

**WESTERN CAPE PROVINCE  
DEPARTMENT OF HEALTH  
VOTE 6**

**STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS  
for the year ended 31 MARCH 2004**

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material respects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 7 of 2003.

**1 Basis of preparation**

The financial statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosures. The reporting entity is in transition from reporting on a cash basis of accounting to reporting on an accrual basis of accounting. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid. Under the accrual basis of accounting transactions and other events are recognised when incurred and not when cash is received or paid.

**2 Revenue**

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimates of Provincial Expenditure. Unexpended voted funds are annually surrendered to the Provincial Revenue Fund.

Interest and dividends received are recognised upon receipt of the funds, and no accrual is made for interest or dividends receivable from the last receipt date to the end of the reporting period. They are recognised as revenue in the financial statements of the department and then transferred annually to the Provincial Revenue Fund.

**3 Donor Aid**

Donor Aid is recognised in the income statement in accordance with the cash basis of accounting.

**4 Current expenditure**

Current expenditure is recognised in the income statement when the payment is made.

**5 Unauthorised, irregular, and fruitless and wasteful expenditure**

Unauthorised expenditure means:

- the overspending of a vote or a main division within a vote, or
- expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is treated as a current asset in the balance sheet until such expenditure is recovered from a third party or funded from future voted funds.

Irregular expenditure means expenditure, other than unauthorised expenditure, incurred in contravention of or not in accordance with a requirement of any applicable legislation, including:

- the Public Finance Management Act,
- the State Tender Board Act, or any regulations made in terms of this act, or
- any provincial legislation providing for procurement procedures in that provincial government.

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Irregular expenditure is treated as expenditure in the income statement.

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure must be recovered from a responsible official (a debtor account should be raised), or the vote if responsibility cannot be determined. It is treated as a current asset in the balance sheet until such expenditure is recovered from the responsible official or funded from future voted funds.

**6 Debts written off**

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of surplus funds available to the department. No provision is made for irrecoverable amounts.

**7 Capital expenditure**

Expenditure for physical items on hand on 31 March 2004 to be consumed in the following financial year, is written off in full when they are received and are accounted for as expenditure in the income statement.

**8 Investments**

Non-current investments excluding marketable securities are shown at cost and adjustments are made only where in the opinion of the directors, the investment is impaired. Where an investment has been impaired, it is recognised as an expense in the period in which the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement.

**9 Investments in controlled entities**

Investments in controlled entities are those entities where the reporting entity has the ability to exercise any of the following powers to govern the financial and operating policies of the entity in order to obtain benefits from its activities:

- To appoint or remove all, or the majority of, the members of that entity's board of directors or equivalent governing body;
- To appoint or remove the entity's chief executive officer;
- To cast all, or the majority of, the votes at meetings of that board of directors or equivalent governing body; or
- To control all, or the majority of, the voting rights at a general meeting of that entity.

**Investments in controlled entities are shown at cost.**

**10 Receivables**

Receivables are not normally recognised under the cash basis of accounting. However, receivables included in the balance sheet arise from cash payments that are recoverable from another party.

Receivables for services delivered are not recognised in the balance sheet as a current asset or as income in the income statement, as the financial statements are prepared on a cash basis of accounting, but are disclosed separately as part of the disclosure notes to enhance the usefulness of the financial statements.

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**11 Payables**

Payables are not normally recognised under the cash basis of accounting. However, payables included in the balance sheet arise from cash receipts that are due to the Provincial Revenue Fund or another party.

**12 Provisions**

A provision is a liability of uncertain timing or amount. Provisions are not normally recognised under the cash basis of accounting, but are disclosed separately as part of the disclosure notes to enhance the usefulness of the financial statements.

**13 Lease commitments**

Lease commitments for the period remaining from the accounting date until the end of the lease contract are disclosed as part of the disclosure note to the financial statements. These commitments are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on the cash basis of accounting.

**14 Accruals**

This amount represents goods/services that have been delivered, but no invoice has been received from the supplier at year end, OR an invoice has been received but remains unpaid at year end. These amounts are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on a cash basis of accounting, but are however disclosed as part of the disclosure notes.

**15 Employee benefits**

*Short-term employee benefits*

The cost of short-term employee benefits is expensed in the income statement in the reporting period when the payment is made. Short-term employee benefits, that give rise to a present legal or constructive obligation, are deferred until they can be reliably measured and then expensed. Details of these benefits and the potential liabilities are disclosed as a disclosure note to the financial statements and are not recognised in the income statement.

*Termination benefits*

Termination benefits are recognised and expensed only when the payment is made.

*Retirement benefits*

The department provides retirement benefits for its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the Provincial Revenue Fund and not in the financial statements of the employer department.

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*Medical benefits*

The department provides medical benefits for all its employees through defined benefit plans. These benefits are funded by employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for medical benefits in the financial statements of the department.

Retirement medical benefits for retired members are expensed when the payment is made to the fund.

**16 Capitalisation reserve**

The capitalisation reserve represents an amount equal to the value of the investments and/or loans capitalised for the first time in the previous financial year. On disposal, repayment or recovery, such amounts are transferable to the Revenue Fund.

**17 Recoverable revenue**

Recoverable revenue represents payments made and recognised in the income statement as an expense in previous years due to non-performance in accordance with an agreement, which have now become recoverable from a debtor. Repayments are transferred to the Revenue Fund as and when the repayment is received.

**18 Comparative figures**

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The comparative figures shown in these financial statements are limited to the figures shown in the previous year's audited financial statements and such other comparative figures that the department may reasonably have available for reporting.

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**APPROPRIATION STATEMENT  
for the year ended 31 March 2004**

Programme								
	2003/04						2002/03 *	
	Adjusted Appropriation	Virement	Revised Allocation	Actual Expenditure	Savings (Excess)	Expenditure as % of revised allocation	Revised Allocation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000		R'000	R'000
<b>1 Administration</b>								
Current	195,274	(15,617)	179,657	172,575	7,082	96.06%	118,429	113,052
Capital	44,907	0	44,907	43,069	1,838	95.91%	11,915	9,273
<b>2 District Health Services</b>								
Current	1,167,558	0	1,167,558	1,165,357	2,201	99.81%	1,025,486	1,010,656
Capital	16,542	0	16,542	9,836	6,706	59.46%	12,988	7,940
<b>3 Emergency Medical Services</b>								
Current	170,364	3,221	173,585	174,257	(672)	100.39%	139,000	138,999
Capital	12,110	0	12,110	11,438	672	94.45%	15,035	13,844
<b>4 Provincial Hospital Services</b>								
Current	1,031,369	13,406	1,044,775	1,045,053	(278)	100.03%	952,322	966,132
Capital	8,273	0	8,273	7,995	278	96.64%	8,269	7,906
<b>5 Central Hospital Services</b>								
Current	1,566,228	3,039	1,569,267	1,588,900	(19,633)	101.25%	1,443,642	1,466,659
Capital	22,136	0	22,136	18,189	3,947	82.17%	11,489	9,271
<b>6 Health Sciences and Training</b>								
Current	73,920	(1,976)	71,944	70,616	1,328	98.15%	65,713	64,851
Capital	535	0	535	500	35	93.46%	625	530
<b>7 Health Care Support Services</b>								
Current	74,466	(2,073)	72,393	70,956	1,437	98.02%	66,354	63,842
Capital	2,910	0	2,910	2,881	29	99.00%	369	2,607
<b>Total</b>	<b>4,386,592</b>	<b>0</b>	<b>4,386,592</b>	<b>4,381,622</b>	<b>4,970</b>	<b>99.89%</b>	<b>3,871,636</b>	<b>3,875,562</b>
<b>Reconciliation with Income Statement</b>								
Less: Unauthorised, Fruitless and wasteful expenditure			0	20,583			0	33,960
<b>Actual amounts per Income Statement</b>			<b>4,386,592</b>	<b>4,361,039</b>			<b>3,871,636</b>	<b>3,841,602</b>

\* Comparative figures for the 2002/2003 financial year has been adjusted to reflect the new programme structure w.e.f. 1 April 2003.

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**APPROPRIATION STATEMENT  
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Economic classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Current</b>								
Personnel	2,572,263	(61,227)	2,511,036	2,497,658	13,378	99.47%	2,409,075	2,407,928
Transfer payments	414,040	16,000	430,040	428,908	1,132	99.74%	397,799	377,012
Other	1,292,876	45,227	1,338,103	1,361,148	(23,045)	101.72%	1,004,071	1,039,251
<b>Capital</b>								
Transfer payments	5,151	0	5,151	3,193	1,958	61.99%	2	2,392
Acquisition of capital assets	102,262	0	102,262	90,715	11,547	88.71%	60,689	48,979
<b>Total</b>	<b>4,386,592</b>	<b>0</b>	<b>4,386,592</b>	<b>4,381,622</b>	<b>4,970</b>		<b>3,871,636</b>	<b>3,875,562</b>

Standard item classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Personnel</b>	2,572,263	(61,227)	2,511,036	2,497,658	13,378	99.47%	2,409,075	2,407,928
<b>Administrative</b>	97,094	3,500	100,594	96,526	4,068	95.96%	79,277	79,275
<b>Inventories</b>	724,629	26,522	751,151	787,444	(36,293)	104.83%	683,164	711,344
<b>Equipment</b>	116,867	(71)	116,796	103,970	12,826	89.02%	73,363	61,277
<b>Professional and special services</b>	405,278	13,374	418,652	411,321	7,331	98.25%	223,458	230,836
<b>Transfer payments</b>	419,191	16,000	435,191	432,101	3,090	99.29%	397,801	379,404
<b>Miscellaneous</b>	51,270	0	51,270	50,700	570	98.89%	3,693	3,693
<b>Theft and Losses</b>	0	1,902	1,902	1,902	0	100.00%	1,805	1,805
<b>Total</b>	<b>4,386,592</b>	<b>0</b>	<b>4,386,592</b>	<b>4,381,622</b>	<b>4,970</b>		<b>3,871,636</b>	<b>3,875,562</b>

**WESTERN CAPE PROVINCE  
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**DETAIL PER PROGRAMME 1  
for the year ended 31 March 2004**

Programme per subprogramme	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>1.1 Office of the Minister</b>								
Current	2,788	0	2,788	2,732	56	97.99%	2,282	2,239
Capital	35	0	35	11	24	31.43%	20	15
<b>1.2 Management</b>								
Current	192,486	(15,617)	176,869	169,843	7,026	96.03%	116,147	110,813
Capital	44,872	0	44,872	43,058	1,814	95.96%	11,895	9,258
<b>Total</b>	<b>240,181</b>	<b>(15,617)</b>	<b>224,564</b>	<b>215,644</b>	<b>8,920</b>		<b>130,344</b>	<b>122,325</b>

Economic classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Current</b>								
Personnel	105,041	(14,692)	90,349	88,348	2,001	97.79%	81,036	77,869
Other	90,233	(925)	89,308	84,227	5,081	94.31%	37,393	35,183
<b>Capital</b>								
Acquisition of capital assets	44,907	0	44,907	43,069	1,838	95.91%	11,915	9,273
<b>Total</b>	<b>240,181</b>	<b>(15,617)</b>	<b>224,564</b>	<b>215,644</b>	<b>8,920</b>		<b>130,344</b>	<b>122,325</b>

