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4.1 Management report

REPORT BY THE ACCOUNTING OFFICER TO THE EXECUTIVE AUTHORITY AND THE MEMBERS OF THE WESTERN CAPE PROVINCIAL PARLIAMENT.

4.1.1 General review of the state of affairs

After a comprehensive review of the work and impact of the Department and its related public entities, the management of the Department came to the following conclusions:

- The challenges of the economic development of the Province are many and large. Foremost amongst these are:
 - the need to migrate all those currently living in the second economy to full and effective participation in the first economy; and
 - the need to ensure that the provincial economy is able to hold its own and move forward with agility in the ever-integrating global economy.
- While there was a valiant attempt being made to address the challenges, there was a significant mismatch between the resources (both human and financial) required to meet the challenges, and the resources already provided to the Department.
- The role and orientation of the Department needed to be reviewed fundamentally.

In the light of the above, the Department undertook a detailed and thorough review of its mandate, its objectives, its orientation, its strategies and its structure.

The following questions were asked:

- What is the optimal role of a provincial department of economic development anywhere in the world?
- What is the expected role of a provincial department of economic development in South Africa and what are the particular circumstances of the Western Cape that could give further dimension to this role?

The work of the Department was examined by asking the following questions:

- What is it that we are doing now which we no longer need to do?
- What is it that we are doing now that we need to do differently?
- What is it that we are not doing now that we need to do?

What would the KPIs be which would indicate that we had made significant progress in the next ten years?

After a rigorous process, the Department answered the above questions by aligning its vision to the visions of the National Growth and Development Strategy (June 2003) and iKapa eliHlumayo. Essentially the vision of the Department is one of a shared, sustainable and growing, labour-absorbing and globally competitive economy, and is articulated in what the economy of the Western Cape must look like in 10 years' time and 25 years' time.

The Department's basic strategy is to intervene meaningfully to make significant, measurable and positive changes to the Western Cape economy and society. The Department's orientation is interventionist in order to address market failures and government delivery failures of the past.

The Department's basic approach to work is:

- To translate national policies, strategies, mandates, programmes and intentions into targeted interventions (projects, services and exercising influence) that have a meaningful impact "on the ground" across the Province.
- To manage the outsourcing of the labour-intensive interventions and to monitor and evaluate the impact of these on the ground.
- To engage directly in smaller-scale interventions; capital-intensive interventions; pioneering pilot projects (to build successful models which can be replicated on a larger scale); and to engage in the exercise of appropriate influence.
- To be a vehicle for delivery of appropriate direct services (which are within the competency of provincial governments) to economic citizens on the ground.

The key point of departure for playing such a role is a provincial Micro-economic Development Strategy (MEDS) that is located inextricably within a comprehensive Western Cape provincial socio-economic strategy, and outlines sector-specific and theme-specific strategies of the Department. The MEDS will expand and mature over the next two years to become the key authoritative point of departure for intervention by all social partners in the economy and be a reliable source of information and analysis for government, citizens, planners and investors. This will ensure that, with immediate effect, strategies are evidence-based and analysis-based, which was not the case previously.

The rationale for the reorganisation of the Department was to provide for sufficient and suitably qualified employees in order for the Department to deliver on its core mandate. The new structure for the Department of Economic Development was approved by the Premier, as mandated by the Provincial Cabinet, on 09 March 2005. Due to financial constraints the "ideal structure" which would provide for 256 posts had to be prioritised in a Phase 1 of Implementation. In Phase 1 of Implementation, only 203 posts have been provided for.

The Department was further faced with numerous policy and strategic issues during the period under review, which include the following:

By far the most important policy document that will inform the Provincial Strategy and Departmental activities is the Micro-economic Development Strategy (MEDS). Successes in the development of the MEDS for the past financial year include the completion of the first phase of the MEDS research and the development of the preliminary synthesis report in January 2005.

Delays in the approval of the White Paper on Liquor Licensing resulted in the Department not submitting draft Liquor Legislation to the Provincial Legislature. In anticipation of the approval of the Liquor Policy, the Department distributed a first draft of the Liquor Legislation to other Departments and stakeholders for comment. Subsequently, Provincial Parliament approved the White Paper on

Liquor Licensing on 16 March 2005.

An area in which the Department excelled was in the assistance provided to support SMMEs. The opening of 8 RED Door offices in Khayelitsha, Mitchell's Plain, Hermanus, George, Paarl, Atlantis, Beaufort West and Knysna during the period under review significantly assisted with the support given to SMME development.

The Department played a pivotal role in the management and organisation of the Learning Cape Festival. This festival had close to 500 different events spread across the Province and involved in excess of 100 organisations. An organisation with the role of facilitating the Learning Cape Festival called the Learning Cape Initiative was proposed. The Department played a major role in the process of establishing this organisation. The Learning Cape Festival is developing a career focus that links education and training with work, job and career opportunities. This is directly aligned to the Department's newly formed Workforce Development Unit, which includes skills mismatch, re-skilling and scarce skills as key areas of focus.

The Department took huge strides in limiting the damage that could be done by tourists who become the victims of crime while visiting our shores with the implementation of a Tourists in Distress Campaign. This campaign includes a Tourist Victim Support Programme that was launched over the summer holiday period of 2004/05. The programme aims to assist tourists who become victims of crime by providing assistance in the field of dealing with the South African Police Services, obtaining interpreters, providing accommodation and transport, etc.

Finally, the Department also facilitated the training of 20 mechanical engineering graduates (at least 50% of whom are residents in the Western Cape) in India in the specialised field of tool design and manufacture.

Expenditure

The Department's original budget allocation for the 2004/05 financial year was R118,328 million. This budget was divided into four programmes, namely Administration (R11,297 million), Enterprise Development (R71,305 million), Tourism (R31,301 million) and iKapa eliHlumayo (R4,425 million).

The main sources of income to capitalise this budget were from the equitable share (R114,648 million) and the Department's own revenue (R3,680 million).

During the adjustment estimate process for 2004, the Department was granted an additional allocation of R10 million for the rescue of Novel Garments SA.

R0,390 million from the Department's over-collection of revenue to support the Foetal Alcohol Syndrome project (FASfacts); and R0,2 million from roll-over funds.

An amount of R2,382 million was also shifted to Vote 9: Environmental Affairs and Development Planning as the Ministry responsible for Tourism in the Western Cape was shifted and included in the Ministry responsible for Finance and Economic Development in Vote 3: Provincial Treasury. This resulted in an overall additional allocation of R8,208 million during the Adjustment Estimate process.

The Department effected an overall saving of R0,097 million for the 2004/05 financial year.

Revenue

The Department budgeted an amount of R3,680 million for Departmental revenue in the 2004/05 financial year. This amount was to be collected from the following sources:

- Liquor Licences (R3,420 million)
- Tourist Guide Registration (R0,260 million)

The 2004/05 financial year has seen an overall over-collection of revenue originally budgeted, by an amount of R2,257 million. This was primarily due to the efficiencies in the collection ability of the South African Revenue Services (SARS), which is the collection agent as stipulated in the Liquor Act, 1989, with regard to liquor licences.

4.1.2 Services rendered by the Department

The services rendered by the Department include the following:

- The registration of Tourist Guides
- The issuing of Liquor Licences

All tariffs are reflected in the Provincial Treasury approved tariff register, which was implemented on 01 August 2002 and revised on an annual basis or as legislation may determine.

4.1.3 Capacity constraints

The Department's reorganisation addressed the significant mismatch between resources (both human and financial) required and those resources which were already provided to the Department.

The restructuring process caused delays in the 2nd and 3rd quarters of the financial year, as all programmes provided by the Department were re-evaluated to ensure compliance with the revised vision and structure of the Department.

4.1.4 Utilisation of donor funds

Donor Funding was not received in the 2004/05 financial year.

4.1.5 Trading entities and public entities

The Department has three Public Entities that report to it in terms of section 47(1) of the Public Finance Management Act, 1999 (Act 1 of 1999). These are:

- Western Cape Investment and Trade Promotion Agency (WESGRO)
- The Destination Marketing Organisation (trading as Cape Town Routes Unlimited)
- The Western Cape Liquor Board

Western Cape Investment and Trade Promotion Agency (WESGRO)

WESGRO was established in terms of the Western Cape Investment and Trade Promotion Law, 1996 (Act 3 of 1996). The major objective of the agency is to promote investment in and trade with the Western Cape.

