subsidies			
Transfers and subsidies	6	7 160	8 625
Total transfers and subsidies		7 160	8 625
Expenditure for capital assets			
Tangible assets	7	124 828	103 987
Total expenditure for capital assets		124 828	103 987
Payments for financial assets	5	-	863
TOTAL EXPENDITURE		1 141 223	968 719
SURPLUS FOR THE YEAR		10 211	13 387
Reconciliation of Net Surplus for the year			
Voted funds		2 578	5 414
Annual appropriation		-	4 589
Conditional grants		2 578	825
Departmental revenue	12	7 633	7 973
SURPLUS FOR THE YEAR		10 211	13 387

STATEMENT OF FINANCIAL POSITION
as at 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
ASSETS			
Current assets		14 452	18 224
Unauthorised expenditure	8	12 262	12 262
Cash and cash equivalents	9	131	4 012
Receivables	10	2 059	1 950
Non-Current assets		1 70	211
Receivables	10	170	211
TOTAL ASSETS		14 622	18 435
LIABILITIES			
Current liabilities		14 181	18 065
Voted funds to be surrendered to the Revenue Fund	11	13 295	16 131
Departmental revenue to be surrendered to the Revenue Fund	12	692	1 055
Payables	13	194	879
TOTAL LIABILITIES		14 181	18 065
NET ASSETS		441	370
Represented by:			
Recoverable revenue		441	370
TOTAL		441	370

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2018

	Note	2017/18	2016/17
		R'000	R'000
Recoverable revenue			
Opening balance		370	394
Transfers:		71	(24)
Debts revised		-	-
Debts recovered (included in departmental receipts)		(53)	(24)
Debts raised		124	-
Closing balance		<u>441</u>	<u>370</u>
TOTAL		<u><u>441</u></u>	<u><u>370</u></u>

CASH FLOW STATEMENT
for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1 150 614	981 881
Annual appropriated funds received	1.1	1 143 801	974 133
Departmental revenue received	2	5 365	6 149
Interest received	2.3	1 448	1 599
Net (increase)/decrease in working capital		(753)	1 235
Surrendered to Revenue Fund		(13 410)	(7 797)
Current payments		(1 009 235)	(855 244)
Payments for financial assets		-	(863)
Transfers and subsidies paid		(7 160)	(8 625)
Net cash flow available from operating activities	14	120 056	110 587
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(124 828)	(103 987)
Proceeds from sale of capital assets	2.4	820	225
Net cash flows from investing activities		(124 008)	(103 762)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		71	(24)
Net cash flows from financing activities		71	(24)
Net increase/(decrease) in cash and cash equivalents		(3 881)	6 801
Cash and cash equivalents at beginning of period		4 012	(2 789)
Cash and cash equivalents at end of period	15	131	4 012

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

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

1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

2. Going concern

The financial statements have been prepared on a going concern basis.

3. Presentation currency

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

4. Rounding

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

5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

6. Comparative information

6.1 Prior period comparative information

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

6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7. Revenue

7.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

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

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

8.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department or in the case of transfers and subsidies when they are due and payable.

Accruals and payables not recognised are measured at cost.

8.4 Leases

8.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

9. Aid Assistance

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

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.

11. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

Write-offs are made according to the department's write-off policy.

13. Investments

Investments are recognised in the statement of financial position at cost.

14. Financial assets

14.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

14.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

15. Payables

Loans and payables are recognised in the statement of financial position at cost.

16. Capital Assets

16.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to the financial statements.

16.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Biological assets are subsequently carried at fair value.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

16.3 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that of a capital nature forms part of the cost of the existing asset when ready for use.

16.4 Project Costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work in progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the projects are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

17. Provisions and Contingents

17.1 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

17.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

17.4 Commitments

Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

18. Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

20. Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

21. Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

22. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

23. Principal-Agent arrangements

The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

24. Departures from the MCS requirements

The management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.

25. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received

26. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

27. Related party transactions

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements

28. Inventories

At the date of acquisition, inventories are recorded at cost price in the statement of performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

29. Public-Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.

30. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

PART B: EXPLANATORY NOTES

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:

Programmes	Final	Actual	2017/18	Final	2016/17
	Appropriation	Funds	Funds not	Appropriation	Appropriation
	R'000	Received	requested/ not received	R'000	received
	R'000	R'000	R'000	R'000	R'000
Administration	186 121	186 121	-	138 573	138 573
Sustainable Resource Management	55 340	55 340	-	70 519	70 519
Farmer Support and Development	573 921	573 921	-	450 129	450 129
Veterinary Services	118 987	118 987	-	111 778	111 778
Research and Technology Development Services	54 358	54 358	-	63 149	63 149
Agricultural Economics Services	13 248	13 248	-	10 941	10 941
Structured Agricultural Education and Training	18 559	18 559	-	16 255	16 255
Rural Development Coordination	22 074	22 074	-	20 782	20 782
Environmental Affairs	101 193	101 193	-	92 007	92 007
Total	1 143 801	1 143 801	-	974 133	974 133