Standard item classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Personnel</b>	105,041	(14,692)	90,349	88,348	2,001	97.79%	81,036	77,869
<b>Administration</b>	16,641	(1,902)	14,739	13,489	1,250	91.52%	11,241	10,882
<b>Inventories</b>	4,273	(1,086)	3,187	3,002	185	94.20%	4,148	4,188
<b>Equipment</b>	46,300	1	46,301	43,950	2,351	94.92%	13,032	10,009
<b>Professional and special services</b>	16,656	160	16,816	14,253	2,563	84.76%	15,389	13,879
<b>Miscellaneous</b>	51,270	0	51,270	50,700	570	98.89%	3,693	3,693
<b>Theft and Losses</b>	0	1,902	1,902	1,902	0	0.00%	1,805	1,805
<b>Total</b>	<b>240,181</b>	<b>(15,617)</b>	<b>224,564</b>	<b>215,644</b>	<b>8,920</b>		<b>130,344</b>	<b>122,325</b>

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**DETAIL PER PROGRAMME 2  
for the year ended 31 March 2004**

Programme per subprogramme	2003/04						2002/03	
	Adjusted Appropriation	Virement	Revised Allocation	Actual Expenditure	Savings (Excess)	Expenditure as % of revised allocation	Revised Allocation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000		R'000	R'000
<b>2.1 District Management</b>								
Current	21,184	2,306	23,490	32,055	(8,565)	136.46%	20,466	21,448
Capital	231	0	231	901	(670)	390.04%	2,092	110
<b>2.2 Community Health Clinics</b>								
Current	268,585	(3,654)	264,931	263,686	1,245	99.53%	229,790	204,520
Capital	3,218	0	3,218	1,193	2,025	37.07%	93	133
<b>2.3 Community Health Centres</b>								
Current	378,281	0	378,281	382,528	(4,247)	101.12%	339,943	361,155
Capital	3,519	0	3,519	2,291	1,228	65.10%	1,937	1,218
<b>2.4 Community Based Services</b>								
Current	34,403	0	34,403	33,397	1,006	97.08%	28,497	39,396
Capital	124	0	124	46	78	37.10%	345	220
<b>2.5 Other Community Services</b>								
Current	39,501	1,348	40,849	43,042	(2,193)	105.37%	49,467	36,327
Capital	1,601	0	1,601	485	1,116	30.29%	3,511	813
<b>2.6 HIV/AIDS Campaign</b>								
Current	53,988	0	53,988	37,972	16,016	70.33%	32,840	19,618
Capital	394	0	394	174	220	44.16%	256	61
<b>2.7 Nutrition</b>								
Current	47,707	0	47,707	43,195	4,512	90.54%	34,279	40,269
Capital	385	0	385	207	178	53.77%	413	302
<b>2.8 Coroner Services</b>								
Current	451	0	451	250	201	55.43%	0	0
Capital	550	0	550	54	496	9.82%	0	0
<b>2.9 District Hospitals</b>								
Current	323,458	0	323,458	329,232	(5,774)	101.79%	290,204	287,923
Capital	6,520	0	6,520	4,485	2,035	68.79%	4,341	5,083
<b>Total</b>	<b>1,184,100</b>	<b>0</b>	<b>1,184,100</b>	<b>1,175,193</b>	<b>8,907</b>		<b>1,038,474</b>	<b>1,018,596</b>

Economic classification	2003/04						2002/03	
	Adjusted Appropriation	Virement	Revised Allocation	Actual Expenditure	Savings (Excess)	Expenditure as % of revised allocation	Revised Allocation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000		R'000	R'000
<b>Current</b>								
Personnel	559,297	(14,364)	544,933	539,155	5,778	98.94%	490,625	495,219
Transfer payments	252,232	0	252,232	242,230	10,002	96.03%	235,635	215,234
Other	356,029	14,364	370,393	383,972	(13,579)	103.67%	299,226	300,203
<b>Capital</b>								
Transfer payments	3,150	0	3,150	1,193	1,957	0.00%	0	0
Acquisition of capital assets	13,392	0	13,392	8,643	4,749	64.54%	12,988	7,940
<b>Total</b>	<b>1,184,100</b>	<b>0</b>	<b>1,184,100</b>	<b>1,175,193</b>	<b>8,907</b>		<b>1,038,474</b>	<b>1,018,596</b>

Standard item classification	2003/04						2002/03	
	Adjusted Appropriation	Virement	Revised Allocation	Actual Expenditure	Savings (Excess)	Expenditure as % of revised allocation	Revised Allocation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000		R'000	R'000
<b>Personnel</b>	559,297	(14,364)	544,933	539,155	5,778	98.94%	490,625	495,219
<b>Administrative</b>	18,383	235	18,618	16,723	1,895	89.82%	19,687	16,976
<b>Inventories</b>	228,673	11,354	240,027	256,093	(16,066)	106.69%	208,057	215,941
<b>Equipment</b>	17,821	365	18,186	13,205	4,981	72.61%	17,158	11,822
<b>Professional and special services</b>	104,544	2,410	106,954	106,594	360	99.66%	67,312	63,404
<b>Transfer payments</b>	255,382	0	255,382	243,423	11,959	95.32%	235,635	215,234
<b>Total</b>	<b>1,184,100</b>	<b>0</b>	<b>1,184,100</b>	<b>1,175,193</b>	<b>8,907</b>		<b>1,038,474</b>	<b>1,018,596</b>



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**DETAIL PER PROGRAMME 3  
for the year ended 31 March 2004**

Programme per subprogramme	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>3.1 Emergency Transport</b>								
Current	164,722	6,021	170,743	173,003	(2,260)	101.32%	139,000	138,999
Capital	12,110	0	12,110	11,438	672	94.45%	15,035	13,844
<b>3.2 Planned Patient Transport</b>								
Current	5,642	(2,800)	2,842	1,254	1,588	44.12%	0	0
<b>Total</b>	<b>182,474</b>	<b>3,221</b>	<b>185,695</b>	<b>185,695</b>	<b>0</b>		<b>154,035</b>	<b>152,843</b>

Economic classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Current</b>								
Personnel	100,176	(16,425)	83,751	80,069	3,682	95.60%	63,477	63,477
Transfer payments	25,982	16,000	41,982	49,657	(7,675)	118.28%	49,260	49,260
Other	44,206	3,646	47,852	44,531	3,321	93.06%	26,263	26,262
<b>Capital</b>								
Acquisition of capital assets	12,110	0	12,110	11,438	672	94.45%	15,035	13,844
<b>Total</b>	<b>182,474</b>	<b>3,221</b>	<b>185,695</b>	<b>185,695</b>	<b>0</b>		<b>154,035</b>	<b>152,843</b>

Standard item classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Personnel</b>	100,176	(16,425)	83,751	80,069	3,682	95.60%	63,477	63,477
<b>Administrative</b>	21,967	8,679	30,646	30,628	18	99.94%	21,545	21,545
<b>Inventories</b>	4,043	(1,564)	2,479	2,397	82	96.69%	1,941	1,941
<b>Equipment</b>	12,902	56	12,958	12,286	672	94.81%	16,400	15,209
<b>Professional and special services</b>	17,404	(3,525)	13,879	10,658	3,221	76.79%	1,412	1,411
<b>Transfer payments</b>	25,982	16,000	41,982	49,657	(7,675)	118.28%	49,260	49,260
<b>Total</b>	<b>182,474</b>	<b>3,221</b>	<b>185,695</b>	<b>185,695</b>	<b>0</b>		<b>154,035</b>	<b>152,843</b>

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**DETAIL PER PROGRAMME 4  
for the year ended 31 March 2004**

Programme per subprogramme	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>4.1 General Hospitals</b>								
Current	641,248	17,492	658,740	660,306	(1,566)	100.24%	591,624	606,511
Capital	5,168	0	5,168	5,084	84	98.37%	6,613	6,628
<b>4.2 TB Hospitals</b>								
Current	55,018	(450)	54,568	54,166	402	99.26%	53,611	50,931
Capital	201	0	201	103	98	51.24%	170	210
<b>4.3 Psychiatric/Mental Hospitals</b>								
Current	236,802	(4,086)	232,716	232,156	560	99.76%	223,926	224,542
Capital	735	0	735	634	101	86.26%	956	615
<b>4.4 Chronic Medical Hospitals</b>								
Current	52,943	0	52,943	53,103	(160)	100.30%	41,077	42,065
Capital	140	0	140	124	16	88.57%	89	12
<b>4.5 Dental Training Hospitals</b>								
Current	45,358	450	45,808	45,322	486	98.94%	42,084	42,083
Capital	2,029	0	2,029	2,050	(21)	101.03%	441	441
<b>Total</b>	<b>1,039,642</b>	<b>13,406</b>	<b>1,053,048</b>	<b>1,053,048</b>	<b>0</b>		<b>960,591</b>	<b>974,038</b>

Economic classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Current</b>								
Personnel	675,218	(10,173)	665,045	663,900	1,145	99.83%	646,265	644,771
Transfer payments	121,221	0	121,221	122,662	(1,441)	101.19%	104,146	104,622
Other	234,930	23,579	258,509	258,491	18	99.99%	201,910	216,739
<b>Capital</b>								
Transfer payments	0	0	0	0	0	-	1	0
Acquisition of capital assets	8,273	0	8,273	7,995	278	96.64%	8,269	7,906
<b>Total</b>	<b>1,039,642</b>	<b>13,406</b>	<b>1,053,048</b>	<b>1,053,048</b>	<b>0</b>		<b>960,591</b>	<b>974,038</b>

Standard item classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Personnel</b>	675,218	(10,173)	665,045	663,900	1,145	99.83%	646,265	644,771
<b>Administrative</b>	13,575	75	13,650	13,423	227	98.34%	10,373	13,412
<b>Inventories</b>	143,211	6,237	149,448	150,700	(1,252)	100.84%	123,950	130,098
<b>Equipment</b>	11,634	637	12,271	11,610	661	94.61%	11,513	11,430
<b>Professional and special services</b>	74,783	16,630	91,413	90,753	660	99.28%	64,343	69,705
<b>Transfer payments</b>	121,221	0	121,221	122,662	(1,441)	101.19%	104,147	104,622
<b>Total</b>	<b>1,039,642</b>	<b>13,406</b>	<b>1,053,048</b>	<b>1,053,048</b>	<b>0</b>		<b>960,591</b>	<b>974,038</b>

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**DETAIL PER PROGRAMME 5  
for the year ended 31 March 2004**

Programme per subprogramme	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>5.1 Central Hospital Services</b>								
Current	1,566,228	3,039	1,569,267	1,588,900	(19,633)	101.25%	1,443,642	1,466,659
Capital	22,136	0	22,136	18,189	3,947	82.17%	11,489	9,271
<b>Total</b>	<b>1,588,364</b>	<b>3,039</b>	<b>1,591,403</b>	<b>1,607,089</b>	<b>(15,686)</b>		<b>1,455,131</b>	<b>1,475,930</b>

