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1. GENERAL INFORMATION

1.1 VISION, MISSION and VALUES

VISION

The empowerment of all the people of the Western Cape through language, the enhancement of human dignity through respect for one another's languages, and the promotion of multilingualism.

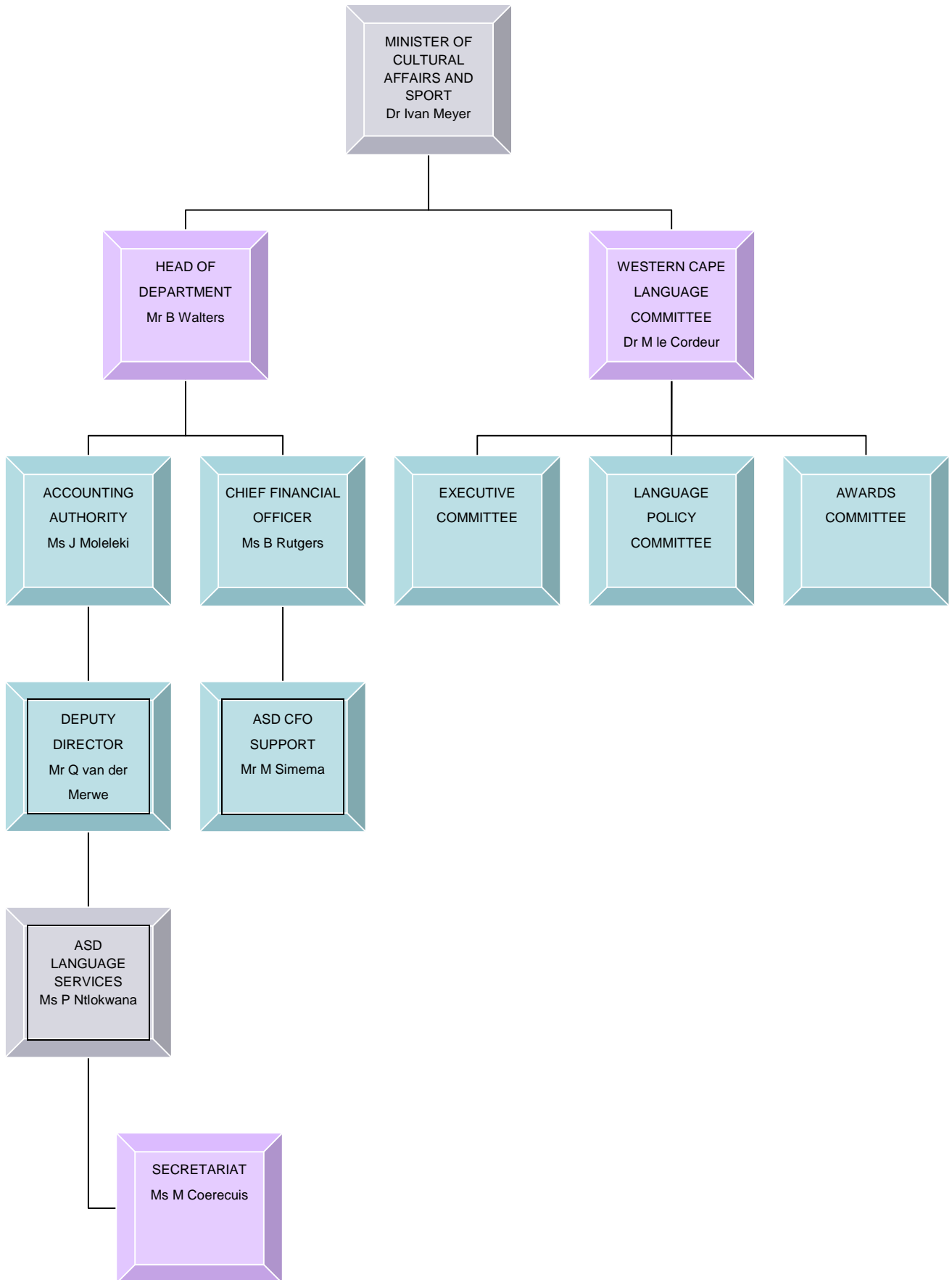
MISSION

Monitoring the use of the three official languages of the Western Cape and advising the provincial Minister tasked with language matters and the Pan South African Language Board (PanSALB) on language matters within or affecting the province.

VALUES

- Accountability;
- Integrity;
- Competence;
- Care; and
- Responsiveness.

1.2 ORGANISATIONAL STRUCTURE



1.3 LEGISLATIVE MANDATE

The legal framework within which the Western Cape Language Committee operates is described below.

THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA, 1996 (ACT 108 OF 1996)

- Chapter 1: Founding Provisions, section 6.
- Chapter 2: Bill of Rights, sections 9(3), 29(2), 30, 31 and 35(3) (k).
- Chapter 3: Co-operative Government. Schedule 4 of the Constitution of the Republic of South Africa, 1996 concerns the functional areas of concurrent national and provincial legislative authority, for example the concurrent national and provincial legislative competency of the province of the Western Cape in terms of the Constitution of the RSA with regard to cultural matters, including languages. Legislation already promulgated by the national Parliament in this regard includes the Pan South African Language Board Act, 1995 (Act 59 of 1995).
- Chapter 9: State Institutions Supporting Constitutional Democracy, section 185.

THE CONSTITUTION OF THE WESTERN CAPE, 1998 (ACT 1 OF 1998)

- Section 5: The three official languages of the Western Cape are English, isiXhosa and Afrikaans, and they enjoy equal status. The Western Cape Government, by way of legislation and other measures, must monitor the use of these languages and also take practical and active measures to promote the status of those indigenous languages of the people of the Western Cape whose status and use have been historically diminished.

THE PAN SOUTH AFRICAN LANGUAGE BOARD ACT, 1995 (ACT 59 OF 1995)

- As amended by the Public Service Laws Amendment Act, 1997 (Act 47 of 1997) and the Pan South African Language Board Amendment Act, 1999 (Act 10 of 1999).