1.2 Conditional grants

	Note	2017/18	2016/17
		R'000	R'000
Total grants received	28	<u>217 873</u>	<u>231 973</u>
Provincial grants included in Total Grants received		<u>-</u>	<u>-</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

2. Departmental revenue

		2017/18 R'000	2016/17 R'000
Sales of goods and services other than capital assets	2.1	4 074	4 131
Fines, penalties and forfeits	2.2	1 123	1 397
Interest, dividends and rent on land	2.3	1 448	1 600
Sales of capital assets	2.4	820	225
Transactions in financial assets and liabilities	2.5	168	620
Total revenue collected		7 633	7 973
Less: Own revenue included in appropriation	12	-	-
Departmental revenue collected		7 633	7 973

2.1 Sales of goods and services other than capital assets

		2017/18 R'000	2016/17 R'000
	2		
Sales of goods and services produced by the department			
Sales by market establishment		476	478
Other sales		3 598	3 653
Total		4 074	4 131

2.2 Fines, penalties and forfeits

	2017/18 R'000	2016/17 R'000
Fines	1 123	1 397
Total	1 123	1 397

2.3 Interest, dividends and rent on land

	2017/18 R'000	2016/17 R'000
Interest	1 448	1 599
Rent on land	-	1
Total	1 448	1 600

2.4 Sale of capital assets

	Note	2017/18 R'000	2016/17 R'000
	2		
Tangible assets			
Machinery and equipment	25.2	820	225
Total		820	225

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

2.5 Transactions in financial assets and liabilities

	Note 2	2017/18 R'000	2016/17 R'000
Receivables		143	616
Other Receipts including Recoverable Revenue		25	4
Total		168	620

3. Compensation of employees

Note

3.1 Compensation of employees

	2017/18 R'000	2016/17 R'000
Basic salary	388 400	367 437
Performance award	8 824	7 830
Service Based	31 260	30 898
Compensative/circumstantial	7 680	231
Other non-pensionable allowances	59 739	54 584
Total	495 903	460 980

Other non-pensionable allowances include: overtime, leave discounting, capital remuneration, housing allowance and non-pensionable allowance for SMS and MMS.

3.2 Social contributions

	Note	2017/18 R'000	2016/17 R'000
Employer contributions			
Pension		47 739	45 594
Medical		25 513	24 459
Bargaining council		109	104
Total		73 361	70 157
Total compensation of employees		569 264	531 137
Average number of employees		1 304	1 367

Out of 1 304 number of employees, 75 are contract workers

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

4. Goods and services

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Administrative fees		2 672	2 022
Advertising		6 534	827
Minor assets	4.1	479	308
Catering		1 759	1 662
Communication		14 341	7 411
Computer services	4.2	1 734	2 042
Consultants: Business and advisory services		684	256
Infrastructure and planning services		28 777	24 312
Laboratory services		634	572
Legal services		22 056	7 332
Contractors		60 818	34 704
Agency and support/outsource services		18 159	1 941
Audit cost – external	4.3	6 489	7 024
Fleet services		14 184	12 675
Inventory	4.4	96 523	61 576
Consumables	4.5	11 133	9 777
Operating leases		16 983	19 158
Property payments	4.6	21 047	21 222
Rental and hiring		-	278
Transport provided as part of the departmental activities		23	111
Travel and subsistence	4.7	54 441	56 908
Venues and facilities		7 137	3 813
Training and development		49 450	44 505
Other operating expenditure	4.8	3 914	3 671
Total		439 971	324 107

4.1 Minor assets

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Tangible assets	4		
Machinery and equipment		479	308
Total		479	308

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

4.2 Computer services

	Note	2017/18	2016/17
	4	R'000	R'000
SITA computer services		326	291
External computer service providers		1 408	1 751
Total		1 734	2 042

4.3 Audit cost – External

	Note	2017/18	2016/17
	4	R'000	R'000
Regularity audits		6 489	7 024
Total		6 489	7 024

4.4 Inventory

	Note	2017/18	2016/17
	4	R'000	R'000
Clothing material and accessories		785	259
Farming supplies		56 960	45 628
Food and food supplies		-	6
Fuel, oil and gas		4 595	3 954
Materials and supplies		13 979	8 538
Medical supplies		679	574
Medicine		1 189	1 292
Other supplies	4.4.1	18 336	1 325
Total		96 523	61 576

4.4.1 Other Supplies

	Note	2017/18	2016/17
	4.4	R'000	R'000
Assets for distribution		18 336	1 325
Machinery and equipment		3 866	-
Other assets for distribution		14 470	1 325
Total		18 336	1 325

Other refers to inventory asset for distribution construction & maintenance equipment

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

4.5 Consumables

	Note	2017/18	2016/17
	4	R'000	R'000
Consumable supplies		7 252	6 042
Uniform and clothing		1 734	1 043
Building material and supplies		-	448
Communication accessories		134	446
IT consumables		161	191
Other consumables		5 223	3 914
Stationery, printing and office supplies		3 881	3 735
Total		11 133	9 777