An amount of R31,2 million was transferred to WESGRO in the 2004/05 financial year. This represents an increase of 318% when compared to the 2003/04 financial year.

An amount of R6 million was appropriated to WESGRO for the 2004/05 financial year. This figure was later revised after the Adjustment Estimate process to R31,2 million. The additional allocations included funds for the Province's contribution to the construction of the Film Studio, payment in respect of the Novel Garments SA, and the Export and Development Programme.

Cape Town Routes Unlimited (CTRU)

The Destination Marketing Organisation trading as CTRU was established in terms of the Provincial Western Cape Tourism Act (Act 1 of 2004). The major objective of the CTRU is to promote the Western Cape and Cape Town as a premier tourist destination.

An amount of R20,032 million was appropriated in the 2004/05

financial year. The primary purpose of this allocation was to provide for the operational costs including salaries. This figure was later revised to R20,532 million to include projects identified by the Department.

The Western Cape Liquor Board

The Liquor Board is an in-house public entity responsible for the regulation of the retail and micro-manufacturing sectors in the liquor industry.

4.1.6 Organisations to whom transfer payments have been made

A list of transfers made to organisations is included in **Annexures 1C, 1D, 1E, 1F and 1H** of the Annual Financial Statements.

Most notable of these are the transfers to municipalities that amounted to R2,565 million. Primary among these transfers were:

- the allocations to District Municipalities that amounted to R1,1 million to assist with the establishment of Economic Development Units at district municipality level;
- the transfers to CASIDRA that amounted to R11,7 million to assist the Department in the establishment of the RED Door offices in the Western Cape and to capitalise on the ABSA fund to assist SMME development; and
- the transfers to CSIR that amounted to R5 million for the Rural Economic Development Fund.

4.1.7 Public private partnerships (PPPs)

PPPs were not undertaken by the Department.

WESGRO

The Western Cape has more than 400 new exporters in part because of WESGRO's Exporter Development Programme (EDP) launched in the second quarter of 2004 to educate smaller companies about exports, and to prepare them for entry into this market.

"The uptake of EDP has been a great success. When we initially introduced the programme, the aim was to train 200 companies in phase one during 2004. However, having rolled out the programme in most of the Western Cape's major towns, we have reached our target twice over in just twelve months," said Riefqah Jappie, trade economist at WESGRO.

Ms. Jappie said the next step was to launch the Exporter Mentoring Programming, which will assist small, micro and medium enterprises (SMMEs) to design and implement business strategies – including how to deal with a strong Rand – that would equip them to become confident global competitors in the export market through adopting a proactive approach.

WESGRO would also offer outward missions to target countries, trade fair participation, and provide relevant publications and access to targeted trade leads.

WESGRO's mandate from the Western Cape Provincial Government and the City of Cape Town is to grow the number of exporters by 800 within a three-year period. Given the 405 new exporters in 2004, WESGRO believes it will surpass this target as well.

Flush from its accomplishment of raising double its target foreign direct investment in the Western Cape through December 2004, WESGRO officials plan to continue the tempo by penetrating new markets as well as by improving marketing efforts in existing markets.

WESGRO raised R1,536 billion, R836 million more than its target of R700 million.

The investments raised include new investments in the Agency's priority sectors – manufacturing, resource-based industries and services – as well as expansion, facilitation and residential property investments.

The bulk of the funds were from new investments at R576 million (excluding new investments in residential property), followed by facilitation (R304 million), and expansions (R267 million). The breakdown of new investments leans heavily in the services sector at R449 million followed by manufacturing (R112 million) and resource-based industries (R15 million).

CTRU – visitor information centre

Since its inception in 2003, Cape Town Routes Unlimited (CTRU), the official marketing organisation for Cape Town and the Western Cape, has spent the past year giving impetus to the establishment of one-stop tourism gateways in each of the province's six regions.

CTRU's flagship Visitor Information Centre opened at the V & A Waterfront in early 2005. The placement of the centre at Cape Town's foremost tourist attraction that sees up to 22 million visitors a year is strategic in that it recognises that proper and easily accessible information is the best way to encourage tourists to explore more

broadly what the city and the rest of the Province has to offer. The Visitor Information Centre helps tourists with itinerary planning and accommodation booking.

There is also the added feature of creating customised packages. The centre's Internet Café is equipped with the latest technology including wireless hotspots. Destination-branded apparel is available for purchase.



Bopping to the sounds of Cape Jazz at the opening of CTRU's Visitor Information Centre at the V & A Waterfront are Noki Dube, CEO of CTRU in the foreground. MEC Lynne Brown is next to her.

Noki Dube, CEO of CTRU says: "We want to give tourists information in a structured, consolidated format so that visitors are able to maximise their time in our Province and are able to make informed decisions about the experiences they desire."

"In line with our marketing plan, we intend to continue to shift the focus away from individual product marketing to embracing destination experiences such as Outdoor Active, Gourmet Delights, Exploring Culture and Heritage, Discovering your Health: Body Mind and Spirit and Amazing Golf."

The next Visitor Information Centres are slotted for Beaufort West, van Rhynsdorp and the Storms River Bridge.

4.1.8 Corporate governance arrangements

The National Treasury's Internal Audit Framework and Treasury Regulations determine the establishment of a risk-based approach to an Internal Audit. This approach is consistent with the requirements of the Public Finance Management Act, Act 1 of 1999, and the King II report.

A risk based approach requires that audit planning and associated fieldwork should ensure adequate coverage of all of the most significant risks, but also includes focusing on operational and strategic risks.

A key benefit of a risk-based approach to an internal audit is the ability to define a common approach to assurance incorporating a number of assurance role players. Within this context and as part of a three-year engagement with the Provincial Government of the Western Cape, the Sihluma Sonke Consortium has been tasked to conduct a comprehensive inherent risk assessment in the Department.

The comprehensive inherent risk assessment is in an advance stage and should be finalised in the 2005/06 financial year.

The office of the Chief Financial Officer issued a Financial Manual in line with the PFMA, Treasury Regulations and Provincial Treasury Instructions to establish efficient financial management and policy in the Department.

An Internal Control unit was introduced within the Department with the task to continuously monitor compliance with prescripts and post auditing of financial records.

For the financial year in review, the Internal Control component conducted compliance audits within the Financial Management and Human Resource Management sub-programmes. Reports on the findings and recommendations were submitted to management for evaluation. Corrective actions are being taken to address control deficiencies and improve the systems as identified.

The Department currently shares the centralised Audit Committee and Internal Audit unit of the Province.

4.1.9 Discontinued activities/activities to be discontinued

As stipulated above, the Department underwent a process of restructuring to best meet the demands facing the Western Cape economy. While much of the present functions of the Department needed to continue, there were significant missing elements in the structure and the manner in which functions were combined in the 2004/05 structure needed to be changed. A comprehensive re-organisation exercise was warranted.

The programmes Enterprise Development and Tourism were dismantled and realigned to new programmes within the Department. The iKapa eliHlumayo programme was also dismantled as it was noted that funds allocated to this programme would be better utilised within the "external delivery" programmes of the Department. The research functions of this programme were shifted to Programme 1: Administration as a separate sub-programme.

4.1.10 New/proposed activities

As of 01 April 2005, the new structure of the Department came into effect. A total of five programmes were established, namely: Administration, Economic Participation, Economic Stimulation, Fair Business Environment and Economic Sector Development.

The programme: Administration will be responsible for the overall management of the Department and will include the corporate services functions of Financial Management, Human Resource Management, Communications and Corporate Image Management, and Research Support and Impact Evaluation.

The programme: Economic Participation will be responsible for the promotion of enterprise development, local economic development and economic empowerment.

The programme: Economic Stimulation will be responsible for the development of a globally competitive environment and the sourcing of funds and resources to key projects in the Province.

The programme: Fair Business Environment will ensure that an equitable, socially responsible business environment exists within the Western Cape Province.