THE WESTERN CAPE PROVINCIAL LANGUAGES ACT, 1998 (ACT 13 OF 1998)

- Section 13: Most of the competencies and activities of the Language Committee are set out in the Languages Act.
- Other legislative mandates within which the Western Cape Language Committee operates are the following:
 - The Public Service Laws Amendment Act, 1997 (Act 47 of 1997);
 - The Pan South African Language Board Amendment Act, 1999 (Act 10 of 1999);
 - The Western Cape Provincial Languages Act, 1998 (Act 13 of 1998);
 - The Western Cape Cultural Commission and Cultural Councils Act, 1998 (Act 14 of 1998);
 - The Cultural Affairs Act, 1989 (Act 65 of 1989);
 - The Council for South African Geographical Names Act, 1998 (Act 118 of 1998);
 - The Public Finance Management Act, 1999 (Act 1 of 1999);
 - The National Treasury Regulations, 25 May 2002;
 - The Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000);
 - The Promotion of Access to Information Act, 2000 (Act 2 of 2000); and
 - The National White Paper on Arts, Culture and Heritage, 1996.

1.4 SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY

In accordance with section 55(1)(d) of the Public Finance Management Act, 1999 (Act 1 of 1999) and in accordance with section 28.2 of the National Treasury Regulations, I hereby submit the annual report on the activities of the Western Cape Language Committee and the audited financial statements for the 2011/2012 financial year.

The Western Cape Language Committee was established in 1998 in accordance with the Western Cape Provincial Languages Act (Act 13 of 1998). The Language Committee consists of 10 members who have the primary responsibility of advising the provincial Minister of Cultural Affairs and Sport on matters relating to language usage in the Western Cape. Dr Nomfundo Mali, Provincial Manager of PanSALB, serves on the Committee as an ex-officio member. Government employees serving on the Committee are not entitled to meeting allowances, and receive only Subsistence and Travel allowances. Mr Zola Wababa resigned on 28 June 2011 and no new appointment was made.

The Act also assigns the Committee the powers and functions to actively promote the development of previously marginalised indigenous languages and the advancement of the principles of multilingualism, and to monitor the implementation of the Language Policy.

The powers and functions of the Committee are translated into strategic objectives which are reflected in an annual performance plan submitted and approved by the provincial Minister responsible for language matters in the Western Cape.



Ms Jane Stuurman-Moleleki

ACCOUNTING AUTHORITY: WESTERN CAPE LANGUAGE COMMITTEE

16 May 2012

1.5 FOREWORD BY THE CHAIRPERSON OF THE WESTERN CAPE LANGUAGE COMMITTEE

Chairperson and Members

The Constitution of the Western Cape which was passed in 1998 provides for equal status for English, Afrikaans and isiXhosa and requires practical and positive measures to be taken to elevate the status, and advance the use, of indigenous languages in the province. The Western Cape Language Committee (WCLC) is a statutory body tasked with ensuring equal status for the three official languages. It also has a mandate to advise the provincial Minister as well as the Pan South African Language Board on language matters in the Western Cape.

Over the past 12 years I have been involved in the work of the Committee, six of these as chairperson. I am happy to report that much progress has been made towards advancing multilingualism in that time. A recent highlight was 'The State of Multilingualism in the Western Cape' – a day-long conference on 20 February 2012 organised by the Language Committee to celebrate International Mother Language Day. The event was addressed by dignitaries, academics and participants from the language fraternity.

Language is much more than just a medium of communication – it is a vehicle for nation building and for people to engage with one another and to express their identities, cultural values and world views. This is so important that the rights of 11 languages are entrenched in our national Constitution. However, little has been done since the advent of democracy in South Africa to ensure that indigenous languages take up their rightful place. An important recent development is that Parliament is in the process of finalising the South African Languages Bill in order to comply with a court order to pass a national language law. The Committee advised the Minister on the importance of language rights in a presentation on the draft SA Languages Bill.

Although all provincial departments are required to adhere to the policy, few are indeed living up to what is expected of them. In his Budget speech, the Minister spoke with approval about the efforts of the Noluthando School for the Deaf in Khayelitsha to teach South African Sign Language, as well as the provincial Department of Agriculture's publication of a trilingual dictionary of agricultural terms. This is all evidence of the Western Cape's progress towards the goal of achieving social inclusion through supporting the use of all three official languages.

The Language Committee has changed its modus operandi. Initially, the Committee funded grants to language-related projects, but is now focusing on partnerships to achieve its strategic objectives. Over the past ten years, support has been given to Nama language classes and

publications, SA Sign Language learning and teaching, isiXhosa mother tongue reading and writing, and language festivals.

It is the view of the Committee, as well as my personal belief, that all languages are assets that need to be advanced and protected. Finally, chairperson and members, this year brings to a close my 12-year relationship with the Language Committee. I was present when Neville Alexander, Stan Ridge and the late Johan Combrinck conceptualised a Language Policy for the Western Cape, giving meaning to the term 'three official languages'. The Western Cape has led the way by enacting a language law and a language policy. I am more than hopeful that our pioneering work in these areas will be reproduced on a national level.

I have had a long and exciting journey over the last 12 years with the provincial government and the Language Committee. However, this is certainly not a farewell; I will be back, albeit in a different capacity.

Ek sluit af met die gevleuelde woorde van een van die grootste Afrikaanse geeste van ons tyd, Adam Small. Voorsitter, ek is trots om te sê dat ek deel was van die besluit, te laat maar darem, om Adam Small onlangs met die Hertzogprys te bekroon. Dit is iets wat hy natuurlik lankal (1965) moes gekry het, maar wat weens apartheid hom ontnem is. Sy woorde is in die vorm van 'n gebed:

“Seën hierdie taal Here,
Afrikaans, en Kaaps
Wat, soes ek vi djou gesê het,
Gemaak is vi die kitaar
Soes 'n sexy engel”



Dr Michael le Cordeur
OUTGOING CHAIRPERSON
27 April 2012

1.6 CORE OBJECTIVES

In terms of section 13 of the Western Cape Provincial Languages Act (Act 13 of 1998), the Language Committee must:

- monitor the use of Afrikaans, English and isiXhosa by the Western Cape Government;
- make recommendations to the provincial Minister of Cultural Affairs and Sport ("the Provincial Minister") and the Provincial Parliament regarding any proposed or existing legislation, practice and policy that directly or indirectly deals with language matters, as well as regarding any proposed amendment or repeal or replacement of such legislation, practice or policy;
- monitor the application of the Constitution of the Western Cape and this Act regarding the use of languages;
- actively promote the principle of multilingualism;
- actively promote the development of previously marginalised indigenous languages, formulate a policy in this regard and submit it to the provincial Minister for consideration; and
- advise the provincial Minister and the Western Cape Cultural Commission on any other language matters in or affecting the province with regard to the three official languages of the Western Cape.