Other consumables include: Linen & soft furnish, crockery & cutlery, disposable paper, groceries, toiletries, tube-light & lightbulb, wash/clean detergent, packaging material, medical kit and security access consumables

4.6 Property payments

	Note	2017/18	2016/17
	4	R'000	R'000
Municipal services		7 051	8 979
Property maintenance and repairs		11 245	11 110
Other		2 751	1 133
Total		21 047	21 222

Other refer to Fire protection and Safeguard & security

4.7 Travel and subsistence

	Note	2017/18	2016/17
	4	R'000	R'000
Local		54 345	56 634
Foreign		96	274
Total		54 441	56 908

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

4.8 Other operating expenditure

	Note	2017/18	2016/17
	4	R'000	R'000
Professional bodies, membership and subscription fees		287	324
Resettlement costs		37	125
Other		3 590	3 222
Total		3 914	3 671

Other refers to: Courier & delivery services, non-life insurance premium, printing & publication services

5. Payments for financial assets

	Note	2017/18	2016/17
		R'000	R'000
Debts written off	5.1	-	863
Total		-	863

5.1 Debts written off

	Note	2017/18	2016/17
	5	R'000	R'000
Other debt written off			
Ex-employees		-	527
Other: KZN Medical Aid		-	13
National departments		-	52
Provincial departments		-	112
Public entities		-	159
Total		-	863
Total debt written off		-	863

6. Transfers and subsidies

		2017/18	2016/17
	Note	R'000	R'000
Provinces and municipalities	29	11	338
Departmental agencies and accounts	Annex 1A	-	845
Households	Annex 1B	7 149	7 442
Total		7 160	8 625

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

7. Expenditure for capital assets

	Note	2017/18 R'000	2016/17 R'000
Tangible assets			103 987
Buildings and other fixed structures	26.1	118 223	66 424
Machinery and equipment	25.1	6 605	37 563
Total		124 828	103 987

7.1 Analysis of funds utilised to acquire capital assets – 2017/18

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets			
Buildings and other fixed structures	118 223	-	118 223
Machinery and equipment	6 605	-	6 605
Total	124 828	-	124 828

7.2 Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets			
Buildings and other fixed structures	66 424	-	66 424
Machinery and equipment	37 563	-	37 563
Total	103 987	-	103 987

7.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2017/18 R'000	2016/17 R'000
Tangible assets			
Machinery and equipment		2 627	3 181
Total		2 627	3 181

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

8. Unauthorised expenditure

8.1 Reconciliation of unauthorised expenditure

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		12 262	12 262
Prior year error		-	-
As restated		<u>12 262</u>	<u>12 262</u>
Unauthorised expenditure – discovered in current year (as restated)			-
Less: Amounts approved by Parliament/Legislature with funding		-	-
Less: Amounts approved by Parliament/Legislature without funding		-	-
Capital		-	-
Current		-	-
Less: Amounts transferred to receivables for recovery			
Closing balance		<u>12 262</u>	<u>12 262</u>

Analysis of closing balance

	2017/18	2016/17
	R'000	R'000
Unauthorised expenditure awaiting authorisation	2 722	-
Unauthorised expenditure approved without funding and not derecognised	<u>9 540</u>	<u>-</u>
Total	<u>12 262</u>	<u>-</u>

8.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2017/18	2016/17
	R'000	R'000
Current	<u>12 262</u>	<u>12 262</u>
Total	<u>12 262</u>	<u>12 262</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

8.3 Analysis of unauthorised expenditure awaiting authorisation per type

	2017/18 R'000	2016/17 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	12 262	12 262
Total	12 262	12 262

9. Cash and cash equivalents

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General Account		131	4 013
Disbursement		-	(1)
Total		131	4 012

10. Receivables

	<i>Note</i>	2017/18			2016/17		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	10.1	1 288	-	1 288	1 212	-	1 212
	<i>Annex 3</i>						
Recoverable expenditure	10.2	3	-	3	2	-	2
Staff debt	10.3	135	75	210	185	95	280
Other debtors	10.4	633	95	728	551	116	667
Total		2 059	170	2 229	1 950	211	2 161

10.1 Claims recoverable

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Provincial departments	10	233	157
Public entities		1 055	1 055
Total		1 288	1 212

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

10.2 Recoverable expenditure (disallowance accounts)

	Note	2017/18	2016/17
	10	R'000	R'000
Salary tax debts		1	2
Salary Reversal Control		2	-
Total		3	2

10.3 Staff debt

	Note	2017/18	2016/17
	10	R'000	R'000
Current employees		210	280
Total		210	280

10.4 Other debtors

	Note	2017/18	2016/17
	10	R'000	R'000
Ex-employees		451	390
University of Mpumalanga		277	277
Total		728	667