The final programme will be Economic Sector Development. The aim of this programme is to promote key industry sectors and to identify and implement strategic interventions that will assist in the strengthening of these sectors.

4.1.11 Events after the reporting date

No material facts or circumstances have occurred between the reporting date and the date of authorisation of issue of this report.

4.1.12 Performance information

Performance agreements have been prepared between the Executive Authority and the Accounting Officer and between the Accounting Officer and the Chief Financial Officer. Performance evaluation is conducted on a quarterly basis and is in line with the objectives of the strategic plan. An approved Strategic Plan for the period 2005/06 to 2007/08, with measurable objectives, was timeously tabled in the Provincial Legislature by the Executive Authority.

The Office of the Head of Department has implemented a management system whereby projects and interventions are monitored and evaluated on a regular basis. Senior management is required to report monthly on the progress of projects and interventions.

4.1.13 Other

The financial statements of the public entities; the Destination Marketing Organisation (DMO) trading as Cape Town Routes Unlimited (CTRU) and the Western Cape Investment and Trade Promotion Agency (WESGRO), do not form part of the Department's financial statements as the Accounting Authorities of the public entities will be compiling separate annual reports which will be tabled by the responsible Executive Authority.

Approval

The Annual Financial Statements as set out on pages 112 to 113 have been approved by the Accounting Officer responsible for Vote 13: Economic Development and Tourism.



BRENDON ROBERTS
ACCOUNTING OFFICER
31 May 2005

4.2 Report of the Auditor-General



A U D I T O R - G E N E R A L

REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE WESTERN CAPE ON THE FINANCIAL STATEMENTS OF VOTE 13 - THE DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM FOR THE YEAR ENDED 31 MARCH 2005

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 120 to 152, for the year ended 31 March 2005, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. NATURE AND SCOPE

The audit was conducted in accordance with Statements of South African Auditing Standards. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to my attention and are applicable to financial matters.

The audit was completed in accordance with Auditor-General Directive No. 1 of 2005.

I believe that the audit provides a reasonable basis for my opinion.

3. AUDIT OPINION

In my opinion, the financial statements fairly present, in all material respects, the financial position of the Department of Economic Development and Tourism at 31 March 2005 and the results of its operations and cash flows for the year then ended, in accordance with prescribed accounting practice and in the manner required by the Public Finance Management Act, 1999 (Act No 1 of 1999).

4. EMPHASIS OF MATTER

Without qualifying the audit opinion expressed above, attention is drawn to the following matters:

Liquor license income

During the audit it was identified that the department was unable to reconcile the income due in respect of registered liquor license holders with income collected by the South African Revenue Services (SARS) on behalf of the department, as SARS only pays

the money over in a lump sum and does not supply the department with a complete and detailed breakdown of the income recovered. In addition to the above, the department does not have a database of all liquor license holders.

4.2 Fraud Prevention Plan

In terms of section 3.2.1 of the National Treasury Regulations, the accounting officer of a department must facilitate a risk assessment to determine the material risks to which the institution may be exposed and to evaluate the strategy for managing these risks. Such a strategy must include a fraud prevention plan.

A "tailor made" Fraud Prevention Plan for the Department was, however, not developed, approved and enforced by management during the year under review.

5. APPRECIATION

The assistance rendered by the staff of the Department of Economic Development and Tourism during the audit is sincerely appreciated.



**W.J. Swart for Auditor-General
Cape Town
30/7/2005**

4.3 Statement of Accounting Policies for the year ended 31 March 2005

The Annual Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Annual 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 5 of 2004. The following issued, but not yet effective Standards of Generally Recognised Accounting Practice, have not been fully complied with in the Annual Financial Statements: GRAP 1, 2 and 3.

4.3.1 Basis of preparation

The Annual Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting, transactions and other events are recognised when cash is received or paid. Under the accrual basis of accounting, transactions and other events are recognised when incurred and not when cash is received or paid.

4.3.2 Revenue

Appropriated funds

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimates of National/Provincial Expenditure. Unexpended voted funds are surrendered to the National/Provincial Revenue Fund, unless otherwise stated.

Departmental revenue

Tax revenue

A tax receipt is defined as compulsory, irrecoverable revenue collected by entities. Tax receipts are recognised as revenue in the statement of financial performance on receipt of the funds.

Sale of goods and services other than capital assets

This comprises the proceeds from the sale of goods and/or services produced by the entity. Revenue is recognised in the statement of financial performance on receipt of the funds.

Fines, penalties and forfeits

Fines, penalties and forfeits are compulsory receipts imposed by court or quasi-judicial body. Revenue is recognised in the statement of financial performance on receipt of the funds.

Interest, dividends and rent on land

Interest and dividends received are recognised upon receipt of the funds, and no provision 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 Statement of Financial Performance of the Department and then transferred to the National/Provincial Revenue Fund. Revenue received from the rent of land is recognised in the statement of financial performance on receipt of the funds.

Sale of capital assets

The proceeds from the sale of capital assets is recognised as revenue in the statement of financial performance on receipt of the funds.

Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds. Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the statement of financial performance when the cheque becomes stale. When the cheque is re-issued, the payment is made from Revenue.

Local and foreign aid assistance

Local and foreign aid assistance is recognised in the statement of financial performance on receipt of funds. Where amounts are expensed before funds are received, a receivable is raised. Where amounts have been inappropriately expensed using Local and Foreign aid assistance, a payable is raised. In the situation where the Department is allowed to retain surplus funds, these funds are shown as a reserve.

4.3.3 Expenditure

Compensation of employees

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system. The expenditure is classified as capital where the employees were involved, on a full time basis, on capital projects during the financial year. All other payments are classified as current expense.

Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system.

Short-term employee benefits

The cost of short-term employee benefits is expensed in the Statement of Financial Performance in the reporting period when the final authorisation for payment is effected on the system. Short-term employee benefits, that give rise to a present legal or constructive obligation are disclosed as a disclosure note to the Annual Financial Statements and are not recognised in the Statement of Financial Performance.

Long-term employee benefits and other post employment benefits

Termination benefits

Termination benefits are recognised and expensed only when the final authorisation for payment is effected on the system.

Medical benefits

The Department provides medical benefits for its employees through defined benefit plans. Employer contributions to the fund are incurred when the final authorisation for payment is effected on the system. No provision is made for medical benefits in the Annual Financial Statements of the Department.

Post employment retirement benefits

The Department provides retirement benefits for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when the final authorisation for payment to the fund is effected on the system. No provision is made for retirement benefits in the Annual Financial Statements of the Department. Any potential liabilities are disclosed in the Annual Financial Statements of the National/Provincial Revenue Fund and not in the Annual Financial Statements of the employer Department.

Other employee benefits

Obligations arising from leave entitlement, thirteenth cheque and performance bonus that are reflected in the disclosure notes have not been paid for at year-end.

Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system. The expense is classified as capital if the goods and services was used on a capital project.

Interest and rent on land

Interest and rental payments resulting from the use of land are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system. This item excludes rental on the use of buildings or other fixed structures.

Financial transactions in assets and liabilities

Financial transactions in assets and liabilities include bad debts written-off. Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending available to the Department. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts.

Unauthorised expenditure

Unauthorised expenditure is defined as:

- 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.

Such expenditure is treated as a current asset in the Statement of Financial Position until such expenditure is approved by the relevant authority, recovered or written-off as irrecoverable.

Irregular expenditure

Irregular expenditure is defined as expenditure, other than unauthorised expenditure, incurred in contravention 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.

Irregular expenditure is treated as expenditure in the Statement of Financial Performance. If such expenditure is not condoned and it is possibly recoverable it is disclosed as receivable in the Statement of Financial Position at year-end.

Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is defined as expenditure that was made in vain and would have been avoided had reasonable care been exercised, therefore:

- it must be recovered from a responsible official (a debtor account should be raised); or
- the Vote. (If responsibility cannot be determined.)

Such expenditure is treated as a current asset in the Statement of Financial Position until such expenditure is recovered from the responsible official or written off as irrecoverable.

4.3.4 Transfers and subsidies

Transfers and subsidies include all irrecoverable payments made by the entity. Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system.