1.7 STATEMENT OF RESPONSIBILITY

- The Public Finance Management Act, 1999 (Act 1 of 1999) requires that the Accounting Authority keep full and proper records of the financial affairs of the Western Cape Language Committee. The Annual Financial Statements fairly present the state of affairs of the Western Cape Language Committee, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year, and these have been presented in terms of generally recognised accounting practice (GRAP).

1.8 THE BASIS FOR THE PREPARATION OF THE ANNUAL FINANCIAL STATEMENTS

- The basis for the preparation of the Annual Financial Statements of the Western Cape Language Committee is set out in the Public Finance Management Act, 1999 (Act 1 of 1999) and the National Treasury Regulations. The necessary and appropriate internal controls to limit and detect material misstatements and losses are in place to comply with the relevant legislation.

2. INFORMATION ON PREDETERMINED OBJECTIVES

2.1 OVERALL PERFORMANCE

2.1.1 VOTED FUNDS

Main Appropriation R'000	Adjusted Appropriation R'000	Actual Amount Spend R'000	Over/Under Expenditure R'000
275	50	246	89
Responsible Minister MEC	MINISTER OF CULTURAL AFFAIRS AND SPORT Dr Ivan Meyer		
Administering Dept.	CFO SUPPORT		
Accounting Authority	Ms J Moleleki		

2.1.2 STRATEGIC OUTCOME ORIENTED GOALS

Strategic Goal	To cultivate a culture of multilingualism in the Western Cape Province
Goal statement	To cultivate a culture of multilingualism in the Western Cape Province to ensure the respect for the cultural diversity of the population
Justification	To promote multilingualism in the provincial government of the Western Cape to redress the past linguistic imbalances

2.1.3 OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT FOR 2011/12

The Western Cape Language Committee held four plenary meetings whereby language related matters were discussed and decisions taken in order to advise PanSALB and the Minister.

The Committee was also responsible to monitor the implementation of the Language Policy of the Western Cape.

The Committee also rendered an advisory service to the Minister with regard to the three official languages of the Western Cape.

2.1.4 OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT FOR 2011/12

The South African Sign Language vacancy was still not filled after the resignation of the previous member.

The new Committee to be appointed will address the vacancy of the SA Sign Language member.

2.1.5 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

None

2.1.6 REVENUE, EXPENDITURE

Programme	Audited outcomes			Actual expenditure	Medium-term expenditure estimate		
	2009	2010	2011		2012	2013	2014
R'000							
1. Western Cape Language Committee	407	409	156	288	213	227	238
Subtotal	407	409	156	288	213	227	238
Direct charges against the National Revenue Fund	-	-	-	-	-	-	-
Total	407	409	156	288	213	227	238
Change to 2012–2013 budget estimate				-	-	-	-

Economic classification

	407	409	168	246	213	227	238
Current payments							
Compensation of employees	10	41	18	16	27	28	30
Goods and services							
of which:							
Communication	3	0	0	0	2	2	2
Computer services							
Consultants, contractors and special services	25	31	2	65	20	21	22
Inventory	38	0	4	0	10	10	10
Maintenance repair and running cost							
Operating leases							
Travel and subsistence	11	29	20	18	24	25	26
Audit fees	118	56	99	110	80	88	92
Advertising	51	17	0	16	0	0	0
Other	151	235	0	21	51	53	56
Interest and rent on land							
Financial transactions in assets and liabilities							
Transfers and subsidies to:	-	-	-	-	-	-	-

Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
Payments for capital assets	-	-	-	-	-	-	-	-
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
of which: Capitalised compensation	-	-	-	-	-	-	-	-
Total	407	409	168	246	213	227	238	

2.2 PROGRAMME PERFORMANCE

2.2.1: Attainment of strategic objectives during the 2011/2012 financial year

Strategic objective	Performance indicator	Target	Actual
Monitoring and advising on the implementation of the Western Cape Language Policy in the provincial government	Monitor the implementation of the Western Cape Language Policy by means of an annual survey	1	1
	Publish Annual Report for the WCLC	1	1
	Advise Minister, Cultural Commission and the Pan South African Language Board on language matters via reports and discussions during quarterly plenary meetings	4	4
Reasons for major variances: Not applicable.			

2.3 OTHER REPORTABLE ACTIVITIES

Narrative Programme Performance

For the reporting year, the Committee undertook to continue monitoring the implementation of the Language Policy by conducting further research of interpreting services provided at the Provincial Parliament. The aim of the project was to establish, by means of a questionnaire administered to the legislators themselves, how they experience the interpreting services provided in the legislature. A total of 42 questionnaires were sent out in March 2011 of which 16 were completed and returned. The findings put forth in the report compiled after clearly analysing the responses received, led to clear recommendations.

The Speaker was informed of the outcome of the questionnaire indicating that more research should be conducted, at the expense of the Language Committee. With the approval of the Speaker, further research was then conducted to investigate the way forward in respect of the recommendations made in the previous report. The research resulted in further recommendations being made as to how the service can be brought to a level acceptable to an institution such as the Provincial Parliament. One of the recommendations is that an awareness campaign should be launched on the value of a good interpreting service as a vital communication tool in a multilingual environment.

It was recommended that users be trained on the technical aspects of the interpreting equipment to ensure that it is used optimally. It was further recommended that the approach used by the City of Cape Town be adopted in terms of which the interpreting service is evaluated after every meeting, which allows for problems to be identified and ironed out almost immediately.

International Mother Language Day was celebrated by the Language Committee through the hosting of a conference entitled 'The State of Multilingualism in the Western Cape'. Prominent speakers included Minister Ivan Meyer and a variety of language specialists. It was noted that language is not simply a means of communication, it is inextricably linked to identity and should allow people to realise their dreams. People in South Africa should learn each other's languages in order to understand one another better. Minister Meyer suggested it was time to move beyond debates and become actively involved in the struggle for multilingualism in the Western Cape. He said that prominent people should become ambassadors for their mother tongues. Dr Neville Alexander spoke of the need for mother tongue-based education and said it is important to view languages as assets. Prof. Rajendra Chetty spoke about how gaining a good command of English is necessary for learners to empower themselves; at the same time, it is necessary to challenge the hegemonic power of English. He further stated that there is a clear need to improve the quality of teaching in English. Prof. Stanley Ridge stressed the need for engagement between English and other languages. If language cannot empower a person to put bread on the table, it is of no use. Mr Johan Blaauw demonstrated how language diversity can be an opportunity rather than a problem, and at a low cost (only 1% of the overall budget of the University of North West is used to provide simultaneous interpretation during lectures). It was concluded that the Western Cape Languages Act provides for a people-centred approach. While it is good to have such plans, these can only be implemented if they are adequately resourced.