11. Voted funds to be surrendered to the Revenue Fund

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		16 131	10 794
Prior period error	11.1	-	-
As restated		16 131	10 794
Transfer from statement of financial performance (as restated)		2 578	5 414
Add unauthorised expenditure for current year		-	-
Paid during the year		(5 414)	(77)
Closing balance		13 295	16 131

12. Departmental revenue to be surrendered to the Revenue Fund

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		1 055	802
Prior period error		-	-
As restated		1 055	802
Transfer from Statement of Financial Performance (as restated)		7 633	7 973
Own revenue included in appropriation		-	-
Paid during the year		(7 996)	(7 720)
Closing balance		692	1 055

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

13. Payables – current

	Note	2017/18 R'000	2016/17 R'000
Clearing accounts	13.1	194	879
Total		194	879

13.1 Clearing accounts

	Note	2017/18 R'000	2016/17 R'000
	13		
Salary: Pension Fund		23	-
Salary Bargaining Council		1	-
Sal GEHS Refund Control		-	12
Sal Reversal Control		-	613
Salary: Income tax		170	254
Total		194	879

14. Net cash flow available from operating activities

	2017/18 R'000	2016/17 R'000
Net surplus as per Statement of Financial Performance	10 211	13 387
Add back non cash/cash movements not deemed operating activities	109 845	97 200
(Increase)/decrease in receivables – current	(68)	877
(Increase)/decrease in other current assets	-	-
Increase/(decrease) in payables – current	(685)	358
Proceeds from sale of capital assets	(820)	(225)
Expenditure on capital assets	124 828	103 987
Surrenders to Revenue Fund	(13 410)	(7 797)
Net cash flow generated by operating activities	120 056	110 587

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

	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General account	131	4 013
Disbursement	-	(1)
Total	131	4 012

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

16. Contingent liabilities and contingent assets

16.1 Contingent liabilities

Liable to	Nature	Note	2017/18 R'000	2016/17 R'000
Claims against the department		Annex 2A	100 920	114 853
Total			100 920	114 853

17. Commitments

	Note	2017/18 R'000	2016/17 R'000
Current expenditure			
Approved and contracted		86 077	140 306
Approved but not yet contracted		159	-
		86 236	140 306
Capital expenditure			
Approved and contracted		133 312	100 326
		133 312	100 326
Total Commitments		219 548	240 632

18. Accruals and payables not recognised

18.1 Accruals	2017/18 R'000	2016/17 R'000
---------------	------------------	------------------

Listed by economic classification

	30 Days	30+ Days	Total	Total
Goods and services	8 177	2 320	10 497	9 325
Transfers and subsidies	84	321	405	403
Capital assets	-	-	-	1 338
Other(Compensation of employees)	374	633	1 007	764
Total	8 635	3 410	11 909	11 830

	2017/18 R'000	2016/17 R'000
--	------------------	------------------

Listed by programme level

Prg1: Administration	4 624	1 775
Prg2: Sustainable Resource Management	265	1 904
Prg3: Farmer Support and Development	5 270	5 863
Prg4: Veterinary Services	431	1 663
Prg5: Research and Technology Development Services	212	264
Prg6: Agricultural Economics Services	48	62
Prg7: Structured Agricultural Education and Training	71	86
Prg8: Rural Development Coordination	230	36
Prg9: Environmental Affairs	758	177
Total	11 909	11 830

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

18.2 Payables not recognised			2017/18	2016/17
			R'000	R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	5 483	6 381	11 864	5 212
Transfers and subsidies	87	73	160	503
Other(Compensation of employees)	648	47	695	201
Total	6 218	6 501	12 719	5 916

			2017/18	2016/17
			R'000	R'000
Listed by programme level				
Prg1: Administration			1 748	2 480
Prg2: Sustainable Resource Management			333	214
Prg3: Farmer Support and Development			8 850	2 463
Prg4: Veterinary Services			480	690
Prg5: Research and Technology Development Services			193	9
Prg6: Agricultural Economics Services			39	17
Prg7: Structured Agricultural Education and Training			65	-
Prg8:Rural Development Coordination			101	24
Prg9:Environmental Affairs			910	19
Total			12 719	5 916

Included in the above totals are the following:	Note	2017/18	2016/17
		R'000	R'000
Confirmed balances with other departments	Annex 4	371	1 432
Total		371	1 432

19. Employee benefits

	2017/18	2016/17
	R'000	R'000
Leave entitlement	36 410	33 606
Service bonus (Thirteenth cheque)	15 696	14 939
Performance awards	9 805	9 143
Capped leave commitments	62 423	62 707
Other	1 205	1 183
Total	125 539	121 578

Leave entitlement include leave with negative balance amounting to R107 597.57 The performance awards disclosed is 1.5% of the total compensation of employees' budget of R653 681 000.00 for 2018/19. Capped leave commitments include leave with negative balance amounting to R58 387.60 Others refers to long service award 20, 30 and 40 years for 2018/19.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