Economic classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Current</b>								
Personnel	1,047,026	(1,223)	1,045,803	1,045,803	0	100.00%	1,042,410	1,042,410
Other	519,202	4,262	523,464	543,097	(19,633)	103.75%	401,232	424,249
<b>Capital</b>								
Acquisition of capital assets	22,136	0	22,136	18,189	3,947	82.17%	11,489	9,271
<b>Total</b>	<b>1,588,364</b>	<b>3,039</b>	<b>1,591,403</b>	<b>1,607,089</b>	<b>(15,686)</b>		<b>1,455,131</b>	<b>1,475,930</b>

Standard item classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Personnel</b>	1,047,026	(1,223)	1,045,803	1,045,803	0	100.00%	1,042,410	1,042,410
<b>Administrative</b>	16,770	(3,766)	13,004	13,004	0	100.00%	11,932	11,932
<b>Inventories</b>	325,783	12,678	338,461	358,094	(19,633)	105.80%	326,439	340,701
<b>Equipment</b>	26,314	(1,278)	25,036	21,089	3,947	84.23%	13,904	11,686
<b>Professional and special services</b>	172,471	(3,372)	169,099	169,099	0	100.00%	60,446	69,201
<b>Total</b>	<b>1,588,364</b>	<b>3,039</b>	<b>1,591,403</b>	<b>1,607,089</b>	<b>(15,686)</b>		<b>1,455,131</b>	<b>1,475,930</b>

**WESTERN CAPE PROVINCE  
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**DETAIL PER PROGRAMME 6  
for the year ended 31 March 2004**

Programme per subprogramme	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>6.1 Nursing College</b>								
Current	50,558	(1,976)	48,582	48,526	56	99.88%	55,399	55,399
Capital	285	0	285	299	(14)	104.91%	379	284
<b>6.2 EMS Training College</b>								
Current	2,574	0	2,574	2,391	183	92.89%	1,556	1,556
Capital	250	0	250	201	49	80.40%	246	246
<b>6.3 Bursaries</b>								
Current	17,905	0	17,905	17,017	888	95.04%	7,318	6,456
<b>6.4 Primary Health Care Training</b>								
Current	1	0	1	0	1	0.00%	0	
<b>6.5 Training Other (SETA)</b>								
Current	2,882	0	2,882	2,682	200	93.06%	1,440	1,440
<b>Total</b>	<b>74,455</b>	<b>(1,976)</b>	<b>72,479</b>	<b>71,116</b>	<b>1,363</b>		<b>66,338</b>	<b>65,381</b>

Economic classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Current</b>								
Personnel	47,955	(2,931)	45,024	44,884	140	99.69%	50,362	50,362
Transfer payments	14,605	0	14,605	14,359	246	98.32%	8,758	7,896
Other	11,360	955	12,315	11,373	942	92.35%	6,593	6,593
<b>Capital</b>								
Acquisition of capital assets	535	0	535	500	35	93.46%	625	530
<b>Total</b>	<b>74,455</b>	<b>(1,976)</b>	<b>72,479</b>	<b>71,116</b>	<b>1,363</b>		<b>66,338</b>	<b>65,381</b>

Standard item classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Personnel</b>	47,955	(2,931)	45,024	44,884	140	99.69%	50,362	50,362
<b>Administrative</b>	6,902	274	7,176	6,533	643	91.04%	1,866	1,866
<b>Inventories</b>	1,575	578	2,153	2,152	1	99.95%	2,345	2,345
<b>Equipment</b>	716	103	819	770	49	94.02%	745	650
<b>Professional and special services</b>	2,702	0	2,702	2,418	284	89.49%	2,262	2,262
<b>Transfer payments</b>	14,605	0	14,605	14,359	246	98.32%	8,758	7,896
<b>Total</b>	<b>74,455</b>	<b>(1,976)</b>	<b>72,479</b>	<b>71,116</b>	<b>1,363</b>		<b>66,338</b>	<b>65,381</b>

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**DETAIL PER PROGRAMME 7  
for the year ended 31 March 2004**

Programme per subprogramme	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>7.1 Laundry Services</b>								
Current	33,421	(208)	33,213	32,786	427	98.71%	33,811	32,306
Capital	384	0	384	370	14	96.35%	87	17
<b>7.2 Engineering Services</b>								
Current	26,198	(802)	25,396	25,168	228	99.10%	19,011	18,954
Capital	460	0	460	453	7	98.48%	145	154
<b>7.3 Forensic Services</b>								
Current	6,234	0	6,234	5,466	768	87.68%	5,193	4,947
Capital	0	0	0	0	0	-	0	0
<b>7.4 Orthotic and Prosthetic Services</b>								
Current	8,613	(1,063)	7,550	7,536	14	99.81%	8,339	7,635
Capital	65	0	65	58	7	89.23%	136	44
<b>7.5 Medpas Trading Account</b>								
Capital	2,001	0	2,001	2,000	1	99.95%	1	2,392
<b>Total</b>	<b>77,376</b>	<b>(2,073)</b>	<b>75,303</b>	<b>73,837</b>	<b>1,466</b>		<b>66,723</b>	<b>66,449</b>

Economic classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Current</b>								
Personnel	37,550	(1,419)	36,131	35,499	632	98.25%	34,900	33,820
Other	36,916	(654)	36,262	35,457	805	97.78%	31,454	30,022
<b>Capital</b>								
Transfer payments	2,001	0	2,001	2,000	1	99.95%	1	2,392
Acquisition of capital assets	909	0	909	881	28	96.92%	368	215
<b>Total</b>	<b>77,376</b>	<b>(2,073)</b>	<b>75,303</b>	<b>73,837</b>	<b>1,466</b>		<b>66,723</b>	<b>66,449</b>

Standard item classification	2003/04						2002/03	
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Personnel</b>	37,550	(1,419)	36,131	35,499	632	98.25%	34,900	33,820
<b>Administrative</b>	2,856	(95)	2,761	2,726	35	98.73%	2,633	2,662
<b>Inventories</b>	17,071	(1,675)	15,396	15,006	390	97.47%	16,284	16,130
<b>Equipment</b>	1,180	45	1,225	1,060	165	86.53%	611	471
<b>Professional and special services</b>	16,718	1,071	17,789	17,546	243	98.63%	12,294	10,974
<b>Transfer payments</b>	2,001	0	2,001	2,000	1	99.95%	1	2,392
<b>Total</b>	<b>77,376</b>	<b>(2,073)</b>	<b>75,303</b>	<b>73,837</b>	<b>1,466</b>		<b>66,723</b>	<b>66,449</b>

**WESTERN CAPE PROVINCE  
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**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 MARCH 2004**

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

Detail of these transactions can be viewed in note 7 (Transfer payments) and Annexure 1 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 of special functions (theft and losses)**

Detail of these transactions per programme can be viewed in note 9.4 (Details of special functions (theft and losses) to the annual financial statements.

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

**4.1 Per programme:**

Programme 1: Administration

Saving due to:

- reduction in subsistence and travelling
- reduction in workshops being held
- equipment ordered but not delivered before 31 March 2004
- posts not being filled as a result of budgetary constraints

**4.2 Per standard item:**

Administrative:

Saving mainly due to:

- decreased usage of GG transport
- cheaper air travel rates
- efficient management of bank charges
- reduction in subsistence and travelling expenditure

Equipment:

Saving mainly due to:

- slow tender processes
- equipment ordered but not delivered before 31 March 2004

Inventories:

Over expenditure mainly due to:

- increased tariffs on blood and blood products
- price increases on medical and surgical requisites
- increased electricity tariffs

**WESTERN CAPE PROVINCE  
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**INCOME STATEMENT (STATEMENT OF FINANCIAL PERFORMANCE)  
for the year ended 31 March 2004**

	Note	2003/04 R'000	2002/03 R'000
<b>REVENUE</b>			
Voted funds		4,388,842	3,905,596
Annual Appropriation	1	4,386,592	3,871,636
Appropriation for unauthorised expenditure		2,250	33,960
Other revenue to be surrendered to the revenue fund	2	10,750	27,837
<b>TOTAL REVENUE</b>		<b>4,399,592</b>	<b>3,933,433</b>
<b>EXPENDITURE</b>			
<b>Current</b>			
Personnel	3	2,497,658	2,407,928
Administrative		96,526	79,275
Inventories	4	787,444	711,344
Machinery and Equipment	5	13,255	12,298
Professional and special services	6	411,321	230,836
Transfer payments	7	428,908	377,012
Miscellaneous	8	50,700	3,693
Special functions: authorised losses	9	1,902	1,805
Unauthorised expenditure approved	10	2,250	33,960
<b>TOTAL CURRENT EXPENDITURE</b>	A	<b>4,289,964</b>	<b>3,858,151</b>
<b>Capital</b>			
Machinery and Equipment	5	90,715	48,979
Transfer payments	7	3,193	2,392
<b>TOTAL CAPITAL EXPENDITURE</b>	B	<b>93,908</b>	<b>51,371</b>
<b>TOTAL EXPENDITURE</b>	A + B	<b>4,383,872</b>	<b>3,909,522</b>
<b>NET SURPLUS /(DEFICIT)</b>		<b>15,720</b>	<b>23,911</b>
Add back unauthorised and fruitless and wasteful expenditure disallowed	10	20,583	3,926
<b>NET SURPLUS /(DEFICIT) FOR THE YEAR</b>		<b>36,303</b>	<b>27,837</b>
<b>Reconciliation of Net Surplus / (Deficit) for the year</b>			
Voted Funds to be surrendered to the Revenue Fund	13	25,553	0
Other Revenue to be surrendered to the Revenue Fund	2	10,750	27,837
<b>NET SURPLUS /(DEFICIT) FOR THE YEAR</b>		<b>36,303</b>	<b>27,837</b>

**WESTERN CAPE PROVINCE  
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**BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)  
at 31 March 2004**

<b>ASSETS</b>	<b>Note</b>	<b>2003/04 R'000</b>	<b>2002/03 R'000</b>
<b>Current assets</b>		504,460	768,921
Unauthorised and fruitless and wasteful expenditure	10	441,571	399,143
Cash and cash equivalents	11	25,590	156,179
Receivables	12	37,299	213,599
<b>TOTAL ASSETS</b>	<b>A</b>	<b>504,460</b>	<b>768,921</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		496,231	746,763
Voted funds to be surrendered to the Revenue Fund	13	25,553	0
Other Revenue funds to be surrendered to the Revenue Fund	14	5,592	6,489
Payables	15	465,086	740,274
<b>Non-current liabilities</b>		8,229	22,158
Payables	16	8,229	22,158
<b>TOTAL LIABILITIES</b>	<b>B</b>	<b>504,460</b>	<b>768,921</b>
<b>NET ASSETS/LIABILITIES</b>	<b>A - B</b>	<b>0</b>	<b>0</b>



**WESTERN CAPE PROVINCE  
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**CASH FLOW STATEMENT  
for the year ended 31 March 2004**

	Note	2003/04 R'000	2002/03 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash flow generated by operating activities	17	284,472	171,243
Cash generated / (utilised) to (increase)/decrease working capital	18	(157,495)	(6,109)
Voted funds and Revenue funds surrendered	19	(165,908)	(120,429)
Unauthorised expenditure approved	10	2,250	33,960
<b>Net cash flow available from operating activities</b>		(36,681)	78,665
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure		(93,908)	(51,371)
<b>Net cash flows from operating and investing activities</b>		(130,589)	27,294
<b>Net increase/(decrease) in cash and cash equivalents</b>		(130,589)	27,294
<b>Cash and cash equivalents at beginning of period</b>		156,179	128,885
<b>Cash and cash equivalents at end of period</b>	11	25,590	156,179

**WESTERN CAPE PROVINCE  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2004**

**1 Annual Appropriation**

- 1.1 Included are funds appropriated in terms of the Appropriation Act for National Departments (Voted Funds - Conditional Grants) and Provincial Departments (Equitable Share):

Programmes	Total Appropriation 2003/04 R'000	Actual Funds Received R'000	Variance over/(under) R'000	Total Appropriation 2002/03 R'000
Health Administration	224,564	224,564	-	130,344
District Health Services	1,184,100	1,184,100	-	1,038,474
Emergency Medical Services	185,695	185,695	-	154,035
Provincial Hospital Services	1,053,048	1,053,048	-	960,591
Central Hospital Services	1,591,403	1,591,403	-	1,455,131
Health Sciences and Training	72,479	72,479	-	66,338
Health Care Support Services	75,303	75,303	-	66,723
<b>TOTAL</b>	<b>4,386,592</b>	<b>4,386,592</b>	<b>-</b>	<b>3,871,636</b>

Included in the totals for "Total Appropriation" and "Actual" is the own revenue budget amounting to R154,261m.