The Language Committee contributed to actively developing previously marginalised languages, including SA Sign Language. This was accomplished by funding the SA Sign Language Communication clubs at the Noluthando School for the Deaf in Khayelitsha. The participants comprised of teachers and parents and guardians of the deaf children attending Noluthando School. The objectives of the project included developing SA Sign Language as a previously marginalised language, creating awareness of the needs of the deaf community, improving relationships through promoting language diversity, and training potential SA Sign Language interpreters as a job creation initiative. In order to determine the standard of SA Sign Language training at the school, it was decided to evaluate the project. The tender was

awarded to the University of the Free State (UFS), which made several recommendations, including that specialist training in SA Sign Language teaching is provided to the teachers and staff at Noluthando School for the Deaf.

The Language Committee advised PanSALB on language matters in and affecting the province after its deliberations during the scheduled four plenary meetings per annum.

2.3.1: Plenary meetings and their outcomes

MEETING DATE	MAJOR DISCUSSIONS AND DECISIONS
25 May 2011	<ul style="list-style-type: none"> The questionnaires received from the Provincial Parliament on the interpreting survey were analysed and recommendations were put forward. It was decided that the matter on the term "isiBhulu" should remain on the Agenda until such time that it is resolved.
17 August 2011	<ul style="list-style-type: none"> Members were asked to forward their comments on the Draft SA Languages Bill in order to advise the Minister. Committee members were invited to attend a stakeholders' meeting on the Review of Public Entities. The Committee was informed about the launch of the XhosAfrika network.
16 November 2011	<ul style="list-style-type: none"> The Committee noted that approval had been obtained for further research to be conducted at the Provincial Parliament on interpreting services at the legislature. The Annual Performance Plan was amended. The Committee was informed that the process for the call for nominations to serve on the Committee had commenced. The Committee decided to advise the Minister on the draft SA Languages Bill. The Committee proposed hosting a conference in celebration of International Mother Language Day.
26 March 2012	<ul style="list-style-type: none"> It was decided that recommendations from the interpreting survey should be forwarded to the Provincial Parliament. The report on the assessment on SA Sign Language was noted. The report on International Mother Language Day was discussed.

The Language Committee also made recommendations to the Minister on the proposed SA Languages Bill after discussing this issue at a plenary meeting. The Chairperson also had a one-on-one meeting with the Minister on this and other language-related matters.

3. ANNUAL FINANCIAL STATEMENTS

3.1 Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 March 2012.

Audit Committee Members and Attendance

In terms of Cabinet Resolution 55/2007, The Western Cape Language Committee is served by the Social Cluster Audit Committee. The Audit Committee consists of the members listed below and should meet at least 4 times per annum as per its approved terms of reference. During the current year 7 meetings were held.

Name of Member	Number of Meetings Attended
Mr R Kingwill (Chairperson)	7
Mr Z Hoosain	7
Mr L van der Merwe	6
Adv M Mdludlu (Contract expired 31 December 2011)	6
Ms A Jones (Contract expired 31 December 2011)	5
Mr M Burton (Appointed 1 January 2012)	1

Apologies were tendered and accepted for meetings not attended. A quorum of members was present at all meetings.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from **section 51(1) (a) of the PFMA and Treasury Regulation 27.1**. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

In line with the PFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and Management with assurance that the internal controls are adequate and effective. This is achieved by a risk-based Internal Audit Plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective action.

We have reviewed the reports of the Internal Auditors, the Audit Report on the Annual Financial Statements and the Management Report of the Auditor-General of South Africa. Other than the matters reflected in the Auditor-General's Audit and Management Reports and the matters highlighted below, no material deficiencies in the system of internal control were noted:

Areas highlighted by Internal Audit for improvement

During the year, key control deficiencies were noted by Internal Audit in the following areas:

- Programme Performance

Corrective actions have been agreed by management and are being monitored by the Audit Committee.

Effectiveness and efficiency of risk management

Enterprise Risk Management for the entity continues to be driven by the parent Department of Cultural Affairs and Sport.

The quality of In-Year Management and Quarterly Reports submitted in terms of the PFMA and the Division of Revenue Act

The Audit Committee is satisfied with the content and quality of quarterly reports prepared and issued by the Accounting Authority of the entity during the year under review.

Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report, with the Auditor-General and the Accounting Authority;
- reviewed the Auditor-General's Management Report and Management's response thereto;
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements;
- reviewed the entities' processes for compliance with legal and regulatory provisions;
- reviewed the information on predetermined objectives as reported in the annual report;
- reviewed and where appropriate, recommended changes to the interim financial statements as presented by the entity for the six months ending 30 September 2011; and
- reviewed adjustments resulting from the audit.

The Audit Committee concurs and accepts the Auditor-General's opinion regarding the Annual Financial Statements, and proposes that the audited Annual Financial Statements be accepted and read together with the report of the Auditor-General.

Internal Audit

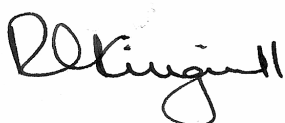
The Audit Committee reports that the entity is serviced by the Department of Cultural Affairs and Sport and the internal control deficiencies are reported at the departmental level.

Auditor-General of South Africa

The Audit Committee has met with the Auditor-General of South Africa to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on the detailed findings emanating from the current regulatory audit will continue to be monitored by the Audit Committee on a quarterly basis.

Appreciation

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



Chairperson of the Social Cluster Audit Committee

Date: 14 August 2012

3.2 ACCOUNTING AUTHORITY'S REPORT

In view of its core objectives of monitoring and advising, and based on the recommendations of the previous survey done on interpreting in the Western Cape Provincial Parliament, the Language Committee decided to commission further research on how to improve interpreting in the legislature. The service provider's report with recommendations was forwarded to the Speaker.

The Language Committee further executed its goal of monitoring the implementation of the provincial Language Policy by hosting a colloquium entitled 'The State of Multilingualism in the Western Cape'. During this conference, participants took stock of progress in implementation of the Language Policy in the various departments and several distinguished speakers contributed to the day-long discussions.