20. Lease commitments
20.1. Operating leases expenditure

	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
2017/18	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	13 472	-	13 472
Later than 1 year and not later than 5 years	-	-	54 043	-	54 043
			87 756		87 756
Total lease commitments	-	-	155 271	-	155 271

	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
2016/17	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	2 551	-	2 551
Later than 1 year and not Later than 5 years	-	-	872	-	872
	-	-	-	-	-
Total lease commitments	-	-	3 423	-	3 423

20..2 Finance leases expenditure

	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
2017/18	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	3 112	3 112
Later than 1 year and not later than 5 years	-	-	-	1 610	1 610
Total lease commitments	-	-	-	4 722	4 722

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
2016/17	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	2 252	2 252
Later than 1 year and not later than 5 years	-	-	-	2 418	2 418
Total lease commitments	-	-	-	4 670	4 670

21. Irregular expenditure

21.1 Reconciliation of irregular expenditure

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Opening balance		76 390	53 805
As restated		76 390	53 805
Add: irregular expenditure – relating to prior year		10 244	20 608
Add: irregular expenditure - relating to current year		434	1 977
Less: Prior year amounts condoned		-	-
Irregular expenditure awaiting condonation		87 068	76 390
Analysis of awaiting condonation per age classification			
Current year		10 678	22 585
Prior years		76 390	53 805
Total		87 068	76 390

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

21.2 Details of irregular expenditure

Incident	Disciplinary steps taken	2017/18 R'000
ALA/355/15/MP: The department awarded contract on per database of awarded 2015/16 bids not advertised on the CIDB website	None	63
ALA420/16/MP: The department has awarded a contract to the supplier. The supplier declared that they intend to sub-contracting 30% of the value of the award but did not indicate who the subcontractor would be, the subcontractor's B-BBEE status level and whether the subcontractor is an exempted micro enterprise that has the capability and ability to execute the sub-contract. In evaluation of this award, points were awarded based on the suppliers B-BBEE status level.	None	378
PRE/041/14/MP: The department has participated in the contract to provide expert strategic support issues which was appointed by the Office of the Premier.	None	92
PRE/040/14/MP: The department has participated in the contract to handle litigation matters which was appointed by the Office of the Premier	None	1 228
ALA/398/16/MP: The department has awarded a contract to the supplier who scored the second highest points. The department made an award to the supplier who declared that is intend to sub-contract but did not indicate the percentage of the contract to be subcontracted and also the award was given to supplier who intended to subcontract 30% of the value of the award but did not indicate the name of the subcontractors.	None	5 814
ALA/344/15/MP; The department awarded the contracts to the service provider without applying the preference points system in accordance with the scale specified in the Bid Document	None	2 761
Two officials misuse petrol cars for GG vehicles	Yes	342
Total		10 678

22. Fruitless and wasteful expenditure

22.1 Reconciliation of fruitless and wasteful expenditure

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Opening balance		1 724	1 724
Fruitless and wasteful expenditure – relating to prior year			-
Fruitless and wasteful expenditure awaiting resolution		<u><u>1 724</u></u>	<u><u>1 724</u></u>

22.2 Analysis of awaiting resolution per economic classification

	2017/18 R'000	2016/17 R'000
Current	1 724	1 724
Total	<u><u>1 724</u></u>	<u><u>1 724</u></u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

23. Related party transaction

- During the year under review the department received service from the Department of Public Works Roads and Transport that are related to the department. The Department of Agriculture, Rural Development and Land and Environmental Affairs occupies Government building in the Province provided by the Department of Public Works, Roads and Transport free of charge.
- During the year under review the department received Security services from the Department of Community Safety, Security and Liaison.
- During the year under review the department received IT services from Provincial Treasury

24. Key management personnel

	No. of Individuals	2017/18 R'000	2016/17 R'000
Political office bearers	1	1 978	1 902
Officials:			
Level 15 to 16	1	1 477	1 400
Level 14 (incl. CFO if at a lower level)	8	11 026	8 661
Total		14 481	11 963

25. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	426 869	-	3 978	(8 096)	422 751
Transport assets	45 140	-	1 200	(2 129)	44 211
Computer equipment	19 016	-	2 335	(1 568)	19 783
Furniture and office equipment	9 382	-	204	(171)	9 415
Other machinery and equipment	353 331	-	239	(4 228)	349 342
BIOLOGICAL ASSETS	6 725	(1 768)	134	(2 489)	2 602
Biological assets	6 725	(1 768)	134	(2 489)	2 602
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	433 594	(1 768)	4 112	(10 585)	425 353

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

Movable Tangible Capital Assets under investigation

Included in the above total of the movable tangible capital assets per the assets register are assets under investigation

	Number	Value R'000
Machinery and equipment	97	4 887
Biological assets	58	646

Assets were not found on the floor during physical asset verification

25.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	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
MACHINERY AND EQUIPMENT	6 605	-	(2 627)	-	3 978
Transport assets	1 200	-	-	-	1 200
Computer equipment	2 335	-	-	-	2 335
Furniture and office equipment	204	-	-	-	204
Other machinery and equipment	2 866	-	(2 627)	-	239
BIOLOGICAL ASSETS	-	134	-	-	134
Biological assets	-	134	-	-	134
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	6 605	134	(2 627)	-	4 112