1.2 Conditional grants	Note	2003/04 R'000	2002/03 R'000
Total grants received	Annexure 1A	<b>1,467,653</b>	<b>1,423,304</b>

2 Other revenue to be surrendered to the revenue fund		2003/04 R'000	2002/03 R'000
<b>Description</b>			
Cheques written back/stale cheques		204	527
Interest received		547	2,543
Hospital fees		137,145	95,161
Contract debt		3,040	625
Miscellaneous capital receipts		2,006	1,904
Board and lodging		6,350	6,245
Contributions by universities (Cape Town and Stellenbosch)		5,126	8,804
Administration fees		2,379	2,334
Other: Sales		336	330
Registration, tuition and examination fees		143	44
Other: Receipts		241	392
Refunds: Previous year		2,683	590
Other		4,811	373
<b>Total revenue collected</b>	14	<b>165,011</b>	<b>119,872</b>
Less: Own revenue budgeted		154,261	92,035
<b>Non voted funds</b>		<b>10,750</b>	<b>27,837</b>

**WESTERN CAPE PROVINCE  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2004**

<b>2.1 Gifts, donations and sponsorships received in kind excluding RDP funds by the department (Total not included above)</b>		<b>2003/04 R'000</b>	<b>2002/03 R'000</b>
<b>Nature of gift, donation and sponsorship</b>	<b>Donor</b>		
General			616
Furniture	Facilities Board	214	
Maintenance: Gordon grounds building	Facilities Board	243	
Books, publications	Facilities Board	128	
Building of waiting area	Communicare	500	
Other		463	
Textiles and clothing		63	12
Audiovisual equipment			45
1x Data projector	Facilities Board	249	
Other		94	
Medical equipment			1,528
1x CF-Q 160MC Exera colour-scope	University of Stellenbosch		
1x CV-160 Exera video processor	University of Stellenbosch		
1x GIF-Q160 Exera Gastro-scope	University of Stellenbosch	300	
10x Infusomat, FM refurbished infusion pumps	B Braun Medical	80	
21x Braun infusemat volumetric infusion pumps	B Braun Medical	168	
1x Video Thoracoscopy Unit	Storz Germany	400	
3x Nihon Kohden ECG patient monitors	Tygerberg Children's Hosp Trust Fund	83	
Monitors	Facilities Board	258	
Theraplan connection, etc	Facilities Board	81	
Thermal lasor	Facilities Board	627	
Audiometer	Facilities Board	82	
Other		744	
HIV/AIDS project drugs and laboratory cost	Crusaid	258	0
HIV/AIDS project monitoring and evaluation	Diana Princess of Wales Research Foundation	287	0
		<b>5,322</b>	<b>2,201</b>
<b>3 Personnel</b>		<b>2003/04 R'000</b>	<b>2002/03 R'000</b>
<b>3.1 Current expenditure</b>			
Appropriation to Executive and Legislature		891	660
Basic salary costs		1,699,372	1,635,483
Pension contributions		236,534	227,914
Medical aid contributions		111,004	112,913
Other salary related costs		449,857	430,958
<b>Total Personnel Costs</b>		<b>2,497,658</b>	<b>2,407,928</b>
Average number of employees		23,567	24,547

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<b>4 Inventories</b>		<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
<b>4.1 Current expenditure</b>			
<b>Inventories purchased during the year</b>			
Printing and stationery		17,158	14,405
Electricity, fuel and water		55,174	53,547
Provisions		31,798	28,879
Medical and surgical requisites		220,704	207,459
Paper products		17,151	15,311
Blood		64,898	56,033
Pharmaceuticals		333,331	289,082
Other		47,230	46,628
<b>Total cost of inventories</b>		<b><u>787,444</u></b>	<b><u>711,344</u></b>
<b>5 Machinery and equipment</b>	<b>Note</b>	<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
Current (Rentals, maintenance and sundry)		13,255	12,298
Capital	5.1	90,715	48,979
<b>Total current and capital expenditure</b>		<b><u>103,970</u></b>	<b><u>61,277</u></b>
<b>5.1 Capital machinery and equipment analysed as follows:</b>		<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
Computer equipment		8,975	10,319
Furniture and office equipment		3,000	2,615
Other machinery and equipment		78,740	36,045
		<b><u>90,715</u></b>	<b><u>48,979</u></b>
<b>6 Professional and special services</b>		<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
<b>6.1 Current expenditure</b>			
Auditors' remuneration			
Regulatory		3,202	3,236
Performance		467	377
Contractors		30,379	10,291
Consultants and advisory services		2,763	502
Computer services		1,213	811
Laboratory costs		149,284	25,589
Other		224,013	190,030
<b>Total Professional and special services</b>		<b><u>411,321</u></b>	<b><u>230,836</u></b>
<b>7 Transfer payments</b>	<b>Note</b>	<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
Other transfers	Annexure 1B	432,101	379,404
		<b><u>432,101</u></b>	<b><u>379,404</u></b>
<b>Analysis of transfer payments</b>		<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
Capital		3,193	2,392
Current		428,908	377,012
		<b><u>432,101</u></b>	<b><u>379,404</u></b>

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<b>8</b>	<b>Miscellaneous</b>	<b>Note</b>	<b>2003/04 R'000</b>	<b>2002/03 R'000</b>
<b>8.1</b>	<b>Current expenditure</b>			
	Remissions, refunds and payments made as an act of grace	8.2	13	38
	Gifts, donations and sponsorships	8.3	5	0
	**Other: Deferred payments		47,773	0
	Karl Bremer hospital Trading Account (deficit)		2,240	0
	Other: Claims against the State		669	3,655
	<b>Total miscellaneous expenditure</b>		<b>50,700</b>	<b>3,693</b>

\*\* The Department intentionally deferred payments from 2002/03 to the 2003/04 financial year.  
This issue was addressed in the report of the Auditor General for year ending 31 March 2003.

<b>8.2</b>	<b>Remissions, refunds and payments made as an act of grace</b>	<b>2003/04 R'000</b>	<b>2002/03 R'000</b>
	<b>Nature of remissions, refunds and payments</b>		
	Ex-gratia payments	13	38
		<b>13</b>	<b>38</b>

<b>8.3</b>	<b>Gifts, donations and sponsorships paid in cash by the department (items expensed during the current year)</b>	<b>2003/04 R'000</b>	<b>2002/03 R'000</b>
	<b>Nature of gifts, donations and sponsorships</b>		
	Current	5	0
		<b>5</b>	<b>0</b>

<b>9</b>	<b>Special functions: Authorised losses</b>	<b>Note</b>	<b>2003/04 R'000</b>	<b>2002/03 R'000</b>
	Material losses through criminal conduct	9.1	42	28
	Other material losses written off in income statement	9.2	235	670
	Debts written off	9.3	1,625	1,107
			<b>1,902</b>	<b>1,805</b>

<b>9.1</b>	<b>Material losses through criminal conduct</b>	<b>2003/04 R'000</b>	<b>2002/03 R'000</b>
	<b>Nature of losses</b>		
	Cheque fraud	0	15
	Trolleys	0	7
	Polishing machines	0	4
	Laptops	33	0
	Tools	7	0
	Other	2	2
		<b>42</b>	<b>28</b>

<b>9.2</b>	<b>Other material losses written off in income statement</b>	<b>2003/04 R'000</b>	<b>2002/03 R'000</b>
	<b>Nature of losses</b>		
	<i>Government vehicle losses</i>	189	258
	Theft	8	31
	Damage (Accidents)	181	227
	Other losses	28	12
	Claims against the State	18	400
		<b>235</b>	<b>670</b>

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<b>9.3 Debts written off</b>		<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
<b>Nature of debts written off</b>			
Salary overpayments		418	164
Guarantees		261	185
Tax		154	155
Interest		6	8
Bursaries		0	220
Accommodation		57	145
Nutrition programme		424	170
Other		305	60
		<u>1,625</u>	<u>1,107</u>
<b>9.4 Details of special functions (theft and losses)</b>		<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
<b>Per programme</b>			
Administration		1,902	1,805
		<u>1,902</u>	<u>1,805</u>
<b>10 Unauthorised and fruitless and wasteful expenditure disallowed</b>	<b>Note</b>	<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
Unauthorised expenditure	10.2	44,678	3,926
		<u>44,678</u>	<u>3,926</u>
<b>10.1 Reconciliation of unauthorised expenditure balance</b>		<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		399,143	429,177
Unauthorised expenditure current year		44,678	3,926
Approved by Parliament		(2,250)	(33,960)
Closing balance		<u>441,571</u>	<u>399,143</u>
<b>10.2 Unauthorised expenditure</b>		<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
<b>Incident</b>			
Over-expenditure on main divisions of the vote 2002/2003		24,095	3,926
Over-expenditure on main divisions of the vote 2003/2004		20,583	0
		<u>44,678</u>	<u>3,926</u>