After a meeting with the Language Committee, the Minister requested an additional payment of R50 000 be transferred from Department of Cultural Affairs and Sport to the Western Cape Language Committee for the development of SA Sign Language. Most of this money was utilised for funding training at the Noluthando School for the Deaf in Khayelitsha and the evaluation of the standard of training by an independent service provider. The Language Committee also played a significant role in advising the Minister on the draft SA Languages Bill.

GENERAL REVIEW OF THE STATE OF AFFAIRS

The Language Committee's three year term ended on 26 March 2012 and the process to appoint new members has commenced. The new Committee is in the process of being appointed by the Minister.

SERVICES RENDERED BY THE PUBLIC ENTITY

In terms of Section 13 of the Western Cape Provincial Languages Act (Act 13 of 1998), the Western Cape Language Committee undertook a range of activities based on the following powers and duties as stipulated in the Act:

- monitor the use of Afrikaans, English and isiXhosa by the Western Cape Government;
- make recommendations to the provincial Minister of Cultural Affairs and Sport and the Provincial Parliament regarding any proposed or existing legislation, practice and policy that directly or indirectly deals with language matters, as well as regarding any proposed amendment or repeal or replacement of such legislation, practice or policy;
- monitor the application of the Constitution of the Western Cape and this Act regarding the use of languages;

- actively promote the principle of multilingualism;
- actively promote the development of previously marginalised indigenous languages, formulate a policy in this regard and submit it to the provincial Minister for consideration; and
- advise the provincial Minister and the Western Cape Cultural Commission on any other language matter in or affecting the Western Cape with regard to the three official languages of the Western Cape.

TARIFF POLICY

The Western Cape Language Committee does not charge any tariffs.

CAPACITY CONSTRAINTS

During the period under review, a Committee member representing isiXhosa resigned. This vacancy will be filled when the new Language Committee's term of office commences.

UTILISATION OF DONOR FUNDS

Not applicable.

BUSINESS ADDRESS

The Western Cape Language Committee's registered business address is:

Protea Assurance Building
Greenmarket Square
CAPE TOWN
8000

CONTROLLED ENTITIES AND PUBLIC ENTITIES

Not applicable.

CORPORATE GOVERNANCE ARRANGEMENTS

FRAUD AND RISK MANAGEMENT

The Entity has an active Fraud and Risk Management Committee that is representative of all the Senior Managers of the Entity. The Fraud Prevention Plan was reviewed and approved by the Minister. Fraud, theft and corruption awareness campaigns were embarked upon to foster the

understanding in and awareness of fraud, theft and corruption. All employees signed a code of conduct which is enforced on an on-going basis.

Enterprise Risk Management (ERM) is centralised provincially within the Department of the Premier. The Provincial Enterprise Risk Management Unit (PERMU) assisted the Department with facilitation pertaining to risk register reviews and updates. An implementation plan was signed with PERMU to ensure that risks are continuously managed and mitigated.

INTERNAL AUDIT AND AUDIT COMMITTEE

The activities of the entity are scrutinised by the Shared Social Cluster Audit Committee of the Province. The committee approved the internal audit plan for the 2011/12 financial year. All planned internal audits were conducted for the period under review. The Internal audit coverage was based on the Department of Cultural Affairs and Sport's strategic risk register.

The entity had an effective Audit Committee that operated in terms of an approved Terms of Reference. It met on several occasions during the course of the financial year to review the effectiveness of internal control systems, the internal audit function, and the risk areas of the entity.

INTERNAL CONTROL

It is the responsibility of the accounting authority to continually assess and evaluate internal controls to assure that the control activities in place are effective, efficient and transparent and updated when necessary. To achieve this, quarterly key control meetings were held with the Auditor-General, programme managers of the entity and the Minister. This is an on-going process to ensure that the entity obtain clean audits in future.

DISASTER RECOVERY AND BUSINESS CONTINUITY PLANS

Disaster Recovery and Business Continuity Plans were developed and approved for all offices of Department of Cultural Affairs and Sport to outline the general procedures to be taken in the event of a serious disruption (or the threat thereof) affecting the operations of the department and the entity.

RESPONSIBILITIES OF ACCOUNTING AUTHORITY

The entity has implemented policies and procedures to assist the Accounting Authority to comply with sections 51, 52 and 54 of the Public Finance Management Act (PFMA).

OTHER ORGANISATIONS TO WHICH TRANSFER PAYMENTS HAVE BEEN MADE

No transfer payments were made to other organisations by the Western Cape Language Committee during the 2011/2012 financial year.

PUBLIC-PRIVATE PARTNERSHIPS (PPP)

Not applicable.

DISCONTINUED ACTIVITIES / ACTIVITIES TO BE DISCONTINUED

No services or activities were discontinued during the financial year.

NEW/PROPOSED ACTIVITIES

The Executive Authority has approved the Annual Performance Plan for the Western Cape Language Committee for the 2012/2013 financial year.

EVENTS AFTER THE BALANCE SHEET DATE

None.

PERFORMANCE INFORMATION

The performance information is provided in Section 2 of the Annual Report.

SCOPA RESOLUTIONS

Background and SCOPA concern	SCOPA recommendation	Actions taken to date to address resolutions
	1.1 The Committee noted the following:	
	(a) The Committee noted the improvement on predetermined objectives but raised a concern on the regression on the compliance with laws and regulations; and	The regression was due to the non-compliance to a Practice Note whereby awards were made to suppliers who did not submit a declaration on whether they are employed by the State or connected to any person employed by the State. The Entity is now in full compliance of the Practice Note.
	(b) It also noted the good work in ensuring that the internal audit plan was completed but raised a concern around capacity	As part of the MTEF process a policy option for additional funds was submitted to Provincial Treasury by the Department of the Premier the custodian of the Internal Audit

	issues in Internal Audit.	function. This was not approved and no additional funds were received. The Chief Directorate is again attempting to obtain additional funds in order to capacitate the Internal Audit function.
	1.2 The Committee raised the following concerns:	
	(a) The Entity failed to comply with Practice Note 7 as per Treasury Regulations. Awards were made to suppliers who did not submit a declaration on whether they are employed by the State or connected to any person employed by the State; and	The Auditor-General's recommendation was implemented on 1 August 2011. Declarations from service providers with whom the department had dealings for the period 1 April 2011 to 31 July 2011 were gathered to align compliance with the requirements of Treasury Regulation and Practice Note.
	(b) There was no disaster recovery plan in place and master file amendments were not approved by the appropriate level of management. Verification procedures were not in place to ensure that the changes made were correct and in accordance with input forms by 30 June 2012.	The disaster recovery plan was approved and implemented on 5 April 2011. Verification procedures were implemented from 1 April 2011.
	The Committee acknowledged the Entity on achieving the financially unqualified audit opinion with findings on predetermined objectives and compliance with laws and regulations.	