4.3.5 Expenditure for capital assets

Capital assets are assets that can be used repeatedly and continuously in production for more than one year. Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system.

4.3.6 Investments

Investments include: Investments in Associates; Joint ventures; Investments in controlled entities; and Other investments.

Investments are shown at cost. On disposal of an investment, the surplus/(deficit) is recognised as revenue in the Statement of Financial Performance.

4.3.7 Receivables

Receivables are not normally recognised under the modified cash basis of accounting. However, receivables included in the Statement of Financial Position arise from cash payments that are recoverable from another party, when the payments are made.

Receivables for services delivered are not recognised in the Statement of Financial Position as a current asset or as income in the Statement of Financial Performance, as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are disclosed separately as part of the disclosure notes to enhance the usefulness of the Annual Financial Statements.

4.3.8 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks, short term investments in money market instruments and demand deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4.3.9 Payables

Payables are not normally recognised under the modified cash basis of accounting. However, payables included in the Statement of Financial Position arise from advances received that are due to

the Provincial/National Revenue Fund or another party.

4.3.10 Lease commitments

Lease commitments for the period remaining from the reporting date until the end of the lease contract are disclosed as part of the disclosure notes to the Annual Financial Statements. These commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on the cash basis of accounting.

Operating lease expenditure is expensed when the payment is made.

Finance lease expenditure is expensed when the payment is made, but results in the acquisition of the asset under the lease agreement. A finance lease is not allowed in terms of the Public Finance Management Act.

4.3.11 Accruals

Accruals represent goods/services that have been received, but no invoice has been received from the supplier at the reporting date, OR an invoice has been received but final authorisation for payment has not been effected on the system. These amounts are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are however disclosed as part of the disclosure notes.

4.3.12 Contingent liability

Contingent liability 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 wholly within the control of the department; or
- a present obligation that arises from past events but is not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the Statement of Financial position, but the information is disclosed as part of the disclosure notes.

4.3.13 Commitments

Commitments represent goods/services that have been approved and/or contracted, but no delivery has taken place at the reporting date. These amounts are not recognised in the Statement of financial position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are however disclosed as part of the disclosure notes.

4.3.14 Capitalisation reserve

The capitalisation reserve represents an amount equal to the value of the investment and/or loans capitalised. On disposal, repayment or recovery, such amounts are transferred to the Revenue Fund.

4.3.15 Recoverable revenue

Recoverable revenue represents payments made and recognised in the Statement of Financial Performance 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.

4.3.16 Comparative figures

Where necessary, comparative figures have been restated to conform to the changes in the presentation in the current year. The comparative figures shown in these Annual Financial Statements are limited to the figures shown in the previous year's audited Annual Financial Statements and such other comparative figures that the Department may reasonably have available for reporting. Re-classification of expenditure has occurred due to the implementation of the Standard Chart of Accounts. It is not practical to present comparative amounts in the Cash Flow Statements, as this would involve re-classification of amounts dating back to the 2002/03 year-end.

4.4 Appropriation Statement for the year ended 31 March 2005

Appropriation per programme									
	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Payments as % of final appropriation	Final Appropriation	Actual Payment
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000
1. Administration									
Current payment	8,813	-	1,283	10,096	10,076	20	99.8%	9,543	9,538
Transfers and subsidies	20	-	-	20	17	3	85.0%	-	-
Expenditure for capital assets	82	-	600	682	681	1	99.9%	1,696	1,459
2. Enterprise Development									
Current payment	30,150	-	(3,637)	26,513	26,473	40	99.8%	16,796	17,049
Transfers and subsidies	51,462	-	2,218	53,680	53,679	1	100.0%	9,044	8,844
Expenditure for capital assets	183	-	583	766	764	2	99.7%	1,208	793
3. Tourism									
Current payment	7,920	-	(895)	7,025	7,010	15	99.8%	5,086	4,849
Transfers and subsidies	23,341	-	200	23,541	23,541	-	100.0%	34,841	34,741
Expenditure for capital assets	140	-	(56)	84	82	2	97.6%	683	444
4. iKapa eliHlumayo									
Current payment	2,167	-	(296)	1,871	1,858	13	99.3%	-	-
Transfers and subsidies	2,258	-	-	2,258	2,258	-	100.0%	45,039	45,038
5. Knowledge Economy & E-Government									
Current payment	-	-	-	-	-	-	0.0%	7,038	7,101
Expenditure for capital assets	-	-	-	-	-	-	0.0%	126	-
TOTAL	126,536	-	-	126,536	126,439	97	99.9%	131,100	129,856
Reconciliation with Statement of Financial Performance									
Departmental revenue received				2,257				390	
Actual amounts per Statements of Financial Performance (Total revenue)				128,793				131,490	
Actual amounts per Statements of Financial Performance (Total expenditure)					126,439				129,856

Appropriation Statement for the year ended 31 March 2005 (continued)

Appropriation per economic classification									
	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payments	Variance	Payments as % of final appropriation	Final Appropriation	Actual Payment
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000
Current payment									
Compensation of employees	25,580	-	(3,392)	22,188	22,182	6	100.0%	16,771	16,565
Goods and services	23,470	-	(201)	23,269	23,188	81	99.7%	23,532	23,780
Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
Financial transactions in assets and liabilities	-	-	47	47	47	-	100.0%	-	32
Transfers and subsidies to:									
Provinces and municipalities	2,551	-	19	2,570	2,565	5	99.8%	-	-
Departmental agencies and accounts	52,232	-	-	52,232	52,232	-	100.0%	15,302	15,302
Universities and Technikons	350	-	200	550	550	-	100.0%	-	-
Foreign governments and international organisations	-	-	-	-	-	-	0.0%	-	-
Public corporations and private enterprises	10,330	-	7,000	17,330	17,330	-	100.0%	-	-
Non-profit institutions	11,618	-	(4,800)	6,818	6,818	-	100.0%	71,782	71,482
Households	-	-	-	-	-	-	0.0%	-	-
Gifts and donations	-	-	-	-	-	-	0.0%	-	-
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	0.0%	-	-
Machinery and equipment	405	-	1,100	1,505	1,500	5	99.7%	3,713	2,695
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-
Software and other intangible assets	-	-	27	27	27	-	100.0%	-	-
Land and subsoil assets	-	-	-	-	-	-	0.0%	-	-
TOTAL	126,536	-	-	126,536	126,439	97	99.9%	131,100	129,856

Detail per programme 1 for the year ended 31 March 2005

Programme per sub-programme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payments	Variance	Payments as % of final appropriation	Final Appropriation	Actual Payment
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000
1.1 Office of the Minister of Tourism									
Current payment	450	-	(65)	385	385	-	100.0%	1,914	1,785
Transfers and subsidies	5	-	(2)	3	1	2	33.3%	-	-
Expenditure for capital assets	12	-	(12)	-	-	-	0.0%	439	415
1.2 Corporate Services									
Current payment	8,363	-	1,348	9,711	9,691	20	99.8%	7,629	7,753
Transfers and subsidies	15	-	2	17	16	1	94.1%	-	-
Expenditure for capital assets	70	-	612	682	681	1	99.9%	1,257	1,044
TOTAL	8,915	-	1,883	10,798	10,774	24	99.8%	11,239	10,997

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payments	Variance	Payments as % of final appropriation	Final Appropriation	Actual Payment
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000
Current payment									
Compensation of employees	7,460	-	(751)	6,709	6,709	-	100.0%	5,130	5,016
Goods and services	1,353	-	1,987	3,340	3,321	19	99.4%	4,413	4,491
Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
Financial transactions in assets and liabilities	-	-	47	47	47	-	100.0%	-	32
Transfers and subsidies to:									
Provinces and municipalities	20	-	-	20	16	4	80.0%	-	-
Departmental agencies and accounts	-	-	-	-	-	-	0.0%	-	-
Universities and Technikons	-	-	-	-	-	-	0.0%	-	-
Foreign governments and international organisations	-	-	-	-	-	-	0.0%	-	-
Public corporations and private enterprises	-	-	-	-	-	-	0.0%	-	-
Non-profit institutions	-	-	-	-	-	-	0.0%	-	-
Households	-	-	-	-	-	-	0.0%	-	-
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	0.0%	-	-
Machinery and equipment	82	-	593	675	674	1	99.9%	1,696	1,458
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-
Software and other intangible assets	-	-	7	7	7	-	100.0%	-	-
Land and subsoil assets	-	-	-	-	-	-	0.0%	-	-
TOTAL	8,915	-	1,883	10,798	10,774	24	99.8%	11,239	10,997