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<b>11 Cash and cash equivalents</b>		<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
Paymaster General Account		1,882	2,529
Orders payable		-24,106	-1,724
Deposits		191	141
PMG adjustment account		-2,330	-1,779
Electronic amounts payable		0	6
Cheques cancelled and re-issued		0	(26)
EFT rejected and re-issued		(59)	(36)
Receipt suspense account		0	73
Suspense miscellaneous receipts		(2,183)	-1,151
Erroneous bank deposits		8	8
ACB control account EFT payments		(4,437)	-36,196
Cash on hand		65	46
Short term investments		56,559	194,288
		<b><u>25,590</u></b>	<b><u>156,179</u></b>
<b>12 Receivables - current</b>	<b>Note</b>	<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
Amounts owing by other departments	Annexure 4	17,242	189,332
Staff debtors	12.1	11,243	12,503
Other debtors	12.2	6,982	9,921
Advances	12.3	1,832	1,843
		<b><u>37,299</u></b>	<b><u>213,599</u></b>
<b>12.1 Staff debtors</b>		<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
Departmental debt		29	62
Old debtor system		1	9
**New debtor system		11,102	12,277
Salary reversal control		46	66
SITE/PAYE		65	89
		<b><u>11,243</u></b>	<b><u>12,503</u></b>
** The national debtor system used by the Department cannot provide a breakdown of categories of debt or an age analysis of outstanding debt.			
<b>12.2 Other debtors</b>		<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
Rent (private tenants)		47	161
Trade debts		2,871	2,237
Suspense miscellaneous		34	921
Disallowance GG accidents		320	370
Disallowance GG miscellaneous		39	48
Disallowance store issues		625	4,419
Disallowance suppliers		172	321
Disallowance overpayments		15	95
Disallowance miscellaneous		23	114
Cheque fraud internal and external		72	92
Trading account: Karl Bremer Hospital		0	978
Trading account: Cape Medical Depot		2,483	0
SITE/PAYE		0	165
Belgium Funding: TB/Aids		281	0
		<b><u>6,982</u></b>	<b><u>9,921</u></b>
<b>12.3 Advances</b>		<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>

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<b>Nature of advances</b>			
	Advances subsistence and transport		161            80
	Advances sexual transmitted diseases		867            215
	Advances feeding schemes		729            1,473
	Advances granted		75              75
			<u>1,832</u> <u>1,843</u>
<b>13</b>	<b>Voted funds to be surrendered to the Revenue Fund</b>		<b>2003/04            2002/03</b>
			<b>R'000            R'000</b>
	Transfer from income statement		25,553            0
	Closing balance		<u>25,553</u> <u>0</u>
<b>14</b>	<b>Other revenue funds to be surrendered to the Revenue Fund</b>	<b>Note</b>	<b>2003/04            2002/03</b>
			<b>R'000            R'000</b>
	Opening balance		6,489            7,046
	Transfer from income statement for revenue to be surrendered	2	165,011            119,872
	Transfer from local and foreign aid assistance (including RDP funds)		0                  0
	Paid during the year	19	(165,908)            (120,429)
	Closing balance		<u>5,592</u> <u>6,489</u>
<b>15</b>	<b>Payables - current</b>	<b>Note</b>	<b>2003/04            2002/03</b>
			<b>R'000            R'000</b>
	<b>Description</b>		
	Amounts owing to other departments		458,791            739,389
	Advances received	15.1	39                  378
	Other payables	15.2	6,256              507
			<u>465,086</u> <u>740,274</u>
<b>15.1</b>	<b>Advances received</b>		<b>2003/04            2002/03</b>
			<b>R'000            R'000</b>
	Advances received		39                  378
			<u>39</u> <u>378</u>
<b>15.2</b>	<b>Other payables</b>		<b>2003/04            2002/03</b>
			<b>R'000            R'000</b>
	PERSAL adjustments		157                222
	Suspense: Patient private money		8                   8
	Preferred provider medical aid		741                277
	World Population Fund: Reproductive Health		525                0
	European Union Funding: HBC Project		4,825              0
			<u>6,256</u> <u>507</u>
<b>16</b>	<b>Payables – non-current</b>		<b>2003/04            2002/03</b>
			<b>R'000            R'000</b>
	Trading account: Cape Medical Depot		0                   12,486
	Recoverable revenue: Capital account		7,402              8,514
	Recoverable revenue: Interest		827                1,158
			<u>8,229</u> <u>22,158</u>



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<b>17 Net cash flow generated by operating activities</b>	<b>2003/04</b>	<b>2002/03</b>	
	<b>R'000</b>	<b>R'000</b>	
Net surplus as per Income Statement	36,303	27,837	
Adjusted for items separately disclosed	248,169	143,406	
Own revenue budget	154,261	92,035	
Capital expenditure	93,908	51,371	
<b>Net cash flow generated by operating activities</b>	<b>284,472</b>	<b>171,243</b>	
<b>18 Cash generated / (utilised) to (increase)/decrease working capital</b>	<b>2003/04</b>	<b>2002/03</b>	
	<b>R'000</b>	<b>R'000</b>	
(Increase) / decrease in receivables – current	176,289	(9,110)	
(Increase) / decrease in prepayments and advances	11	1,733	
(Increase) / decrease in other current assets	(44,678)	(3,926)	
Increase / (decrease) in payables - current	(275,188)	(4,949)	
Increase / (decrease) in other non-current liabilities	(13,929)	10,143	
	<b>(157,495)</b>	<b>(6,109)</b>	
<b>19 Voted funds and revenue funds surrendered</b>	<b>Note</b>	<b>2003/04</b>	<b>2002/03</b>
		<b>R'000</b>	<b>R'000</b>
Revenue funds surrendered	14	(165,908)	(120,429)
		<b>(165,908)</b>	<b>(120,429)</b>

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These amounts are not recognised in the financial statements, and are disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 7 of 2003.

<b>20</b>	<b>Contingent liabilities</b>	<b>Note</b>	<b>2003/04</b>	<b>2002/03</b>
<b>Liable to</b>	<b>Nature</b>		<b>R'000</b>	<b>R'000</b>
Stannic	Motor vehicle guarantee	Annexure 2	0	62
Various financial institutions	Housing guarantees	Annexure 2	46,713	50,085
FirstRand	Bulk mail	Annexure 2	75	75
Claimants	Medico legal		68,778	23,496
			<b>115,566</b>	<b>73,718</b>
<b>21</b>	<b>Commitments</b>		<b>2003/04</b>	<b>2002/03</b>
	<b>Current expenditure</b>		<b>R'000</b>	<b>R'000</b>
	Approved and contracted/ordered		49,247	28,485
	Approved but not yet contracted		6,478	3,002
			<b>55,725</b>	<b>31,487</b>
	<b>Capital expenditure</b>			
	Approved and contracted/ordered		7,441	2,098
	Approved but not yet contracted		196	675
			<b>7,637</b>	<b>2,773</b>
	Total Commitments		<b>63,362</b>	<b>34,260</b>
<b>22</b>	<b>Accruals</b>		<b>2003/04</b>	<b>2002/03</b>
	<b>Listed by standard item</b>		<b>R'000</b>	<b>R'000</b>
	Personnel		0	3,612
	Administrative		1,066	2,185
	Inventories		30,719	36,284
	Equipment		4,580	1,439
	Professional and special services		17,127	14,414
	Transfer payments		6,917	31,743
	Miscellaneous		0	1
	Cheques written back/stale cheques		1,220	1,016
			<b>61,629</b>	<b>90,694</b>
	<b>Listed by programme level</b>		<b>2003/04</b>	<b>2002/03</b>
			<b>R'000</b>	<b>R'000</b>
	1 Administration **		10,812	2,612
	2 District Health Services		5,041	33,418
	3 Emergency Medical Services		37	12,574
	4 Provincial Health Services		12,080	41,448
	5 Central Hospital Services		32,857	341
	6 Health Sciences and Training		34	0
	7 Health Care Support Services		768	301
			<b>61,629</b>	<b>90,694</b>

\*\* Included in this figure is amounts for written back/stale cheques

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<b>23 Provisions</b>	<b>Note</b>	<b>2003/04</b>	<b>2002/03</b>
<b>Purpose of provision</b>		<b>R'000</b>	<b>R'000</b>
Medical aid contributions: Emergency Medical Services retired staff	23.1	122	122
		<b>122</b>	<b>122</b>

<b>23.1 For each class of provision listed above:</b>	<b>2003/04</b>	<b>2002/03</b>
	<b>R'000</b>	<b>R'000</b>
Opening balance	122	0
Increase in provision made during the period	0	122
Closing balance	<b>122</b>	<b>122</b>

<b>24 Employee benefits</b>	<b>2003/04</b>	<b>2002/03</b>
	<b>R'000</b>	<b>R'000</b>
# Leave entitlement	255,438	225,998
Thirteenth cheque	72,382	68,104
** Performance bonus	203	333
	<b>328,023</b>	<b>294,435</b>

# This figure is in respect of capped leave only.

\*\* This figure is in respect of senior management personnel only.

<b>25 Leases</b>			<b>2003/04</b>	<b>2002/03</b>
			<b>R'000</b>	<b>R'000</b>
<b>25.1 Operating leases</b>	<b>Property</b>	<b>Equipment</b>	<b>Total</b>	<b>Total</b>
Not later than 1 year	0	8,389	8,389	489
Later than 1 year and not later than 3 years	38	2,059	2,097	6,905
Later than 3 years	0	1,262	1,262	668
Total present value of lease liabilities	<b>38</b>	<b>11,710</b>	<b>11,748</b>	<b>8,062</b>

<b>26 Receivables for services delivered</b>	<b>2003/04</b>	<b>2002/03</b>
<b>Nature of services</b>	<b>R'000</b>	<b>R'000</b>
***Healthcare provided	82,588	95,526
	<b>82,588</b>	<b>95,526</b>

- 26.1** The amount irrecoverable cannot be determined due to the following reasons,
- (i) Due to pending legal processes initiated against the previous debt collector, accounts handed over to them for collection have not been returned yet.
  - (ii) No monies or cases for write off have been received from the previous debt collector since July 2002.
  - (iii) An amount can only be determined once the legal processes have been concluded.

\*\*\* Management reports in respect of the Billing Module of the Health Information System (HIS) are at present not available. The statistics provided, consequently exclude that of the academic hospitals.

<b>27 Key management personnel</b>			<b>Aggregate salary</b>
<b>27.1 Remuneration</b>	<b>Number of individuals</b>		<b>R'000</b>
Minister	1		430
Superintendent General	1		448
Deputy Director General	3		784
Chief Director	9		2,373
			<b>4,035</b>

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**27.2 Other remuneration and compensation provided to key management and close members of the family of key management personnel**

	Number of individuals	Aggregate salary R'000
Minister	1	171
Superintendent General	1	279
Deputy Director General	3	329
Chief Director	9	1,017
		<b>1,796</b>

	2003/04 R'000	2002/03 R'000
<b>28 Gifts, donations and sponsorships</b>		
<b>Nature of gift, donation or sponsorship</b>		
Cash donations to recreation funds	12	40
Cash donations to patients amenities fund	0	5
Sponsorship for official opening of Tygerbear	0	8
Sponsorship for functions	10	21
	<b>22</b>	<b>74</b>

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**STATEMENT OF CONDITIONAL GRANTS RECEIVED BY PROVINCIAL DEPARTMENTS AS AT 31 MARCH 2004**

HEALTH	GRANT ALLOCATION				EXPENDITURE				
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available	Actual (1)	Unspent	% of Available Spent	Capital	Current
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
National Tertiary Services	1,076,724	0		1,076,724	1,076,724	0	100.0%	0	1,076,724
Professional Training and Development	314,696	0		314,696	314,696	0	100.0%	0	314,696
HIV/AIDS	24,204	0		24,204	24,204	0	100.0%	90	24,114
Integrated Nutrition Programme	34,653	0		34,653	34,653	0	100.0%	374	34,279
Hospital Management Improvement	16,376	0		16,376	16,376	0	100.0%	0	16,376
Medico-legal	0	1,000		1,000	304	696	30.4%	54	250
	1,466,653	1,000	0	1,467,653	1,466,957	696		518	1,466,439

