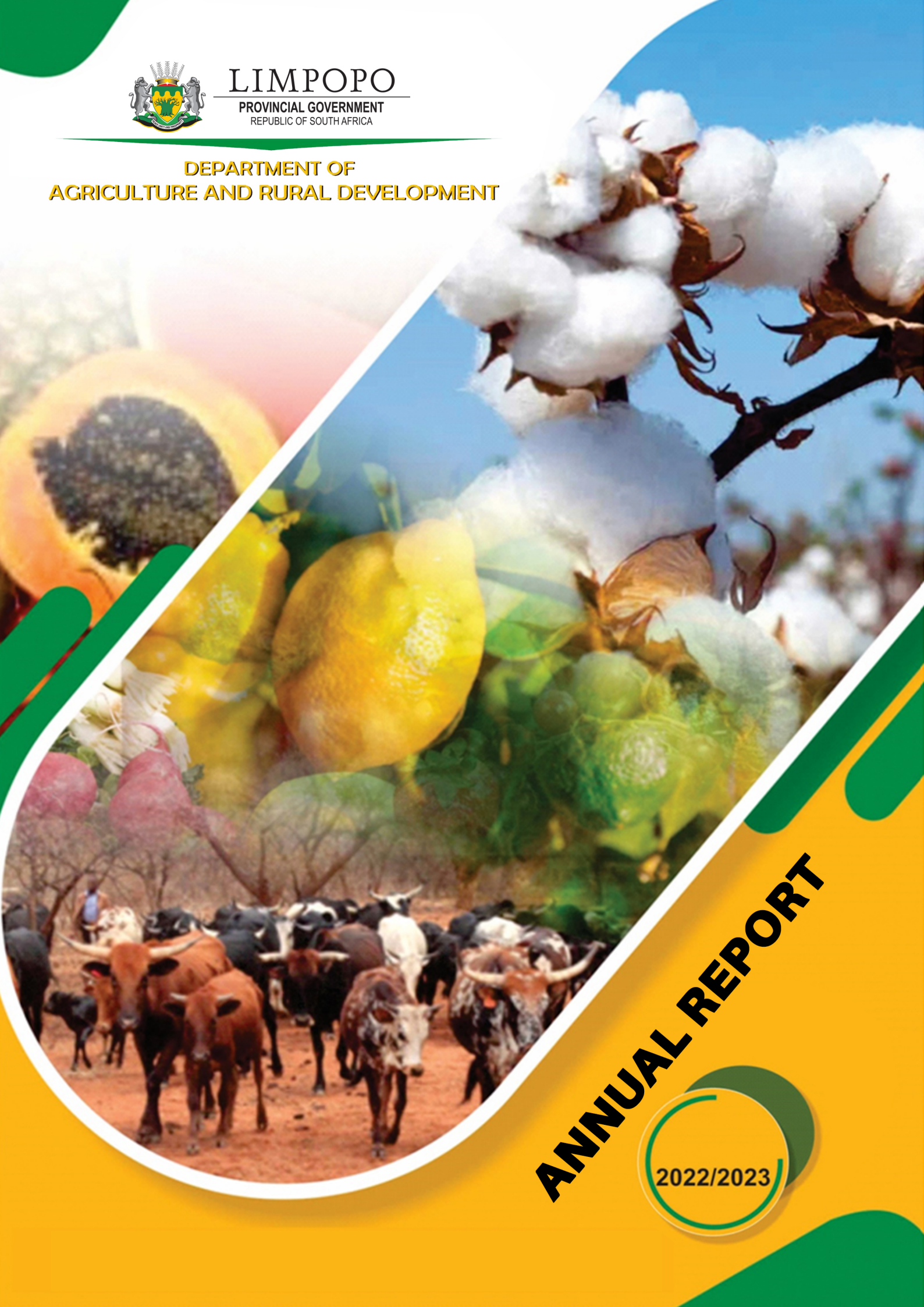




LIMPOPO

PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
AGRICULTURE AND RURAL DEVELOPMENT



**ANNUAL REPORT**

2022/2023



**LIMPOPO**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF  
AGRICULTURE AND RURAL DEVELOPMENT**

**ANNUAL REPORT  
2022/23 FINANCIAL YEAR**

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# **PART A**

## **GENERAL INFORMATION**

**ANNUAL REPORT  
2022/23 FINANCIAL YEAR**



1. DEPARTMENT GENERAL INFORMATION

LIMPOPO DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PHYSICAL ADDRESS: 67 – 69 BICCARD STREET  
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WEBSITE ADDRESS: [www.ldard.gov.za](http://www.ldard.gov.za)