OTHER

Not applicable.

APPROVAL

The annual financial statements set out on pages 29 to 45 have been approved by the Accounting Officer.



Ms Jane Stuurman-Moleleki

ACCOUNTING AUTHORITY:

WESTERN CAPE LANGUAGE COMMITTEE

16 MAY 2012

3.3 REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT ON THE WESTERN CAPE LANGUAGE COMMITTEE

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Western Cape Language Committee set out on pages 29 to 45, which comprise the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting authority's responsibility for the financial statements

2. The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP), the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and section 19(5) of the Western Cape Provincial Languages Act, 1998 (Act No. 13 of 1998) (WCPLA) and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

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

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Language Committee as at 31 March 2012, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the PFMA and the WCPLA.

Emphasis of matter

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

Restatement of corresponding figures

8. As disclosed in note 12 to the financial statements, the corresponding figures for 31 March 2011 have been restated as a result of errors discovered during the 2011-12 financial year in the financial statements of the Western Cape Language Committee at, and for the year ended 31 March 2011.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

10. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 13 to 15 of the annual report.

11. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the *National Treasury Framework for managing programme performance information*.

The reliability of the information in respect of the selected objectives is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

12. There were no material findings on the annual performance report concerning the usefulness and reliability of the information.

Compliance with laws and regulations

13. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters.

14. I did not identify any instances of material non-compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA.

Internal control

15. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations.
16. I did not identify any deficiencies in internal control which I considered sufficiently significant for inclusion in this report.

Auditor - general

Cape Town

31 July 2012



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2012

3.4 STATEMENT OF FINANCIAL POSITION as at 31 March 2012

Figures in Rand	Notes	2012 R'000	2011 R'000
ASSETS			
Current assets			
Trade and other receivables	2	5	-
Cash and cash equivalents	3	131	97
TOTAL ASSETS		136	97
LIABILITIES			
Current liabilities			
Trade and other payables	4	3	6
TOTAL LIABILITIES		3	6
NET ASSETS			
Accumulated surplus		133	91
TOTAL NET ASSETS		136	97

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2012

3.5 STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2012

Figures in Rand	Notes	2012 R'000	2011 R'000
REVENUE			
Transfers and Subsidies received	5	220	150
Interest income	5	8	6
Other operating income	5	60	-
TOTAL REVENUE		288	156
EXPENDITURE			
Members' fees	8	(16)	(18)
Administrative expenses	9	(28)	(14)
Audit fees	6	(110)	(94)
Other operating expenses	10	(92)	(37)
TOTAL EXPENDITURE		(246)	(163)
SURPLUS/(DEFICIT) FOR THE YEAR		42	(7)

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2012

3.6 STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2012

Figures in Rand	Accumulated surplus R'000	Total Equity R'000
Balance at 1 April 2010	103	103
Correction of error	(5)	(5)
As restated	98	98
Deficit for the year	(7)	(7)
Total changes	(7)	(7)
Balance at 01 April 2011	91	91
Surplus for the year	42	42
Total changes	42	42
Balance at 31 March 2012	133	133

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2012

3.7 CASH FLOW STATEMENT for the year ended 31 March 2012

Figures in Rand	Notes	2012 R'000	2011 R'000
Cash flows from operating activities			
Cash received		275	260
Cash paid to suppliers and employees		(249)	(169)
Cash generated in operations	7	26	91
Interest received		8	6
Net cash inflows from operating activities		34	97
Net increase in cash and cash equivalents		34	97
Cash and cash equivalents at the beginning of the year		97	-
Total cash and cash equivalents at the end of the year	3	131	97

3.8 NOTES TO THE ANNUAL FINANCIAL STATEMENTS**1. ACCOUNTING POLICIES****1.1 PRESENTATION OF FINANCIAL STATEMENTS**

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

1.1.1 Basis of preparation

The financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below. The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise stated. The GRAP standards applicable to the entity and adopted are as follows:

GRAP No.	Description	GRAP No.	Description
GRAP 1	Presentation of Financial Statements	GRAP 11	Construction Contracts (as revised in 2010)
GRAP 2	Cash Flow Statements	GRAP 12	Inventories (as revised in 2010)
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors	GRAP 13	Leases (as revised)
GRAP 4	The effects of Changes in Foreign Exchange Rates	GRAP 14	Events after the Reporting Date
GRAP 5	Borrowing Costs	GRAP 16	Investment Property (as revised in 2010)
GRAP 6	Consolidated and Separate Financial Statements	GRAP 17	Property, Plant and Equipment
GRAP 7	Investments in Associates	GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 8	Interests in Joint Ventures	GRAP 100	Non-current Assets Held for Sale and Discontinued Operations (as revised in 2010)
GRAP 9	Revenue from Exchange Transactions	GRAP 101	Agriculture
GRAP 10	Financial Reporting in Hyperinflationary Economies (as revised in 2010)	GRAP 102	Intangible Assets

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2012

Accounting policies for material transactions, events or conditions not covered by the GRAP Standards adopted, have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on International Public Sector Accounting Standards (IPSAS) and the South African Statements of Generally Accepted Accounting Practices (GAAP), including any interpretations of such Statements issued by the Accounting Practices Board.

The preparation of financial statements in conformity with GRAP requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

1.2.1 Standards not yet effective for the reporting period

Standards of GRAP that may be early adopted:

GRAP 21	Impairment of Non-cash-generating Assets
GRAP 23 *	Revenue from Non-exchange Transactions (Taxes and Transfers)
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 26	Impairment of Cash-generating Assets
GRAP 103	Heritage Assets

* **GRAP 23 was early adopted.**

Standards of GRAP that may be used in developing an accounting policy:

GRAP 25	Employee Benefits
GRAP 104	Financial Instruments
GRAP 105	Transfers of functions between entities under common control
GRAP 106	Transfers of functions between entities not under common control
GRAP 107:	Mergers

Approved Standards of GRAP that entities are not required to apply:

- **GRAP 18:** Segment reporting

Management anticipates that the impact of implementing these standards would not have any material impact on the entity.