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ANNEXURE 1B

STATEMENT OF OTHER TRANSFERS BY NATIONAL/PROVINCIAL DEPARTMENTS AS AT 31 MARCH 2004

(List each Transfer by Entity / Institution)	GRANT ALLOCATION				EXPENDITURE				
	Appropriations Act	Adjustments Estimate	Roll Overs	Total Available	Actual Transfer (1)	Amount not Transferred	% of Available Not Transferred	Capital	Current
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
<b>Universities</b>	<b>16,947</b>	<b>0</b>	<b>0</b>	<b>16,947</b>	<b>16,701</b>	<b>246</b>	<b>1.5%</b>	<b>0</b>	<b>16,701</b>
Bursaries	14,605	0	0	14,605	14,359	246	1.7%	0	14,359
Metro - Stellenbosch	1,613	0	0	1,613	1,613	0	0.0%	0	1,613
- Western cape	729	0	0	729	729	0	0.0%	0	729
<b>Cape Medical Depot Trading Account</b>	<b>2,001</b>	<b>0</b>	<b>0</b>	<b>2,001</b>	<b>2,000</b>	<b>1</b>	<b>0.0%</b>	<b>2,000</b>	<b>0</b>
<b>Provincial Aided Hospitals</b>	<b>37,274</b>	<b>0</b>	<b>0</b>	<b>37,274</b>	<b>37,390</b>	<b>(116)</b>	<b>-0.3%</b>	<b>0</b>	<b>37,390</b>
Ho - Clanwilliam	460	0	0	460	650	(190)	-41.3%	0	650
AAH - St Josephs	5,513	0	0	5,513	5,194	319	5.8%	0	5,194
- Sarah Fox	3,711	0	0	3,711	3,415	296	8.0%	0	3,415
- Maitland Cottage	3,250	0	0	3,250	3,899	(649)	-20.0%	0	3,899
Metro - Booth memorial	6,468	0	0	6,468	6,468	0	0.0%	0	6,468
- Sarah Fox	49	0	0	49	48	1	2.0%	0	48
West Coast - Clanwilliam	5,239	0	0	5,239	5,239	0	0.0%	0	5,239
- Radie Kotze	3,639	0	0	3,639	3,532	107	2.9%	0	3,532
South Cape - Murraysburg	1,795	0	0	1,795	1,795	0	0.0%	0	1,795
- Prince Albert	2,800	0	0	2,800	2,800	0	0.0%	0	2,800
- Uniondale	2,000	0	0	2,000	2,000	0	0.0%	0	2,000
- Lainsburg	2,350	0	0	2,350	2,350	0	0.0%	0	2,350
<b>SA Red Cross Air Mercy</b>	<b>4,982</b>	<b>0</b>	<b>0</b>	<b>4,982</b>	<b>9,163</b>	<b>(4,181)</b>	<b>-83.9%</b>	<b>0</b>	<b>9,163</b>
<b>Conradie Care Centre</b>	<b>22,078</b>	<b>0</b>	<b>0</b>	<b>22,078</b>	<b>23,670</b>	<b>(1,592)</b>	<b>-7.2%</b>	<b>0</b>	<b>23,670</b>
<b>Tuberculosis (contract hospitals)</b>	<b>16,034</b>	<b>0</b>	<b>0</b>	<b>16,034</b>	<b>15,849</b>	<b>185</b>	<b>1.2%</b>	<b>0</b>	<b>15,849</b>
Metro - Santa (DP Marais)	7,513	0	0	7,513	7,513	0	0.0%	0	7,513
West Coast - Malmesbury TB	1,680	0	0	1,680	1,661	19	1.1%	0	1,661
- Paarl TB	2,541	0	0	2,541	2,375	166	6.5%	0	2,375
South Cape - Santa	4,300	0	0	4,300	4,300	0	0.0%	0	4,300
<b>Karl Bremer Hospital Trading account</b>	<b>64,167</b>	<b>0</b>	<b>0</b>	<b>64,167</b>	<b>64,167</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>64,167</b>
<b>Non-government organisations</b>	<b>71,039</b>	<b>0</b>	<b>0</b>	<b>71,039</b>	<b>60,805</b>	<b>10,234</b>	<b>14.4%</b>	<b>0</b>	<b>60,805</b>
HO - Aids	0	0	0	0	1,663	(1,663)	0.0%	0	1,663
Metro - Management plan	165	0	0	165	90	75	45.5%	0	90
- TB: NGO's	991	0	0	991	1,490	(499)	-50.4%	0	1,490
- HCW: NGO's	435	0	0	435	341	94	21.6%	0	341
- Licenced homes	1,494	0	0	1,494	1,747	(253)	-16.9%	0	1,747
- Group homes	2,582	0	0	2,582	1,948	634	24.6%	0	1,948
- PSCHO Soc Rehab groups	286	0	0	286	218	68	23.8%	0	218
- Day care centres	2,121	0	0	2,121	1,880	241	11.4%	0	1,880
- Aids	8,696	0	0	8,696	4,394	4,302	49.5%	0	4,394
- Aids guidance & prev	2,605	0	0	2,605	2,093	512	19.7%	0	2,093
- Primary school nutri prog	13,270	0	0	13,270	13,224	46	0.3%	0	13,224
- Community based nutri prog	6,270	0	0	6,270	3,305	2,965	47.3%	0	3,305
- Community based nutri prog	41	0	0	41	48	(7)	-17.1%	0	48
- Homebased care	2,862	0	0	2,862	3,337	(475)	-16.6%	0	3,337
Boland - Admin services	2,895	0	0	2,895	2,767	128	4.4%	0	2,767
- NNSDP & Nutrition	5,515	0	0	5,515	5,486	29	0.5%	0	5,486
- Licenced homes	600	0	0	600	472	128	21.3%	0	472
- TB: NGO's	100	0	0	100	53	47	47.0%	0	53
- Homebased care	360	0	0	360	473	(113)	-31.4%	0	473
West Coast - NNSDP & Nutrition	4,478	0	0	4,478	4,389	89	2.0%	0	4,389
- NNSDP & Nutrition	500	0	0	500	429	71	14.2%	0	429
- NNSDP & Nutrition	806	0	0	806	11	795	98.6%	0	11
- Santa guidance	100	0	0	100	78	22	22.0%	0	78
- Day care centres	137	0	0	137	74	63	46.0%	0	74
- Aids	1,095	0	0	1,095	380	715	65.3%	0	380
- Aids	623	0	0	623	547	76	12.2%	0	547
- Aids	698	0	0	698	350	348	49.9%	0	350
- Aids	0	0	0	0	500	(500)	0.0%	0	500
- Aids	258	0	0	258	322	(64)	-24.8%	0	322
- Aids	1,401	0	0	1,401	25	1,376	98.2%	0	25
- Aids	259	0	0	259	0	259	100.0%	0	0
South Cape - Reproductive health serv	15	0	0	15	0	15	100.0%	0	0
- Intergrated nutr. prog. (inp)	4,806	0	0	4,806	4,614	192	4.0%	0	4,614
- Intergrated nutr. prog. (inp)	690	0	0	690	581	109	15.8%	0	581
- Hiv/aids	1,564	0	0	1,564	1,368	196	12.5%	0	1,368
- Hiv/aids	1,191	0	0	1,191	1,372	(181)	-15.2%	0	1,372
- Hiv/aids	0	0	0	0	9	(9)	0.0%	0	9
- Hiv/aids	800	0	0	800	439	361	45.1%	0	439
- Rehabilitation serv	30	0	0	30	0	30	100.0%	0	0
- TB: NGO's	100	0	0	100	126	(26)	-26.0%	0	126
- Day care centres	200	0	0	200	162	38	19.0%	0	162

WESTERN CAPE PROVINCE  
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ANNEXURE 1B