Detail per programme 2 for the year ended 31 March 2005

Programme per sub-programme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payments	Variance	Payments as % of final appropriation	Final Appropriation	Actual Payment
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000
2.1 Business Regulation									
Current payment	8,616	-	965	9,581	9,567	14	99.9%	6,967	7,099
Transfers and subsidies	-	-	10	10	10	-	100.0%	-	-
Expenditure for capital assets	109	-	104	213	213	-	100.0%	442	303
2.2 Industry Development									
Current payment	9,463	-	(1,720)	7,743	7,733	10	99.9%	5,288	5,383
Transfers and subsidies	5,005	-	(4,397)	608	608	-	100.0%	5,344	5,249
Expenditure for capital assets	39	-	29	68	66	2	97.1%	176	68
2.3 Economic Development Co-ordination									
Current payment	12,071	-	(3,571)	8,500	8,484	16	99.8%	4,541	4,567
Transfers and subsidies	25,257	-	6,605	31,862	31,861	1	100.0%	3,700	3,595
Expenditure for capital assets	35	-	450	485	485	-	100.0%	590	422
2.4 WESGRO/Legal successor									
Current payment	-	-	689	689	689	-	100.0%	-	-
Transfers and subsidies	21,200	-	-	21,200	21,200	-	100.0%	-	-
Expenditure for capital assets	-	-	-	-	-	-	0.0%	-	-
TOTAL	81,795	-	-836	80,959	80,916	43	99.9%	27,048	26,686

Detail per programme 2 for the year ended 31 March 2005 (continued)

Economic classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payments	Variance	Payments as % of final appropriation	Final Appropriation	Actual Payment
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000
Current payment									
Compensation of employees	13,807	-	(1,889)	11,918	11,917	1	100.0%	7,809	7,795
Goods and services	16,343	-	(1,749)	14,594	14,555	39	99.7%	8,987	9,254
Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	-	-
Transfers and subsidies to:									
Provinces and municipalities	1,112	-	19	1,131	1,130	1	99.9%	-	-
Departmental agencies and accounts	31,200	-	-	31,200	31,200	-	100.0%	7,461	7,461
Universities and Technikons	200	-	-	200	200	-	100.0%	-	-
Foreign governments and international organisations	-	-	-	-	-	-	0.0%	-	-
Public corporations and private enterprises	10,250	-	7,000	17,250	17,250	-	100.0%	-	-
Non-profit institutions	8,700	-	(4,800)	3,900	3,900	-	100.0%	1,583	1,383
Households	-	-	-	-	-	-	0.0%	-	-
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	0.0%	-	-
Machinery and equipment	183	-	569	752	750	2	99.7%	1,208	793
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-
Software and other intangible assets	-	-	14	14	14	-	100.0%	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
TOTAL	81,795	-	(836)	80,959	80,916	43	99.9%	27,048	26,686

Detail per programme 3 for the year ended 31 March 2005

Programme per sub-programme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payments	Variance	Payments as % of final appropriation	Final Appropriation	Actual Payment
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000
3.1 Tourism Development									
Current payment	5,098	-	15	5,113	5,106	7	99.9%	3,076	2,987
Transfers and subsidies	3,106	-	-	3,106	3,106	-	100.0%	32,291	32,291
Expenditure for capital assets	60	-	(12)	48	46	2	95.8%	536	408
3.2 Tourism Regulation									
Current payment	2,822	-	(910)	1,912	1,904	8	99.6%	2,010	1,862
Transfers and subsidies	203	-	200	403	403	-	100.0%	2,550	2,450
Expenditure for capital assets	80	-	(44)	36	36	-	100.0%	147	36
3.3 Tourism Board									
Current payment	-	-	-	-	-	-	0.0%	-	-
Transfers and subsidies	20,032	-	-	20,032	20,032	-	100.0%	-	-
Expenditure for capital assets	-	-	-	-	-	-	0.0%	-	-
TOTAL	31,401	-	(751)	30,650	30,633	17	99.9%	40,610	40,034

Detail per programme 3 for the year ended 31 March 2005 (continued)

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payments	Variance	Payments as % of final appropriation	Final Appropriation	Actual Payment
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000
Current payment									
Compensation of employees	4,313	-	(752)	3,561	3,556	5	99.9%	1,850	1,787
Goods and services	3,607	-	(143)	3,464	3,454	10	99.7%	3,236	3,062
Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:									
Provinces and municipalities	1,419	-	-	1,419	1,419	-	100.0%	-	-
Departmental agencies and accounts	20,532	-	-	20,532	20,532	-	100.0%	7,841	7,841
Universities and Technikons	150	-	200	350	350	-	100.0%	-	-
Foreign governments and international organisations	-	-	-	-	-	-	0.0%	-	-
Public corporations and private enterprises	80	-	-	80	80	-	100.0%	-	-
Non-profit institutions	1,160	-	-	1,160	1,160	-	100.0%	27,000	26,900
Households	-	-	-	-	-	-	0.0%	-	-
Gifts and donations	-	-	-	-	-	-	0.0%	-	-
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	0.0%	-	-
Machinery and equipment	140	-	(62)	78	76	2	97.4%	683	444
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-
Software and other intangible assets	-	-	6	6	6	-	100.0%	-	-
Land and subsoil assets	-	-	-	-	-	-	0.0%	-	-
TOTAL	31,401	-	(751)	30,650	30,633	17	99.9%	40,610	40,034

Detail per programme 4 for the year ended 31 March 2005

Programme per sub-programme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payments	Variance	Payments as % of final appropriation	Final Appropriation	Actual Payment
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000
4.1 iKapa eliHhlumayo									
Current payment	2,167	-	(296)	1,871	1,858	13	99.3%	-	-
Transfers and subsidies	2,258	-	-	2,258	2,258	-	100.0%	45,039	45,038
Expenditure for capital assets	-	-	-	-	-	-	0.0%	-	-
TOTAL	4,425	-	(296)	4,129	4,116	13	99.7%	45,039	45,038

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payments	Variance	Payments as % of final appropriation	Final Appropriation	Actual Payment
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000
Current payment									
Compensation of employees	-	-	-	-	-	-	0.0%	-	-
Goods and services	2,167	-	(296)	1,871	1,858	13	99.3%	2,085	2,084
Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	-	-
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-	0.0%	-	-
Departmental agencies and accounts	500	-	-	500	500	-	100.0%	-	-
Universities and Technikons	-	-	-	-	-	-	0.0%	-	-
Foreign governments and international organisations	-	-	-	-	-	-	0.0%	-	-
Public corporations and private enterprises	-	-	-	-	-	-	0.0%	-	-
Non-profit institutions	1,758	-	-	1,758	1,758	-	100.0%	42,954	42,954
Households	-	-	-	-	-	-	0.0%	-	-
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	0.0%	-	-
Machinery and equipment	-	-	-	-	-	-	0.0%	-	-
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-
Software and other intangible assets	-	-	-	-	-	-	0.0%	-	-
Land and subsoil assets	-	-	-	-	-	-	0.0%	-	-
TOTAL	4,425	-	(296)	4,129	4,116	13	99.7%	45,039	45,038

Detail per programme 5 for the year ended 31 March 2005

Programme per sub-programme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payments	Variance	Payments as % of final appropriation	Final Appropriation	Actual Payment
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000
5.1 Cape Gateway									
Current payment	-	-	-	-	-	-	0.0%	2,650	2,680
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
Expenditure for capital assets	-	-	-	-	-	-	0.0%	71	-
5.2 Cape Online									
Current payment	-	-	-	-	-	-	0.0%	4,388	4,421
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
Expenditure for capital assets	-	-	-	-	-	-	0.0%	55	-
TOTAL	-	-	-	-	-	-	0.0%	7,164	7,101