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2012

1.1.3 The cash flow statement can only be prepared in accordance with the direct method.

1.1.4 Specific information has been presented separately on the statement of position such as:

- (a) Receivables from non-exchange transactions including taxes and transfers;
- (b) Taxes and transfers payable;
- (c) Trade and other payables from non-exchange transactions.

1.2. PRESENTATION CURRENCY

The functional currency of the entity is South African Rand. These annual financial statements are presented in South African Rand. All amounts have been rounded to the nearest thousand (1 000) Rand.

1.3. GOING CONCERN ASSUMPTION

These annual financial statements are prepared on a going concern basis.

1.4. REVENUE

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when it is probable that future economic benefits or service potential will flow to the entity and when the amount of revenue can be reliably measured, and specific criteria have been met for the entity's activities. Revenue from the rendering of services is recognised in surplus or deficit in proportion to the stage of completion of the transaction at the reporting date.

The amount is not considered to be reliably measurable until all contingencies relating to the transaction have been resolved.

1.4.1 Revenue from non-exchange transactions

1.4.1.1 Unconditional grants

An unconditional grant is recognised in revenue when the grant becomes receivable.

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2012

1.4.1.2 Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised.

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the grantor it is recorded as part of the liability and if not, it is recognised as interest earned in the statement of financial performance.

Grants that compensate the entity for expenses incurred are recognised in surplus or deficit on a systematic basis in the same periods in which the expenses are recognised.

1.4.1.3 Services in-kind

Services in-kind are services provided by individuals to entities, without charge, but may be subject to stipulations. Public entity staff provide valuable support to the entity in achieving its objectives; however, the service provided cannot be measured reliably and therefore it is not recognised in the statement of financial performance or statement of financial position.

The nature of the service is disclosed in the notes to the financial statements, related parties.

1.4.2 Revenue from exchange transactions

Revenue received from interest on investments and current bank account.

1.5. FOREIGN CURRENCIES

Transactions denominated in foreign currencies are translated at the rate of exchange ruling on the transaction date. Monetary items denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Gains or losses arising on translation are charged against surplus/deficit.

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2012

1.6 EXPENDITURE

1.6.1 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written off are limited to the amount of savings and /or under spending of appropriated funds. The write off occurs at year end or when funds are available.

No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

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

1.6.2 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

1.6.3 Irregular expenditure

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

1.6.4 Transfers and subsidies

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

1.7. FINANCIAL INSTRUMENTS

The financial instruments of the entity are categorised as either financial assets or liabilities.

**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

1.7.1 Financial assets

A financial asset is any asset that is cash or a contractual right to receive cash. The entity has the following types of financial assets as reflected on the face of the statement of financial position or in the notes thereto:

- Trade and other receivables
- Cash and cash equivalents

In accordance with IAS 39.09, the financial assets of the entity are classified as follows into the categories allowed by this standard:

Type of financial Asset	Classification in terms of IAS 39.09
Trade and other receivables	Loans and receivables
Cash and cash equivalents	Loans and receivables

1.7.1.1 Loans and receivables

Loans and receivables are recognised initially at costs which represents fair value. After initial recognition, financial assets are measured at amortised cost, using the effective interest method less an allowance for impairment.

They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

1.7.2 Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. The financial liabilities of the entity are trade and other payables as reflected on the face of the statement of financial position and the notes thereto.

There are two main categories of financial liabilities, the classification based on how they are measured. Financial liabilities may be measured at:

- Fair value through surplus or deficit; or
- Amortised cost

Financial liabilities that are measured at fair value through surplus or deficit are stated at fair value, with any resulted gain or loss recognised in the statement of financial performance. Any other financial liability should be classified as financial liabilities that are not measured at fair value through surplus or deficit and are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

1.8. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The entity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

1.8.1 Provision for impairment of receivables

An estimate for the impairment of receivables is made when collection of the full amount is no longer probable. The provision for impairment debt shall be calculated on trade receivables only. The total impairment provision of the entity shall be calculated either by individual debtor or at least per risk category.

1.9. VAT & POSSIBLE EXEMPTIONS

The entity is not entitled to register as a VAT vendor. However, if any funding is received that entitles the entity for possible exemption such application will be lodged.

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2012

Figures in Rand	2012 R'000	2011 R'000
2. Trade and other receivables		
Trade receivables	5	-
	5	-

Trade and other receivables are classified as loans and other receivables. The carrying amount of trade and other receivables transactions approximate their fair value.

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	-	-
Bank balances	131	97
	131	97

Credit quality of cash at bank and short term deposits, excluding cash on hand

Cash and cash equivalents comprise cash and short-term, highly liquid investments that are held with registered banking institutions with maturities of three months or less and that are subject to insignificant interest rate risk, the carrying amount of these assets approximates to their fair value.

4. Trade and other payables

Trade payables	3	6
	3	6

Trade and other payables are classified as a financial liability. The carrying amount of trade and other payables transactions approximate their fair value.

5. Revenue

Revenue from non-exchange transactions

Transfers and Subsidies received	220	150
Other operating income – Rebate: audit fees	60	-

Revenue from exchange transactions

Interest Income	8	6
	288	156

6. Audit fees

External audit	110	94
	110	94

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2012

Figures in Rand	2012 R'000	2011 R'000
7. Cash generated from/(used in) operations		
Deficit before taxation	42	(7)
Adjustments for:		
Interest received	(8)	(6)
Changes in working capital:		
Trade and other receivables	(5)	110
Trade and other payables	(3)	(6)
	26	91
8. Members fees		
Fees for services:		
Prof. R. Chetty	2	1
Dr. M Le Cordeur	4	4
N. Mpolweni	4	3
H. Theys	2	3
A. Van Huyssteen	2	2
Z. Wababa	1	2
K Vollenhoven	1	2
E. Sherry	-	1
	16	18
9. Administrative expenses		
Advertising	-	-
Entertainment	16	9
Stationery and printing	11	4
Bank charges	1	1
	28	14
10. Other operating expenses		
Consultants, contractors & special services	65	2
Subscriptions	2	-
Printing & publications	-	12
Honoraria (voluntary workers)	2	-
Transport	2	-
Travel & subsistence	18	20
Communication	-	3
Equipment less than R5000	3	-
	92	37

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2012

Figures in Rand	2012 R'000	2011 R'000
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11. Related parties

Relationships

Primary funder	Department of Cultural Affairs and Sport
Strategic partner	Western Cape Cultural Commission
Strategic partner	Heritage Western Cape
Secondary funder	National Treasury

Nature of relationship

Officials of the Department of Cultural Affairs and Sport in the Western Cape fulfill the executive and administrative functions associated with the Western Cape Language Committee.