STATEMENT OF OTHER TRANSFERS BY NATIONAL/PROVINCIAL DEPARTMENTS AS AT 31 MARCH 2004

(List each Transfer by Entity / Institution)	GRANT ALLOCATION				EXPENDITURE					
	Appropriations Act	Adjustments Estimate	Roll Overs	Total Available	Actual Transfer (1)	Amount not Transferred	% of Available Not Transferred	Capital	Current	
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	
<b>Municipalities</b>	<b>182,085</b>	<b>16,000</b>	<b>0</b>	<b>198,085</b>	<b>196,627</b>	<b>1,458</b>	<b>0.7%</b>	<b>1,193</b>	<b>195,434</b>	
HO										
- Witzenberg mun	400	0	0	400	0	400	100.0%	0	0	
- Theewaterskloof mun	800	0	0	800	800	0	0.0%	800	0	
- Eden mun	200	0	0	200	159	41	20.5%	159	0	
- Breederiver mun	1,500	0	0	1,500	0	1,500	100.0%	0	0	
- Overberg distr mun	250	0	0	250	234	16	6.4%	234	0	
- City of Cape Town mun	21,000	16,000	0	37,000	40,493	(3,493)	-9.4%	0	40,493	
Metro										
- Blaauwberg distr mun	3,487	0	0	3,487	3,487	0	0.0%	0	3,487	
- City of Cape Town mun	35,685	0	0	35,685	34,485	1,200	3.4%	0	34,485	
- Helderberg distr mun	4,870	0	0	4,870	4,870	0	0.0%	0	4,870	
- Oostenberg distr mun	7,174	0	0	7,174	7,174	0	0.0%	0	7,174	
- South Peninsula distr mun	10,098	0	0	10,098	10,098	0	0.0%	0	10,098	
- Tygerberg distr mun	29,116	0	0	29,116	29,116	0	0.0%	0	29,116	
Boland										
- Agulhas mun	67	0	0	67	67	0	0.0%	0	67	
- Breederiver mun	1,660	0	0	1,660	1,659	1	0.1%	0	1,659	
- Breeriver/Wineland mun	815	0	0	815	808	7	0.9%	0	808	
- Overstrand mun	1,005	0	0	1,005	1,008	(3)	-0.3%	0	1,008	
- Overberg distr mun	6,925	0	0	6,925	6,850	75	1.1%	0	6,850	
- Theewaterskloof mun	1,765	0	0	1,765	1,687	78	4.4%	0	1,687	
- Witzenberg mun	595	0	0	595	592	3	0.5%	0	592	
- Boland distr mun	8,340	0	0	8,340	7,593	747	9.0%	0	7,593	
West Coast										
- Bergriver mun	33	0	0	33	33	0	0.0%	0	33	
- Drakenstein mun	3,283	0	0	3,283	3,103	180	5.5%	0	3,103	
- Cederberg mun	461	0	0	461	461	0	0.0%	0	461	
- Saldanha mun	1,647	0	0	1,647	1,684	(37)	-2.2%	0	1,684	
- Matzikama mun	719	0	0	719	719	0	0.0%	0	719	
- Swartland mun	1,771	0	0	1,771	1,748	23	1.3%	0	1,748	
- Stellenbosch mun	2,184	0	0	2,184	2,002	182	8.3%	0	2,002	
- Boland distr mun	907	0	0	907	888	19	2.1%	0	888	
- West Coast distr mun	7,326	0	0	7,326	7,352	(26)	-0.4%	0	7,352	
South Cape										
- Beaufort West mun	1,129	0	0	1,129	1,131	(2)	-0.2%	0	1,131	
- George mun	5,410	0	0	5,410	6,411	(1,001)	-18.5%	0	6,411	
- Knysna mun	1,905	0	0	1,905	1,860	45	2.4%	0	1,860	
- Kannaland mun	24	0	0	24	24	0	0.0%	0	24	
- Langeberg mun	2,231	0	0	2,231	1,881	350	15.7%	0	1,881	
- Laingsburg mun	26	0	0	26	32	(6)	-23.1%	0	32	
- Oudtshoorn mun	878	0	0	878	603	275	31.3%	0	603	
- Mosselbay mun	2,420	0	0	2,420	2,231	189	7.8%	0	2,231	
- Plettenberg bay mun	1,915	0	0	1,915	1,329	586	30.6%	0	1,329	
- Prince Albert mun	272	0	0	272	342	(70)	-25.7%	0	342	
- Central Karoo distr mun	3,388	0	0	3,388	3,567	(179)	-5.3%	0	3,567	
- Eden mun	8,404	0	0	8,404	8,046	358	4.3%	0	8,046	
<b>Municipalities not gazetted</b>	<b>2,584</b>	<b>0</b>	<b>0</b>	<b>2,584</b>	<b>5,729</b>	<b>(3,145)</b>	<b>-121.7%</b>	<b>0</b>	<b>5,729</b>	
Metro										
- City of Cape Town	2,584	0	0	2,584	2,581	3	0.1%	0	2,581	
West Coast										
- Boland distr mun	0	0	0	0	138	(138)	0.0%	0	138	
- Cederberg mun	0	0	0	0	22	(22)	0.0%	0	22	
- Drakenstein mun	0	0	0	0	68	(68)	0.0%	0	68	
- Matzikama mun	0	0	0	0	19	(19)	0.0%	0	19	
- Saldanha mun	0	0	0	0	45	(45)	0.0%	0	45	
- Stellenbosch mun	0	0	0	0	34	(34)	0.0%	0	34	
- Swartland mun	0	0	0	0	62	(62)	0.0%	0	62	
- Weskus distr mun	0	0	0	0	254	(254)	0.0%	0	254	
- Swartland mun	0	0	0	0	82	(82)	0.0%	0	82	
- Weskus distr mun	0	0	0	0	224	(224)	0.0%	0	224	
- Stellenbosch mun	0	0	0	0	76	(76)	0.0%	0	76	
- Saldanha mun	0	0	0	0	207	(207)	0.0%	0	207	
- Swartland mun	0	0	0	0	43	(43)	0.0%	0	43	
- Weskus distr mun	0	0	0	0	951	(951)	0.0%	0	951	
- Stellenbosch mun	0	0	0	0	434	(434)	0.0%	0	434	
- Drakenstein mun	0	0	0	0	142	(142)	0.0%	0	142	
South Cape										
- Central karoo distr mun	0	0	0	0	54	(54)	0.0%	0	54	
- Central karoo distr mun	0	0	0	0	30	(30)	0.0%	0	30	
- Eden mun	0	0	0	0	263	(263)	0.0%	0	263	
<b>Total</b>	<b>419,191</b>	<b>16,000</b>	<b>0</b>	<b>435,191</b>	<b>432,101</b>	<b>3,090</b>		<b>3,193</b>	<b>428,908</b>	

WESTERN CAPE PROVINCE  
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2004

ANNEXURE 2

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2004

DOMESTIC

Guaranteed institution	Guarantee in respect of	Original Guaranteed capital amount R'000	Opening Balance 01/04/2003 R'000	Guarantees issued during the year R'000	Guarantees Released during the year R'000	Guaranteed interest outstanding as at 31/03/2004 R'000	Closing Balance 31/03/2004 R'000	Realised losses i.r.o. claims paid out R'000
Stannic	Motor Vehicles	163	62	0	62	0	0	0
Various financial institutions	Housing	**	50,085	**	**	**		
Standard Bank	Housing	**		**	**	**	4,646	29
Nedbank (Cape of Goodhope)	Housing	**		**	**	**	489	0
Nedbank	Housing	**		**	**	**	1,717	0
First Rand	Housing	**		**	**	**	5,962	10
Nedbank (Inc BOE)	Housing	**		**	**	**	1,051	0
ABSA	Housing	**		**	**	**	17,155	113
Old Mutual Fin. Ltd	Housing	**		**	**	**	94	0
Peoples Bank FBC Fid	Housing	**		**	**	**	994	21
Peoples Bank (NBS)	Housing	**		**	**	**	1,514	12
First National Bank (Former Saambou)	Housing	**		**	**	**	4,021	48
Old Mutual (Nedbank/Perm)	Housing	**		**	**	**	8,206	0
GBS Mutual Bank	Housing	**		**	**	**	44	0
Nedcor Inv Bank Ltd	Housing	**		**	**	**	44	3
Community Bank	Housing	**		**	**	**	24	0
Unibank	Housing	**		**	**	**	12	0
BOE Bank Ltd	Housing	**		**	**	**	682	11
SA Home Loans	Housing	**		**	**	**	17	0
Green Start Home Loans	Housing	**		**	**	**	41	0
Unknown	Housing	-		-	-	-	-	14
FirstRand	Bulk Mail	75	75	0	**	0	75	0
		<b>238</b>	<b>50,222</b>	<b>0</b>	<b>62</b>	<b>0</b>	<b>46,788</b>	<b>261</b>

\*\* The National payroll system does not make provision for the extraction of summarised data indicating this information.



**WESTERN CAPE PROVINCE  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2004**

**ANNEXURE 3**

**PHYSICAL ASSET MOVEMENT SCHEDULE (Not including inventories)**

<b>PHYSICAL ASSETS ACQUIRED DURING FINANCIAL YEAR 2003/04</b>	<b>Opening Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers In</b>	<b>Transfers Out</b>	<b>Closing Balance</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>MACHINERY AND EQUIPMENT</b>	<b>48,979</b>	<b>90,715</b>	-	-	-	<b>139,694</b>
Computer equipment	10,319	8,975				19,294
Furniture and office equipment	2,615	3,000				5,615
Other machinery and equipment **	36,045	78,740				114,785
	<b>48,979</b>	<b>90,715</b>	-	-	-	<b>139,694</b>

<b>PHYSICAL ASSETS ACQUIRED DURING FINANCIAL YEAR 2002/03</b>	<b>Opening Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers In</b>	<b>Transfers Out</b>	<b>Closing Balance</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>MACHINERY AND EQUIPMENT</b>	-	<b>48,979</b>	-	-	-	<b>48,979</b>
Computer equipment	-	10,319				10,319
Furniture and office equipment	-	2,615				2,615
Other machinery and equipment	-	36,045				36,045
	-	<b>48,979</b>	-	-	-	<b>48,979</b>

Figures represent purchases only

\*\* Includes an amount of R 5 776 033.00 in respect of Government Motor Vehicles as set out in note 5.1 for 2003/2004 only

**WESTERN CAPE PROVINCE  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2004**

**ANNEXURE 4**

**INTER-DEPARTMENTAL RECEIVABLES - CURRENT**

Department	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2004	31/03/2003	31/03/2004	31/03/2003
	R'000	R'000	R'000	R'000
North West Province	5	1	6	0
Northern Cape Province	0	3	30	0
Provincial Administration Gauteng	5	14	68	0
Provincial Administration Eastern Cape	9	54	0	0
Provincial Administration Free State	0	0	6	0
Provincial Administration Kwazulu Natal	8	0	0	0
Department of Defence	24	14	8	0
Northern Province	0	0	12	0
Department of Public Works	11	0	0	0
Department of Justice	0	0	1	0
Department of Correctional Services	0	6	0	0
Provincial Administration Mpumalanga	0	1	0	0
Department of Transport and Public Works	1,696	195	5	0
Provincial Parliament	52	0	0	0
Department of Finance	2	40	0	0
Department of Social Services and Poverty Alleviation	15,285	748	0	188,228
Department of Cultural Affairs and Sport	0	0	3	0
Department of Agriculture	0	0	3	0
Department of Provincial Administration Western Cape	-	12	3	0
Department of Community Safety	0	16	0	0
<b>TOTAL</b>	<b>17,097</b>	<b>1,104</b>	<b>145</b>	<b>188,228</b>

**WESTERN CAPE PROVINCE  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 5**

**INTER-DEPARTMENTAL PAYABLES - CURRENT**

Department	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2004	31/03/2003	31/03/2004	31/03/2003
	R'000	R'000	R'000	R'000
Western Cape Education Department	0	0	37	0
Department of Transport and Public Works (Government Motor Transport)	0	0	246	0
Department of Transport and Public Works	85	0	127	0
Department of Provincial Administration Western Cape	5	0	0	0
Department of Health - Free State	0	0	44	10
National Department of Health	0	0	29	0
South African Management Development Institute Republic of South Africa	0	0	5	0
Department of Justice and Constitutional Development	2,098	0	148	315
Department of Foreign Affairs	0	0	0	149
Gauteng Provincial Government	0	0	39	0
<b>TOTAL</b>	<b>2,188</b>	<b>0</b>	<b>675</b>	<b>474</b>

**WESTERN CAPE PROVINCE  
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**CAPE MEDICAL DEPOT TRADING ACCOUNT  
INCOME STATEMENT (STATEMENT OF FINANCIAL PERFORMANCE)  
for the year ended 31 March 2004**

	<b>Note</b>	<b>2003/04 R'000</b>	<b>2002/03 R'000</b>
<b>Income</b>			
Gross income	8.1	19,201	15,239
<b>Expenditure</b>			
Gross expenditure	8.3	17,491	17,631
<b>Net profit transferred to the Provincial Revenue Account/ (Net Loss recovered from Vote)</b>		<u>1,710</u>	<u>(2,392)</u>

**WESTERN CAPE PROVINCE  
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**CAPE MEDICAL DEPOT TRADING ACCOUNT  
BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)  
at 31 March 2004**

	Note	2003/04 R'000	2002/03 R'000
<b>ASSETS</b>			
<b>Current assets</b>			
Stock	4	31,028	41,989
Receivables	5	28,448	26,260
Cash and cash equivalents	6	4,411	3,668
		(1,831)	12,061
<b>Total Assets</b>		<u>31,028</u>	<u>41,989</u>
<b>FUNDS AND LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	7	(972)	11,989
		(972)	11,989
<b>Funds</b>			
Trading account fund	3	32,000	30,000
		32,000	30,000
<b>Total Funds and Liabilities</b>		<u>31,028</u>	<u>41,989</u>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF HEALTH  
VOTE 6**