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payments	Variance	Payments as % of final appropriation	Final Appropriation	Actual Payment
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000
Current payment									
Compensation of employees	-	-	-	-	-	-	0.0%	1,982	1,967
Goods and services	-	-	-	-	-	-	0.0%	4,811	4,889
Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	-	-
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-	0.0%	-	-
Departmental agencies and accounts	-	-	-	-	-	-	0.0%	-	-
Universities and Technikons	-	-	-	-	-	-	0.0%	-	-
Foreign governments and international organisations	-	-	-	-	-	-	0.0%	-	-
Public corporations and private enterprises	-	-	-	-	-	-	0.0%	-	-
Non-profit institutions	-	-	-	-	-	-	0.0%	245	245
Households	-	-	-	-	-	-	0.0%	-	-
Gifts and donations	-	-	-	-	-	-	0.0%	-	-
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	0.0%	-	-
Machinery and equipment	-	-	-	-	-	-	0.0%	126	-
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-
Software and other intangible assets	-	-	-	-	-	-	0.0%	-	-
Land and subsoil assets	-	-	-	-	-	-	0.0%	-	-
TOTAL	-	-	-	-	-	-	0.0%	7,164	7,101

4.5 Notes to the Appropriation Statement for the year ended 31 March 2005

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

Detail of these transactions can be viewed in note 6 (Transfers and subsidies) and Annexures 1(C-F) and Annexure 1(H) to the Annual Financial Statements.

4.5.2 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.

4.5.3 Detail on financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in note 5 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

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

4.5.4.1 Per Programme	Voted Funds after Virement	Actual Expenditure	R'000	%
Administration	10,798 Saving due to reprioritisation of funds.	10,774	24	0.2
Enterprise	80,959 Saving due to reprioritisation of funds.	80,916	43	0.05
Tourism	30,650 Saving due to reprioritisation of funds	30,633	17	0.06
iKapa eliHlumayo	4,129 Saving due to reprioritisation of funds.	4,116	13	0.3

4.5.4.2 Per Economic classification

R'000

Current payment:

Compensation of employees	6
Goods and services	81

Transfers and subsidies:

Provinces and municipalities	5
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Payments for capital assets:

Machinery and equipment	5
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4.6 Statement of Financial Performance (Income Statement) for the year ended 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
REVENUE			
Annual appropriation	1	126,536	131,100
Departmental revenue	2	2,257	390
TOTAL REVENUE		128,793	131,490
EXPENDITURE			
Current expenditure			
Compensation of employees	3	22,182	16,565
Goods and services	4	23,188	23,780
Financial transactions in assets and liabilities	5	47	32
Total current expenditure		45,417	40,377
Transfers and subsidies	6	79,495	86,784
Expenditure for capital assets			
Machinery and Equipment	7	1,500	2,695
Software and other intangible assets	7	27	-
Total expenditure for capital assets		1,527	2,695
TOTAL EXPENDITURE		126,439	129,856
NET SURPLUS/(DEFICIT) FOR THE YEAR		2,354	1,634

Reconciliation of Net Surplus/(Deficit) for the year

Voted Funds to be surrendered to the Revenue Fund/unutilised	11	97	1,244
Departmental receipts to be surrendered to the Revenue Fund	12	2,257	390
NET SURPLUS/(DEFICIT) FOR THE YEAR		2,354	1,634

4.7 Statement of Financial Position (Balance Sheet) at 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
ASSETS			
Current assets			
Cash and cash equivalents	8	96	-
Prepayments and advances	9	20	-
Receivables	10	230	1,603
TOTAL ASSETS		346	1,603
LIABILITIES			
Current liabilities			
Voted funds to be surrendered to the Revenue Fund	11	97	1,244
Departmental revenue to be surrendered to the Revenue Fund	12	249	173
Bank overdraft	13	-	133
Payables	14	-	53
TOTAL LIABILITIES		346	1,603
NET ASSETS		-	-

4.8 Cash Flow Statement for the year ended 31 March 2005

	Note	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		133,811
Annual appropriated funds received		126,536
Departmental revenue received		5,922
Net (increase)/decrease in working capital		1,353
Surrendered to Revenue Fund		(7,105)
Current payments		(45,470)
Transfers and subsidies paid		(79,495)
Net cash flow available from operating activities	15	1,741
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capital assets		(1,527)
Proceeds from sale of capital assets	2	15
Net cash flows from investing activities		(1,512)
Net increase/(decrease) in cash and cash equivalents		229
Cash and cash equivalents at the beginning of the period		(133)
Cash and cash equivalents at end of period	8	96

4.9 Notes to the Annual Financial Statements for the year ended 31 March 2005

1. Annual Appropriation

1.1 Included are funds appropriated in terms of the Appropriation Act for National Departments (Voted funds) and Provincial Departments (Equitable Share).

	Final Appropriation R'000	Actual Funds Received R'000	Variance over/ (under) R'000	Total 2003/04 R'000
Administration	10,798	10,774	24	11,239
Enterprise				
Development	80,959	80,916	43	27,048
Tourism	30,650	30,633	17	40,610
iKapa eliHlumayo	4,129	4,116	13	45,039
Knowledge				
Economy and E-Government	-	-	-	7,164
TOTAL	126,536	126,439	97	131,100

2. Departmental revenue to be surrendered to revenue fund

	Note	2004/05 R'000	2003/04 R'000
Tax revenue		3,781	3,681
Sales of goods and services other than capital assets		284	359
Interest, dividends and rent on land		2	-
Sales of capital assets		15	-
Financial transactions in assets and liabilities	2.1	1,855	-
Total revenue collected		5,937	4,040
Less: Departmental Revenue Budgeted	12	3,680	3,650
Departmental revenue collected		2,257	390

	<i>Note</i>	2004/05	2003/04
		R'000	R'000
2.1 Financial transactions in assets and liabilities			
Nature of loss recovered			
Material losses recovered		1,852	-
Other		3	-
		1,855	-
3. Compensation of employees			
3.1 Salaries and Wages			
Basic salary		15,985	11,670
Performance award		338	-
Service Based		29	-
Compensative/circumstantial		249	-
Periodic payments		391	-
Other non-pensionable allowances		2,613	2,963
Total		19,605	14,633
3.2 Social contributions			
3.2.1 Short-term employee benefits			
Pension		1,887	1,424
Medical		639	508
Bargaining council		51	-
Total		2,577	1,932
Total compensation of employees		22,182	16,565
Average number of employees		121	89

	<i>Note</i>	2004/05	2003/04
		R'000	R'000
4. Goods and services			
Advertising		1,592	-
Attendance fees (including registration fees)		48	-
Bank charges and card fees		56	-
Bursaries (employees)		72	-
Communication		1,763	-
Computer services		13	-
Consultants, contractors and special services		12,210	13,366
Courier and delivery services		9	-
Entertainment		314	-
External audit fees	4.1	434	387
Equipment less than R5,000		426	-
Inventory	4.2	881	2,062
Legal fees		522	-
Maintenance, repairs and running cost		1	1,697
Operating leases		2,047	-
Photographic services		19	-
Plant, flowers and other decorations		32	-
Printing and publications		654	227
Professional bodies and membership fees		1	-
Resettlement cost		61	-
Subscriptions		32	-
Translations and transcriptions		21	-
Travel and subsistence	4.3	1,619	-
Venues and facilities		285	-
Training & staff development		76	-
Previous years unallocated items		-	6,041
		23,188	23,780

	<i>Note</i>	2004/05	2003/04
		R'000	R'000
4.1 External audit fees			
Regularity audits		434	387
Total external audit fees		434	387

4.2 Inventory (purchased during the year)

Other inventory	-	1,197
Parts and other maintenance material	15	-
Stationery and printing	866	865
Total Inventory	881	2,062

4.3 Travel and subsistence

Local	1,449	-
Foreign	170	-
Total travel and subsistence	1,619	-

5. Financial transactions in assets and liabilities

	<i>Note</i>	2004/05	2003/04
		R'000	R'000
Material losses through criminal conduct	5.1	28	32
Other material losses written off	5.2	19	-
Total		47	32

5.1 Material losses through criminal conduct

Theft of equipment	28	32
Total	28	32

5.2 Other material losses written off

Vehicle damage	19	-
Total	19	-

5.3 Details of theft and losses

Theft of equipment	28	32
Damage to vehicles	19	-
Total	47	32

	Note	2004/05 R'000	2003/04 R'000
6. Transfers and subsidies			
Provinces and municipalities	Annex 1C	2,565	-
Departmental agencies and accounts	Annex 1D	52,232	15,302
Universities and Technikons	Annex 1E	550	-
Public corporations and private enterprises	Annex 1F	17,330	-
Non-profit institutions	Annex 1H	6,818	71,482
Total		79,495	*86,784

*The total for non-profit institutions for 2003/04 includes transfers to Provinces and Municipalities, Universities and Technikons and Public Corporations and Private Enterprises. It must be noted that transfers to the afore-mentioned beneficiaries are included on separate annexures for 2004/05.