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

25.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	(5 948)	(2 148)	(8 096)	820
Transport assets	(1 482)	(647)	(2 129)	640
Computer equipment	(776)	(792)	(1 568)	24
Furniture and office equipment	(18)	(153)	(171)	8
Other machinery and equipment	(3 672)	(556)	(4 228)	148
BIOLOGICAL ASSETS		(2 489)	(2 489)	-
Biological assets	-	(2 489)	(2 489)	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	(5 948)	(4 637)	(10 585)	820

25.3 Movement for 2016/17

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	407 676	711	32 251	(13 769)	426 869
Transport assets	46 046	-	643	(1 549)	45 140
Computer equipment	15 866	10	5 581	(2 441)	19 016
Furniture and office equipment	9 523	-	289	(430)	9 382
Other machinery and equipment	336 241	701	25 738	(9 349)	353 331
BIOLOGICAL ASSETS	7 030	25	270	(600)	6 725
Biological assets	7 030	25	270	(600)	6 725
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	414 706	736	32 521	(14 369)	433 594

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

25.3.1 Prior period error

Nature of prior period error	2016/17
	R'000
Relating to 2016/17 (affecting the opening balance)	
Other machinery & equipment	701
Computer equipment	10
Biological assets	25
Total	736

Assets were not accounted for on the Fixed Asset Register of the Department

25.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018

	Machinery and equipment R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	27 411	813	28 224
Value adjustment	-	-	-	-	(158)	(158)
Additions	-	-	-	519	151	670
Disposals	-	-	-	(986)	(101)	(1 087)
TOTAL MINOR ASSETS	-	-	-	26 944	705	27 649

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	753	-	753
Number of minor assets at cost	-	-	-	24 459	577	25 036
TOTAL NUMBER OF MINOR ASSETS	-	-	-	25 212	577	25 789

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

Minor Capital Assets under investigation

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

	Number	Value R'000
Machinery and equipment	200	319
Biological assets	149	174

Assets were not found on the floor during physical asset verification.

MINOR ASSETS

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	28 561	730	29 291
Prior period error	-	-	-	498	30	528
Additions	-	-	-	317	124	441
Disposals	-	-	-	(1 965)	(71)	(2 036)
TOTAL MINOR ASSETS	-	-	-	27 411	813	28 224

	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	733	-	733
Number of minor assets at cost	-	24 966	541	25 507
TOTAL NUMBER OF MINOR ASSETS	-	25 699	541	26 240

25.4.1 Prior period error

Nature of prior period error

2016/17
R'000

Relating to 2016/17 (affecting opening balance)

Machinery & equipment

498

Biological assets

30

Total

528

Assets were not accounted for on the Fixed Asset Register of the Department

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

25.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2018

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	2 605	95	2 700
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	2 605	95	2 700

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	11 135	-	11 135
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	11 135	-	11 135

26. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	39 116	-	89 818	(99 064)	29 870
Other fixed structures	39 116	-	89 818	(99 064)	29 870
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	39 116	-	89 818	(99 064)	29 870

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

Immovable Tangible Capital Assets under investigation

Included in the above total of the immovable tangible capital assets as per the asset register are assets that are under investigation

	Number	Value R'000
Building and other fixed structure- Agri-hubs	1	1 513

26.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	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
BUILDING AND OTHER FIXED STRUCTURES	118 223	20 322	(48 727)	-	89 818
Other fixed structures	118 223	20 322	(48 727)	-	89 818
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	118 223	20 322	(48 727)	-	89 818

26.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
BUILDING AND OTHER FIXED STRUCTURES		(99 064)	(99 064)	-
Other fixed structures	-	(99 064)	(99 064)	-
TOTAL DISPOSAL OF IMMOVABLE TANGIBLE CAPITAL ASSETS	-	(99 064)	(99 064)	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

26.3 Movement for 2016/17

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	19 265	53 198	34 616	(67 963)	39 116
Other fixed structures	19 265	53 198	34 616	(67 963)	39 116
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	19 265	53 198	34 616	(67 963)	39 116

26.3.1 Prior period error

Nature of prior period error	2016/17 R'000
Relating to 2015/16 (affecting opening balance)	
Cost incurred on Fresh produce market	15 066
Agri-hubs	1 513
Reclassification from inventory to capital asset	36 619
Total	53 198

26.4 CAPITAL WORK IN PROGRESS AS AT 31 MARCH 2018

	Opening balance 01 April 2017 R'000	Current year WIP R'000	Ready for use (Asset to the AR) Contracts terminated R'000	Closing Balance 31 March 2018 R'000
Building and other fixed structures	73 080	48 727	(20 322)	101 485
TOTAL	73 080	48 727	(20 322)	101 485