**CAPE MEDICAL DEPOT TRADING ACCOUNT  
STATEMENT OF CHANGES IN NET ASSETS  
for the year ended 31 March 2004**

	<b>Capitalisation Reserve R'000</b>	<b>Accumulated Profit R'000</b>	<b>Total R'000</b>
<b>2003/04</b>			
Opening balance at beginning of the year	30,000	0	30,000
Increase in Trading Account Fund	2,000	0	2,000
Surplus/(Deficit) for the current year	0	1,710	1,710
(Transfer to Revenue Fund)/Recovered from Vote	0	(1,710)	(1,710)
Closing balance at end of the year	<u>32,000</u>	<u>0</u>	<u>32,000</u>
<b>2002/03</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Opening balance at beginning of the year	30,000	0	30,000
Surplus/(Deficit) for the current year	0	(2,392)	(2,392)
(Transfer to Revenue Fund)/Recovered from Vote	0	2,392	2,392
Closing balance at end of the year	<u>30,000</u>	<u>0</u>	<u>30,000</u>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF HEALTH  
VOTE 6**

**CAPE MEDICAL DEPOT TRADING ACCOUNT  
CASH FLOW STATEMENT  
for the year ended 31 March 2004**

	Note	2003/04 R'000	2002/03 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash utilised by operations	9	(15,892)	2,732
<b>Net cash outflow from operating activities</b>		<u>(15,892)</u>	<u>2,732</u>
<b>CASH EFFECT OF FINANCING ACTIVITIES</b>			
Increase in Trading Fund		2,000	0
<b>Net cash inflow from financing activities</b>		<u>2,000</u>	<u>0</u>
<b>Net increase in cash and cash equivalents</b>		(13,892)	2,732
<b>Cash and cash equivalents at beginning of year</b>		12,061	9,329
<b>Cash and cash equivalents at end of year</b>		<u>(1,831)</u>	<u>12,061</u>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF HEALTH  
VOTE 6**

**CAPE MEDICAL DEPOT TRADING ACCOUNT  
NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2004**

**1. Accounting policies**

The annual financial statements are, unless otherwise indicated, compiled on the historical cost basis in accordance with generally accepted accounting practice. The following principle was not applied in accordance with generally accepted accounting practice due to the financial management system used by the department:

Revenue and expenditure is recognised on the cash basis.

**1.1 Revenue recognition**

Income is recognised when cash is received.

**1.2 Stock**

Stock is valued at weighted average cost.

**1.3 Dispensation of profit or loss**

At the end of the financial year any profit shall be paid into the revenue fund and any loss recovered from the vote.

**1.4 Cash and cash equivalents**

Cash and cash equivalents comprises the closing balance of the trading account fund.

**2. Turnover**

Turnover (inclusive of VAT) represents amounts invoiced for the provision of stock to the Department of Health. Purchase of requisites during the current financial year not passing through the store amounted to R9,974.

**3. Capital fund**

	<b>2003/04</b>	<b>2002/03</b>
	<b>R'000</b>	<b>R'000</b>
Balance at the beginning of the year	30,000	30,000
Increase in trading account fund	2,000	0
	<b>32,000</b>	<b>30,000</b>

**4. Stock**

Closing stock	28,428	26,260
Manufacturing not finalised	20	0
	<b>28,448</b>	<b>26,260</b>

**5. Receivables**

Claims Recoverable: Medsas	1,666	2,576
Suspense: Pre-Packing	2,745	1,092
	<b>4,411</b>	<b>3,668</b>

**6. Trading account fund**

	31,028	41,989
Working capital	32,000	30,000
Plus: Payables	(972)	11,989
	<b>32,859</b>	<b>29,928</b>
Less:	32,859	29,928
Value of closing stock	28,448	26,260
Receivables	4,411	3,668
	<b>(1,831)</b>	<b>12,061</b>
Cash and cash equivalents	<b>(1,831)</b>	<b>12,061</b>



**WESTERN CAPE PROVINCE  
DEPARTMENT OF HEALTH  
VOTE 6**

**CAPE MEDICAL DEPOT TRADING ACCOUNT  
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)  
for the year ended 31 March 2004**

<b>7. Payables</b>	<b>2003/04</b>	<b>2002/03</b>
	<b>R'000</b>	<b>R'000</b>
Receipt vouchers not yet paid	0	12,346
Less: Returns to supplier not recovered	2	35
Issues from CMD to Oudtshoorn not yet posted	970	322
	<u>(972)</u>	<u>11,989</u>
<b>8. Net of income over expenditure: Loss/(Profit)</b>		
<b>8.1 Income</b>		
<b>Trading income</b>	14,697	12,543
Turnover	284,764	224,439
Less: Cost of sales	270,067	211,896
	<u>14,697</u>	<u>12,543</u>
<b>Plus:</b>	4,504	2,696
Store surplus	2,601	1,459
Purchase price variances	1,155	0
Price variances	0	1,236
Miscellaneous variance	748	0
Trading account receipts	0	1
	<u>4,504</u>	<u>2,696</u>
Gross Income	<u>19,201</u>	<u>15,239</u>
<b>8.2 Cost of sales</b>		
<b>Stock</b>	302,259	239,679
Opening balance	26,260	21,855
Purchases	242,501	190,121
Returns	26,917	19,160
Packing material	789	564
Carriage and freight	3,505	3,044
Stock appreciation	0	1,237
Stock surplus	2,287	3,698
	<u>302,259</u>	<u>239,679</u>
<b>Less: Closing stock</b>	32,192	27,783
Closing balance	28,428	26,260
Manufacturing not finalised	20	0
Returns to suppliers	128	70
Stock shortages	3,575	1,453
Stock devaluation	41	0
	<u>32,192</u>	<u>27,783</u>
Cost of sales	<u>270,067</u>	<u>211,896</u>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF HEALTH  
VOTE 6**

**CAPE MEDICAL DEPOT TRADING ACCOUNT  
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)  
for the year ended 31 March 2004**

	<b>2003/04</b>	<b>2002/03</b>
	<b>R'000</b>	<b>R'000</b>
8.3 Expenditure:		
Personnel expenditure	8,949	8,287
Administrative expenditure	500	333
Stores and livestock	409	172
Equipment	486	381
Professional and special services	1,886	2,977
Interest on capital fund	2,585	2,543
Miscellaneous price variances	0	678
Price variances	36	0
Purchase Price Variances	0	935
Breakages and losses	2,640	1,325
	<u>17,491</u>	<u>17,631</u>
8.4 Surplus of income over expenditure for the year	1,710	(2,392)
Paid over to Revenue fund	(1,710)	2,392
Surplus at end of year	<u>0</u>	<u>0</u>
<b>9 Cash utilised by operations</b>		
9.1 Movements in working capital		
(Increase)/Decrease in stock	(2,188)	(4,405)
(Decrease)/Increase in payables	(12,961)	8,798
(Increase)/Decrease in receivables	(743)	(1,661)
Net funds utilised by movements in working capital	<u>(15,892)</u>	<u>2,732</u>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF HEALTH  
VOTE 6**

**KARL BREMER HOSPITAL TRADING ACCOUNT  
INCOME STATEMENT (STATEMENT OF FINANCIAL PERFORMANCE)  
for the year ended 31 March 2004**

	Note	2003/04 R'000	2002/03 R'000
<b>Income</b>			
Gross income	4.1	73,839	67,053
<b>Expenditure</b>			
Gross expenditure	4.2	(75,101)	(70,475)
<b>Net deficit carried forward to 2004/2005 financial year</b>		<u>(1,262)</u>	<u>(3,422)</u>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF HEALTH  
VOTE 6**

**KARL BREMER HOSPITAL TRADING ACCOUNT  
STATEMENT OF CHANGES IN NET ASSETS  
for the year ended 31 March 2004**

<b>2003/04</b>		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Opening balance at beginning of the year		0	(979)	(979)
Deficit for the current year	4.3	0	(1,262)	(1,262)
Closing balance at end of the year		0	(2,241)	(2,241)
	<b>Note</b>	<b>Capitalisation Reserve R'000</b>	<b>Accumulated Profit R'000</b>	<b>Total R'000</b>
<b>2002/03</b>				
Opening balance at beginning of the year		0	2,443	2,443
Deficit for the current year		0	(3,422)	(3,422)
Closing balance at end of the year		0	(979)	(979)

**WESTERN CAPE PROVINCE  
DEPARTMENT OF HEALTH  
VOTE 6**

**KARL BREMER HOSPITAL TRADING ACCOUNT  
CASH FLOW STATEMENT  
for the year ended 31 March 2004**

	<b>2003/04</b>	<b>2002/03</b>
	<b>R'000</b>	<b>R'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated by operations	(1,262)	(3,422)
<b>Net cash outflow from operating activities</b>	<u>(1,262)</u>	<u>(3,422)</u>
<b>Net increase in cash and cash equivalents</b>	(1,262)	(3,422)
<b>Cash and cash equivalents at beginning of year</b>	(979)	2,443
<b>Cash and cash equivalents at end of year</b>	<u>(2,241)</u>	<u>(979)</u>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF HEALTH  
VOTE 6**

**KARL BREMER HOSPITAL TRADING ACCOUNT  
NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2004**

**1 Accounting policies**

To create an incentive for hospitals to generate and retain more revenue the Health/Technical Committee decided to launch a hospital trading account as a pilot project in some of the Provinces. Karl Bremer Hospital was selected in the Western Cape and this was implemented as from 1 April 1999.

The annual financial statements are, unless otherwise indicated, compiled on the historical cost basis in accordance with generally accepted accounting practice. The following principle was not applied in accordance with generally accepted accounting practice due to the financial management system used by the department:

Revenue and expenditure are recognised on the cash basis.

**1.1 Revenue recognition**

Income is recognised when cash is received.

**1.2 Stock**

Stock is issued "free of charge" and therefore no stock valuation is performed. Stock is valued at nil value.

**1.3 Dispensation of profit or loss**

Till the end of the 2002/03 Financial year any profit/(deficit) was to be carried over to the next financial year. However at the end of the 2003/04 financial year the (deficit) shall be recovered from the vote as the trade account will be terminated on 1 April 2004.

**1.4 Cash and cash equivalents**

Cash and cash equivalents comprises the closing balance of the trading account fund.

**2 Turnover**

Turnover (inclusive of VAT) represents transfer payments from Metro Regional Office as well as own revenue generated by Karl Bremer Hospital.

**3 Capital fund**

	2003/04 R'000	2002/03 R'000
Trading account fund	(2,241)	(979)
	<u>(2,241)</u>	<u>(979)</u>

**4 Net of income over expenditure**

	2003/04 R'000	2002/03 R'000
<b>4.1 Income</b>		
Trading income	9,672	8,654
Transfer payments	64,167	58,399
	<u>73,839</u>	<u>67,053</u>
<b>4.2 Expenditure:</b>		
Personnel expenditure	52,413	49,372
Administrative expenditure	902	931
Stores and livestock	12,526	11,533
Equipment	690	1,620
Professional and special services	8,570	7,019
	<u>75,101</u>	<u>70,475</u>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF HEALTH  
VOTE 6**

**KARL BREMER HOSPITAL TRADING ACCOUNT  
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)  
for the year ended 31 March 2003**

<b>4.3</b> Defecit of income over expenditure for the year	(1,262)	(3,422)
Opening balance	(979)	2,443
2002/03 trading profit (deficit) to be carried over into next financial year	0	(979)
2003/04 Trading (deficit) to be recovered from vote	(2,241)	0
Recovered from vote	2,241	0
Balance at end of year	<u>0</u>	<u>(979)</u>