7. Expenditure for capital assets

Machinery and equipment	Annex 4	1,500	2,695
Software and other intangible assets	Annex 5	27	-
Total		1,527	2,695

8. Cash and cash equivalents

Consolidated Paymaster General Account	(510)	-
Cash on hand	2	-
Cash with commercial banks	604	-
Total	96	-

9. Pre-payments and advances

Travel and subsistence	20	-
Total	20	-

10. Receivables

	Note	Less than one year	One to three years	Older than three years	2004/05 R'000	2003/04 R'000
10.1 Staff debtors						
Amounts owing by other entities	Annex 6	167	-	-	167	1,354
Staff debtors	10.1	46	-	-	46	33
Clearing accounts	10.2	17	-	-	17	127
Other debtors	10.3	-	-	-	-	89
Total		230	-	-	230	1,603

Amounts of R0 (2004: R7,000) included above may not be recoverable, but have not been written off in the Statement of financial performance.

	Note	2004/05 R'000	2003/04 R'000
10.1 Staff debtors			
Private telephone calls		10	9
Departmental debt		36	7
Disallowance control account		23	16
Other		(23)	1
Total		46	33
10.2 Clearing accounts			
Thefts and losses		17	4
Disallowance Miscellaneous		-	123
Total		17	127
10.3 Other debtors			
S & T Advances		-	89
Total		-	89

Note **2004/05** **2003/04**
R'000 R'000

11. Voted funds to be surrendered to the Revenue Fund

Opening balance	1,244	5,588
Transfer from Statement of Financial Performance	97	1,244
Paid during the year	(1,244)	(5,588)
Closing balance	97	1,244

12. Departmental receipts to be surrendered to the Revenue fund

Opening balance	173	220
Transfer from Statement of Financial Performance	2,257	390
Departmental Revenue Budgeted	2 3,680	3,650
Paid during the year	(5,861)	(4,087)
Closing balance	249	173

13. Bank overdraft

Paymaster General Account	-	133
Total	-	133

2004/05 **2003/04**
R'000 R'000

Note **30** **30+** **Total** **Total**
Days Days

14. Payables - current Description

Advances received	14.1	-	-	-	20
Clearing accounts	14.2	-	-	-	33
Total		-	-	-	53

14.1 Advances received

Deduction Account	-	10
ACB Recalls: Persal	-	10
Total	-	20

14.2 Clearing accounts

Disallowance: Overpayments	-	1
Disallowance: Previous year	-	32
Total	-	33

Note	2004/05	2003/04
	R'000	R'000

15. Reconciliation of net cash flow from operating activities to surplus/(deficit)

Net surplus/(deficit) as per Statement of Financial Performance	2,354	1,634
(Increase)/decrease in receivables – current	1,373	(1,463)
(Increase)/decrease in prepayments and advances	(20)	-
Increase/(decrease) in payables – current	(53)	(250)
Proceeds from sale of equipment	(15)	-
Surrenders	(7,105)	(9,675)
Capital expenditure	1,527	24,695
Departmental Revenue Budgeted	3,680	3,650
Net cash flow available from operating activities	1,741	18,591

16. Appropriated funds and departmental revenue surrendered

Appropriated funds surrendered	97	1,244
Departmental revenue surrendered	2,257	390
Total	2,354	1,634

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2005

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

	Note	2004/05	2003/04	
		R'000	R'000	
17. Contingent liabilities				
Liable to	Nature			
Motor vehicle guarantees	Employees	Annex 3	66	90
Housing loan guarantees	Employees	Annex 3	180	196
Other departments (interdepartmental unconfirmed balances)		Annex 7	281	349
Capped leave commitments			828	-
Total			1,355	635

18. Commitments per programme

Approved and contracted	174	-
Approved but not yet contracted	4	-
Total	178	-
Capital expenditure		
Approved and contracted	162	-
Approved but not yet contracted	-	-
	162	-
Total Commitments	340	-

	<i>Note</i>	2004/05	2003/04
		R'000	R'000

19. Accruals

Listed by economic classification

	30 Days	30+Days	Total	Total
Compensation of employees	-	-	-	-
Goods and services	27	36	63	361
Machinery and equipment	-	10	10	-
Software and other intangible assets	-	9	9	-
Total	27	55	82	361

Listed by programme level

Programme 1	22	92
Programme 2	28	212
Programme 3	32	17
Programme 4	-	40
Total	82	361

Confirmed balances with other departments

Total	<i>Annex 7</i>	3	114
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20. Employee benefits

Leave entitlement	1,927	1,795
Thirteenth cheque	538	450
Performance bonus	308	-
Total	2,773	2,245

21. Lease commitments

	Machinery and equipment	Total	Total
Type of institution			
Not later than 1 year	459	459	466
Later than 1 year and not later than 3 years	979	979	334
Later than three years	16	16	381
Total	1,454	1,454	1,181

22. Senior management personnel

The aggregate compensation of the senior management of the Department and the number of individuals determined on a full time equivalent basis receiving compensation within this category, showing separately major classes of key management personnel and including a description of each class for the current period and the comparative period. Detail on each type of compensation should also be disclosed.

	2004/05	2003/04
	R'000	R'000
The Minister, Deputy Ministers, Director-General	414	548
Deputy Directors General	1,049	1,064
Chief Financial Officer	389	377
Chief Director	339	916
Total	2,191	2,905

4.10 Annexures to the Annual Financial Statements for the year ended 31 March 2005

Annexure 1C: Statements of transfers paid to municipalities

NAME OF MUNICIPALITY	TRANSFER ALLOCATION				TRANSFER		2003/04
	Division of Revenue Act	Roll-overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Division of Revenue Act
	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000
Cape Winelands District Municipality	470	-	-	470	470	100.0%	-
Central Karoo District Municipality	560	-	-	560	560	100.0%	-
City of Cape Town	200	-	-	200	200	100.0%	-
Eden District Municipality	380	-	-	380	380	100.0%	-
Overberg District Municipality	480	-	-	480	480	100.0%	-
West Coast District Municipality	420	-	-	420	420	100.0%	-
RSCL: Cape Metropolitan Council	41	-	19	60	55	91.7%	-
	2,551	-	19	2,570	2,565		-

Annexure 1D: Statements of transfers paid to departmental agencies and accounts

Annexure 1E: Statements of transfers paid to Universities and Techniko

Annexure 1F: Statements of transfers/subsidies to public corporations and private enterprises

NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	TRANSFER ALLOCATION				TRANSFER				2003/04
	Adjusted Appropriation	Roll-overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Appropriation Act
	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000	R' 000	R' 000

Public Corporations

Transfers

Airports Company SA	80	-	-	80	80	100.0%	-	80	-
CASIDRA (Pty) Ltd	9,700	-	2,000	11,700	11,700	100.0%	-	11,700	-
CSIR	5,550	-	-	5,550	5,550	100.0%	-	5,550	-
TOTAL	15,330	-	2,000	17,330	17,330		-	17,330	-