Age analysis on going projects	Number of projects		2017/18
	Planned, Construction not started	Planned construction started	Total R'000
0 to 1 year	-	3	48 727
1 to 3 years	-	4	6 073
3 to 5 years	-	1	13 310
Longer than 5 years	-	1	33 375
Total	-	9	101 485

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

CAPITAL WORK IN PROGRESS AS AT 31 MARCH 2017

	Opening balance	Current year WIP	Ready for use (Asset to the AR)Contracts terminated	Closing Balance 31 March 2017
	R'000	R'000	R'000	R'000
Building and other fixed structures	101 101	28 540	(56 561)	73 080
TOTAL	101 101	28 540	(56 561)	73 080

In the above WIP note column for ready for use, the adjusted amount is due to Fresh produce market, Agri-hubs and Projects that were subjected to be transferred to PWRT and which were not forming part of WIP in prior year therefore the prior year WIP closing balance will be affected from R96,290,000 .00 to R73,080,000.00

26.5 S 42 Immovable asset

Assets subjected to transfer in terms of S 42 of the PFMA - 2017/18

	No of asset	Value of asset R'000
BUILDINGS AND OTHER FIXED STRUCTURES		
Other fixed structures	7	11 113
Total	7	11 113

Assets subjected to transfer in terms of S 42 of the PFMA - 2016/17

	No of asset	Value of asset R'000
BUILDINGS AND OTHER FIXED STRUCTURES		
Other fixed structures	5	23 210
Total	5	27 210

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

27. Prior period errors

27.1 Correction of prior period errors

	<i>Notes</i>	Amount before error correction R'000	2016/17 Prior period error R'000	Restated Amount R'000
Expenditure				
Goods and services: Inventory	PER	360 726	(36 619)	324 107
Expenditure for capital asset: tangible asset	PER	67 368	36 619	103 987
Net effect		428 094	-	428 094
Assets				
Receivables: Current assets	10	2 161	(211)	1 950
Receivables: Non-current assets	10	-	211	211
Notes: Staff debts	10.3	670	(390)	280
Notes Other debtors	10.4	277	390	667
Net effect		3 108	-	3 108
Other				
Major assets: Biological assets		7 030	25	7 055
Major assets: Other machinery and equipment		336 241	701	336 942
Minor assets- Machinery and equipment		28 561	498	29 059
Immovable assets: Other fix structures		19 265	53 198	72 463
Minor assets- Biological assets		730	30	760
Major asset: computer equipment		15 866	10	15 876
Net effect		407 693	54 462	462 155

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

28. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					Amount received by department	SPENT			2016/17	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available		Amount spent by department	Under / (Overspendi ng)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000		R'000	R'000	R'000	%	R'000
Land care Comprehensive	6 608	-	-	-	6 608	6 608	6 514	94	99%	6 208	6 183
Agricultural Support Programme	155 447	-	-	-	155 447	155 447	152 979	2 468	98%	172 414	171 614
Ilima/Letsema projects	52 213	-	-	-	52 213	52 213	52 197	16	100%	49 136	49 136
Expanded Public Works Programme	3 605	-	-	-	3 605	3 605	3 605	-	100%	4 215	4 215
	217 873	-	-	-	217 873	217 873	215 295	2 578		231 973	231 148

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

29. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Reallocation by National Treasury/national department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Mbombela Municipality	160	-	-	160	11	-	-
	160	-	-	160	11	-	-

UNAUDITED SUPPLEMENTARY INFORMATION
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2016/17
	Adjusted Appropriation	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Agric Sector Education & Train Authority	-	-	-	-	-		1 700
	-	-	-	-	-		1 700

UNAUDITED SUPPLEMENTARY INFORMATION
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 1B
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appro-priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave gratuity	4 088	-	-	4 088	5 994	116%	5 404
Injury on duty	1 000	-	-	1 000	1 155	147%	2 042
Sub-total	5 088	-	-	5 088	7 149		7 446
Total	5 088	-	-	5 088	7 149		7 446

UNAUDITED SUPPLEMENTARY INFORMATION
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 1C

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

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list materials items including name of organisation)	2017/18	2016/17
	R'000	R'000
Fixed structures that were constructed by the department on behalf of farmers	83 998	67 963
Machinery and equipment that were acquired on behalf of farmers	-	1 746
Inventory farming supplies that was distributed to farmers	71 797	-
Inventory for asset distribution machinery & equip, constr maint & equipment distributed to farmers	18 336	1 325
Total	174 131	71 034

UNAUDITED SUPPLEMENTARY INFORMATION
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 2A