The entity occupies the accommodation of the Department of Cultural Affairs and Sport and has access to the use of their assets and security service provided by the Department of Community Safety.

National Treasury subsidised the audit fees of the Western Cape Language Committee.

Related party transactions

Income received from related parties

Department of Cultural Affairs and Sport	220	150
National Treasury	60	-

12. Prior period errors

The prior period errors were restated and resulted from new information obtained and taken into account in the preparation and presentation of the 2010/11 financial statements. The restatement of the prior period errors resulted in the following adjustments:

The correction of error(s) resulted in the adjustments as follows:

Items affected in the Statement of Financial Performance:

	2010/11	Restated	Effective change
Decrease in expenses	99	94	(5)

Items affected in the Statement of Financial Position:

	2010/11	Restated	Effective change
Decrease in Accounts Payables	11	6	5

13. Risk Management

Market risk

The entity's activities expose it to a variety of financial risks: market risk (fair value interest rate risk, cash flow interest rate risk), credit risk and liquidity risk.

The entity is not exposed to market risk, due to it being required to settle creditors within 30 days of receiving an invoice as required by the treasury regulations and the PFMA.

Liquidity risk

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due. In terms of its borrowing requirements, the entity ensures that adequate funds are available to meet its expected and unexpected financial commitments. All outstanding Accounts payable balances are due within 30 days of the reporting date.

Sensitivity analysis

At 31 March 2012, if the interest rates on variable rate financial instruments had been 1% higher/lower with all other variables held constant, post tax profit for the year would have been R1,310 higher/lower.

Interest rate risk

The entity's risk profile consists of fixed and floating rate loans and bank balances which exposes the entity to fair value interest rate risk and cash flow interest rate risk and can be summarized as follows:

Financial Assets

Trade and other receivables at a fixed rate. Management manages interest rate risk by negotiating beneficial rates on floating rate loans and where possible using fixed rate loans. Management also has a policy balancing the interest on asset loans with the interest payable on liabilities.

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2012

Cash flow interest rate risk

Financial Instrument	Current	Due in less than a year	Due in one to two years	Due in two to three years	Due in three to four years	Due after four years
	R'000	R'000	R'000	R'000	R'000	R'000
Normal credit terms						
Cash in current banking institutions	-	131	-	-	-	-
Trade and other payables	-	(3)	-	-	-	-
Extended credit terms	-	-	-	-	-	-
Net amount	-	128	-	-	-	-
Past due but not provided for	-	-	-	-	-	-

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the entity. The entity has adopted a policy of only dealing with creditworthy parties.

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

WESTERN CAPE LANGUAGE COMMITTEE

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2012

Maximum exposure to Credit Risk

The entity's exposure to credit risk with regards to loans and receivables is limited to the amounts on the balance sheet. **(Refer to Trade and Receivables note)**

14. Reconciliation between budget and cash flow statement

Reconciliation of budget surplus/deficit with the net cash generated from operating, investing and financing activities

Description	Operating R'000	Financing R'000	Investing R'000	Total R'000
Actual amount as presented in the budget statement	-	-	-	-
Basis differences	2	-	-	2
Timing differences	32	-	-	32
Actual amount in the cash flow statement	34	-	-	34

4. HUMAN RESOURCES MANAGEMENT

4.1 Language Committee Members

MEMBERS FOR THE NEW TERM OF OFFICE WITH EFFECT FROM 26 MARCH 2009

The composition of the Western Cape Language Committee is demographically representative of the broader provincial language community, namely the three official languages, local heritage languages and South African Sign Language. The current incumbents are:

Members representing Afrikaans	Members representing isiXhosa
Dr Michael le Cordeur	Zola Wababa (resigned 28 June 2011)
Aletta van Huyssteen	Fundile Majola
Kelvin Vollenhoven	Nosisi Mpolweni
Hendrik Theys	
Members representing English	Member representing SA Sign Language
Enver Sherry	
Prof. Rajendra Chetty	
Member representing indigenous languages:	
Magrieta Arries	

4.2 Execution of Work

Section 6 of the Western Cape Languages Act (Act 13 of 1998) complies with the provisions of the Constitution of the Western Cape, 1998 (Act 1 of 1998) and with those of the Pan South African Language Board Act, 1995 (Act 59 of 1995). It provides as follows:

- (1) A committee to be known as the Western Cape Language Committee is hereby established.

- (2) The Language Committee is a juristic person and will be represented by the chairperson or any of its members designated by the Language Committee in general or for a specific purpose.
- (3)
- (a) The Language Committee shall consist of a maximum of eleven members, none of whom may be full-time members, who must be representative of the users of the three official languages in the Western Cape in the proportion in which these languages are spoken as mother tongues in the Western Cape, taking due account of regional variations.
 - (b) Each member shall possess proven competence in at least two of the official languages, and one member shall represent the previously marginalised indigenous languages [heritage languages] of the Western Cape.
- (4) Members of the Language Committee must be:—
- (a) South African citizens; and
 - (b) permanently resident in the Western Cape.

In terms of section 12(1) of the Languages Act, the Language Committee must meet at least four times per year at a time and place determined by the Language Committee itself. The Language Committee had four plenary meetings during the reporting period, on: 25 May 2011, 17 August 2011, 16 November 2011 and 26 March 2012.

In terms of section 7 of the Languages Act, the Provincial Minister appoints the members of the Language Committee for a period of three years, using the procedure set out in subsection (2). According to subsection (2), the Standing Committee, on the instruction of the relevant provincial Minister, must invite the general public to nominate persons for appointment as members of the Language Committee and, taking into consideration the requirements of section 6, compile a shortlist of a maximum of 20 candidates to be submitted to the provincial Minister. The provincial Minister then appoints the members of the Language Committee from the shortlist. Any member of the Language Committee may be reappointed after expiry of his or her term of office.

Professional and administrative support for the activities of the Language Committee is provided by the Language Services component of the Chief Directorate: Cultural Affairs, consisting of five language practitioners, an administrative assistant, two assistant directors and a deputy director.

5. OTHER INFORMATION

5.1 Acronyms

None

5.2 List of contact details

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Monique Coerecuis

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Cape Town

8000

Pamella Ntlokwana

Private Bag X9067

Cape Town

8000

5.3 Additional information

None