Annexure 1H: Statements of transfers to non-profit organisations

NON-PROFIT ORGANISATIONS	TRANSFER ALLOCATION				TRANSFER		2003/04
	Adjusted Appropriation	Roll-overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000
Transfers							
Breedekloof Wine and Tourism	90	-	-	90	90	100.0%	-
Business Beat	90	-	-	90	90	100.0%	-
Cape Africa Platform	100	-	-	100	100	100.0%	-
Cape Africa Platform	150	-	-	150	150	100.0%	-
Cape Craft and Design Institute	250	-	-	250	250	100.0%	-
Cape Craft and Design Institute	180	-	-	180	180	100.0%	1,850
Cape Film and TV Initiative	400	-	-	400	400	100.0%	-
Cape Film Commission Development Fund	250	-	-	250	250	100.0%	3,420
CAPEMAC	1,600	-	-	1,600	1,600	100.0%	-
Cape Oil and Gas Supply Initiative	200	-	-	200	200	100.0%	2,750
Library Business Corners	300	-	-	300	300	100.0%	1,150
National SMME Fishing Forum	200	-	-	200	200	100.0%	-
South African Labour Research Institute	600	-	-	600	600	100.0%	-
South African Tourism Services Association	270	-	-	270	270	100.0%	280
South African National Parks	250	-	-	250	250	100.0%	-
South Cape Business Centre	10	200	-	210	210	100.0%	-
The Business Place	1,200	-	-	1,200	1,200	100.0%	-
The Cape Town Peace Plan	178	-	-	178	178	100.0%	-
Tooling Association of South Africa	200	-	-	200	200	100.0%	-
West Coast Business Development	100	-	-	100	100	100.0%	200
ACORN	-	-	-	-	-	0.0%	130
ASNAPP	-	-	-	-	-	0.0%	400
Boland District Municipality	-	-	-	-	-	0.0%	495

NON-PROFIT ORGANISATIONS	TRANSFER ALLOCATION				TRANSFER		2003/04
	Adjusted Appropriation	Roll-overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000
Business Opportunities	-	-	-	-	-	0.0%	100
Calling the Cape	-	-	-	-	-	0.0%	200
Cape Chamber of Commerce	-	-	-	-	-	0.0%	200
Cape College	-	-	-	-	-	0.0%	100
Cape Technikon	-	-	-	-	-	0.0%	200
Cape Town Boat Building	-	-	-	-	-	0.0%	1,000
Cape Town Tourism and Events	-	-	-	-	-	0.0%	6,900
Capricorn Foundation	-	-	-	-	-	0.0%	250
CASIDRA	-	-	-	-	-	0.0%	5,250
Central Karoo District Municipality	-	-	-	-	-	0.0%	450
CITI	-	-	-	-	-	0.0%	2,245
City of Cape Town	-	-	-	-	-	0.0%	2,200
CLOTEX	-	-	-	-	-	0.0%	2,500
CPUT	-	-	-	-	-	0.0%	200
CSIR	-	-	-	-	-	0.0%	7,250
CTICC	-	-	-	-	-	0.0%	22,000
District Six Museum	-	-	-	-	-	0.0%	400
Eden District Municipality	-	-	-	-	-	0.0%	550
Entrepreneur and Project	-	-	-	-	-	0.0%	140
ESP Afrika	-	-	-	-	-	0.0%	100
Furniture Industry Training	-	-	-	-	-	0.0%	200
IIZ/DVV – Adult Learners Forum	-	-	-	-	-	0.0%	1,200
Institute for the Deaf	-	-	-	-	-	0.0%	50
Interactive Africa	-	-	-	-	-	0.0%	600
Iziko Cooking School	-	-	-	-	-	0.0%	50
Kleinmond Development Forum	-	-	-	-	-	0.0%	300

NON-PROFIT ORGANISATIONS	TRANSFER ALLOCATION				TRANSFER		2003/04
	Adjusted Appropriation	Roll-overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R' 000	R' 000	R' 000	R' 000	R' 000	%	R' 000
Learning Cape Initiative	-	-	-	-	-	0.0%	750
Link Africa	-	-	-	-	-	0.0%	300
NAMAC	-	-	-	-	-	0.0%	800
National Access Forum	-	-	-	-	-	0.0%	750
Non-Profit Institutions	-	-	-	-	-	0.0%	700
Overberg District Municipality	-	-	-	-	-	0.0%	600
Peninsula Technikon	-	-	-	-	-	0.0%	100
SACTWU	-	-	-	-	-	0.0%	500
SA Mariculture Institute	-	-	-	-	-	0.0%	100
SAPPEX	-	-	-	-	-	0.0%	143
Section 21 Industry Initiative	-	-	-	-	-	0.0%	25
Sithengi	-	-	-	-	-	0.0%	400
Tourism Promotion Agency	-	-	-	-	-	0.0%	325
UCT Business School	-	-	-	-	-	0.0%	100
University of Stellenbosch	-	-	-	-	-	0.0%	369
West Coast District Municipality	-	-	-	-	-	0.0%	410
TOTAL	6,618	200	-	6,818	6,818		71,482

Annexure 3: Statements of financial guarantees issued at 31 March 2005 – local

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 01 April 2004	Guarantees issued during the year	Guarantees released during the year	Guaranteed interest for year ended 31 March 2005	Closing balance 31 March 2005	Realised losses i.r.o. claims paid out
		R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
	Motor vehicles							
Stannic		90	90	-	24	-	66	-
		90	90	-	24	-	66	-
	Housing							
ABSA		87	87	-	-	-	87	-
Old Mutual Bank: Division of Nedbank		39	39	-	39	-	-	-
Nedbank Limited		70	70	23	-	-	93	-
Standard Bank of S.A. Ltd		-	-	10	10	-	-	-
First Rand Bank Ltd		-	-	17	17	-	-	-
		196	196	50	66	-	180	-
	TOTAL	286	286	50	90	-	246	-

Annexure 4: Statements of physical asset movement schedule for the year ended 31 March 2005

	Opening Balance	Additions	Disposals	Transfers in	Transfers out	Closing balance
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
MACHINERY AND EQUIPMENT	4,330	1,500	413	-	1,309	4,108
Computer equipment	2,325	706	8	-	473	2,550
Furniture and office equipment	980	265	7	-	824	414
Other machinery and equipment	17	-	-	-	12	5
Transport assets	1,008	529	398	-	-	1,139
Total	4,330	1,500	413	-	1,309	4,108

Physical asset movement schedule for the year ended 31 March 2004

	Opening Balance	Additions	Disposals	Transfers in	Transfers out	Closing balance
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
MACHINERY AND EQUIPMENT	262	2,695	-	1,373	-	4,330
Computer equipment	235	1,260	-	830	-	2,325
Furniture and office equipment	26	411	-	543	-	980
Other machinery and equipment	1	16	-	-	-	17
Transport assets	-	1,008	-	-	-	1,008
Total	262	2,695	-	1,373	-	4,330

Annexure 5: Statement of software and other intangible assets movements schedule as at 31 March 2005

	Opening Balance	Additions	Disposals	Transfers in	Transfers out	Closing balance
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Computer software	-	27	-	-	-	27
Total	-	27	-	-	-	27

Annexure 6: Statement of inter-governmental receivables

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005	31/03/2004	31/03/2005	31/03/2004
	R' 000	R' 000	R' 000	R' 000
Departments				
Social Services	-	154	-	-
Provincial Treasury	-	22	-	-
City of Cape Town	-	-	37	-
Housing	-	-	76	-
Land Affairs	-	-	14	-
Education	-	-	1	1
	-	176	128	1
Other government entities				
Trade and Investment - EPCOT	-	1,177	-	-
Cape Film Commission	-	-	39	-
	-	1,177	39	-
Total	-	1,353	167	1

Annexure 7: Statement of inter-governmental payables

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005 R' 000	31/03/2004 R' 000	31/03/2005 R' 000	31/03/2004 R' 000

Departments

Amounts not included in Statement of financial position

Current

Transport and Public Works	-	57	262	-
Provincial Administration Western Cape	-	4	-	-
Trade and Industry	-	17	-	-
Provincial Parliament	3	-	-	-
Provincial Treasury	-	-	2	347
Justice and Constitutional Development	-	36	17	-
Total	3	114	281	347

Other government entities

Amounts not included in Statement of financial position

Current

South African Management Development Institute	-	-	-	2
Total	-	-	-	2