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018

Nature of Liability	Opening Balance 1 April 2017	Liabilities incurred during the year	Liabilities paid/cancelled/re duced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2018
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Bio-mass	3 135	-	(3 135)	-	-
PS Makua	107	-	(107)	-	-
Irricon Irrigation (PTY) LTD	187	-	-	-	187
Barend Greyling and Others	13 000	-	(13 000)	-	-
Dirk Johannes Taljaard	73	-	-	-	73
MB Mahlangu	16	-	-	-	16
Kiaatbult Boedery CC	562	-	(562)	-	-
Armino Alexandre	123	-	(123)	-	-
Sabelo Obed Mhlongo	45	-	(45)	-	-
Malaza Ruth Nhlambatse	39	-	(39)	-	-
Bangiswa Joana Skhosana	616	-	(616)	-	-
Nkomazi Security Services	54	-	-	-	54
Isaak Fikisana Mokwele	42	-	-	-	42
Frans Daniel Mahlangu	29	-	-	-	29
Ntandoyani Trading	25	-	(25)	-	-
Kanjani Trading (PTY) LTD	68 768	-	-	-	68 768
Bay Drive Trading (PTY) LTD	4 447	-	-	-	4 447
Inzuzo Projects Engineer CC	23 585	-	-	-	23 585
I Firm Trading and Projects (PTY) Ltd	-	3 225	-	-	3 225
Mashile KT	-	96	-	-	96
Desmond Moller	-	44	-	-	44

UNAUDITED SUPPLEMENTARY INFORMATION
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

Nature of Liability	Opening Balance 1 April 2017 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2018 R'000
Claims against the department (continue)					
Indambi General Trading CC	-	354	-	-	354
Subtotal	114 853	3 719	(17 652)	-	100 920
TOTAL	114 853	3 719	(17 652)	-	100 920

1. Barend Greyling – The court upheld the exception filed on behalf of the department (matter finalized).
2. Kiaatbult Boerdery – Settlement agreement reached between Plaintiff and First Defendant. Claim withdrawn against the department. (matter finalized)
3. Ntandoyani Trading – Claim prescribed. A period of three years has lapsed since the letter of demand was issued. No summons received to date (matter finalized).
4. Biomass corporation – The claimant has not persued the matter for over a period of 5 years and the summons have become stale as per the North Gauteng High Court Rules (file closed)
5. Bangiswa Joana Skosana – The claimant has persued the matter for over a period of 4 years and the summons have become stale as per the North Gauteng High Court Rules (file closed).
6. Sabelo Obed Mhlongo- The claimant has persued the matter for over a period of 6 years and the summons have become stale (file closed)
7. Armindo Alexandre – The claimant failed to appear in court on the set sate – The claim was therefore dismissed with cost in favour of the department (matter finalized)
8. PS Makua – Claimant failed to enrol the matter for hearing for over a period of five years – Claim prescribed (file closed)
9. Ruth Nhlambatse Malaza – Claimant abandoned the matter (file closed)

UNAUDITED SUPPLEMENTARY INFORMATION
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 3
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
KZN Prov Gov Agric & Environment	-	-	-	48	-	48
Department of Economic Development	-	-	107	107	107	107
Department of Correctional services	-	-	63	-	63	-
Western Cape Department of Agriculture	61	-	-	-	61	-
Rural Development & Land Reform	-	-	2	2	2	2
	61	-	172	157	233	157
Other Government Entities						
SARS	-	-	1 055	1 055	1 055	1 055
	-	-	1 055	1 055	1 055	1 055
TOTAL	61	-	1 227	1 212	1 288	1 212

**UNAUDITED SUPPLEMENTARY INFORMATION
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018**

**ANNEXURE 4
INTER-GOVERNMENT PAYABLES**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
Departments						
Current						
Mpumalanga Department of Public Works, Roads and Transport	37	1 432	-	-	37	1 432
Department of Justice and Constitutional Development	145	-	-	-	145	-
Mpumalanga Office of the Premier	189	-	-	2 388	189	2 388
TOTAL	371	1 432	-	2 388	371	3 820

UNAUDITED SUPPLEMENTARY INFORMATION
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 5
INVENTORY

Inventory	Note	Quantity	2017/18	Quantity	2016/17
			R'000		R'000
Opening balance		2 633	21 908	1 896	9 872
Add/(Less): Adjustments to prior year balance		-	-	-	-
Add: Additions/Purchases – Cash		174 809	96 523	126 946	61 576
(Less):disposal		(36 136)	(90 133)	-	-
(Less): Issues		(5 881)	(24 776)	(126 209)	(49 540)
Closing balance		135 425	3 522	2 633	21 908

The above indicated cost incurred of R90,133,000 is distributed to farmers: farming supplies, machinery and equipment, fuel and grease ,material supplies and construction and maintenance equipment

UNAUDITED SUPPLEMENTARY INFORMATION
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 6

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Current Year Capital WIP R'000	Ready for use (Asset register)/ Contract terminated R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
	73 080	48 727	(20 322)	101 485
Other fixed structures	73 080	48 727	(20 322)	101 485
<hr/>				
TOTAL	73 080	48 727	(20 322)	101 485

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance R'000	Current Year Capital WIP R'000	Completed Assets R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
	101 101	28 540	(56 561)	73 080
Other fixed structures	101 101	28 540	(56 561)	73 080
<hr/>				
TOTAL	101 101	28 540	(56 561)	73 080