## 2. LIST OF ABBREVIATIONS/ACRONYMS

<b>AC</b>	Audit Committee
<b>AFS</b>	Annual Financial Statement
<b>AG</b>	Auditor General
<b>AGSA</b>	Auditor General South Africa
<b>AHTs</b>	Animal Health Technicians
<b>AIP</b>	Alien Invasive Plant
<b>AO</b>	Accounting Officer
<b>APP</b>	Annual Performance Plan
<b>ADZ</b>	Agricultural Development Zones
<b>AGRISETA</b>	Agricultural Sector Education Training Authority
<b>ARC</b>	Agricultural Research Council
<b>B-BBEE</b>	Broad Based Black Economic Empowerment
<b>CA</b>	Conservation Agriculture
<b>CAC</b>	Central Audit Committee
<b>CAE</b>	Chief Audit Executive
<b>CAR</b>	Capital Asset Register
<b>CARA</b>	Conservation of Agricultural Resources Act, Act 43 of 1983
<b>CASP</b>	Comprehensive Agricultural Support Programme
<b>CFO</b>	Chief Financial Officer
<b>CGICTPF</b>	Corporate Governance of Information and Communication Technology Policy Framework
<b>COGHSTA</b>	Cooperative Governance, Human Settlements and Traditional Affairs
<b>CoE</b>	Compensation of Employees
<b>CPD</b>	Continued Professional Development
<b>CPA</b>	Communal Property Association
<b>CSA</b>	Climate Smart Agriculture
<b>DALRRD</b>	Department of Agriculture, Land Reform and Rural Development
<b>DMA</b>	Disease Management Area
<b>DORA</b>	Division of Revenue Act
<b>DPSA</b>	Department of Public Service and Administration
<b>DPWRI</b>	Department of Public Works, Roads and Infrastructure

<b>EA</b>	Executive Authority
<b>EAP</b>	Employee Assistance Programme
<b>EHW</b>	Employee Health and Wellness
<b>EPWP</b>	Expanded Public Works Programme
<b>EXCO</b>	Executive Council
<b>4IR</b>	Fourth Industrial Revolution
<b>FM</b>	Frequency Modulation
<b>FMB</b>	Financial Misconduct Board
<b>FMD</b>	Foot and Mouth Disease
<b>FY</b>	Financial Year
<b>GAP</b>	General Agricultural Practices
<b>GIS</b>	Geographic Information System
<b>GITO</b>	Government Information Technology Officer
<b>GlobalGAP</b>	Global Good Agricultural Practices
<b>GRASP</b>	GravelotteSeloane and Priska
<b>Ha</b>	Hectares
<b>HIV</b>	Human Immunodeficiency Virus
<b>HDI</b>	Historically Disadvantaged Individuals
<b>HOD</b>	Head of Department
<b>HR</b>	Human Resource
<b>HRM</b>	Human Resource Management
<b>HRMD</b>	Human Resource Management and Development
<b>ICT</b>	Information Communication Technology
<b>IDT</b>	Independent Development Trust
<b>IDMS</b>	Infrastructure Delivery Management System
<b>ITSM</b>	Information Technology Service Management
<b>KyD</b>	KaonafatsoyaDikgomo
<b>LDARD</b>	Limpopo Department of Agriculture and Rural Development
<b>LEDET</b>	Limpopo Economic Development, Environment and Tourism
<b>LITS</b>	Livestock Identification and Traceability System
<b>LPT</b>	Limpopo Provincial Treasury
<b>MCS</b>	Modified Cash Standard
<b>MEC</b>	Member of Executive Council

<b>MMS</b>	Middle Management Services
<b>MPSA</b>	Minister of Public Service and Administration
<b>MTEF</b>	Medium Term Expenditure Framework
<b>MTSF</b>	Medium Term Strategic Framework
<b>N/A</b>	Not applicable
<b>NACH</b>	National Anti- Corruption Hotline
<b>NDP</b>	National Development Plan
<b>NSG</b>	National School of Government
<b>OTP</b>	Office of the Premier
<b>OS</b>	Organisational Structure
<b>PAA</b>	Public Audit Act
<b>PAG</b>	Provincial Accountant General
<b>PAPA</b>	Performing Animals Protection Act
<b>PWD</b>	People with Disability
<b>PFMA</b>	Public Financial Management Act
<b>PMDS</b>	Performance Management and Development System
<b>POPIA</b>	Protection of Personal Information Act
<b>PPE</b>	Personal Protective Equipment
<b>PPECB</b>	Perishable Product Export Control Board
<b>PPMC</b>	Provincial Personnel Management Committee
<b>PPP</b>	Public Privat Partnership
<b>PSC</b>	Public Service Commission
<b>RAAVC</b>	Revitalisation of Agriculture and Agro-Processing Value
<b>RWOPS</b>	Chain Remuneration of Work Outside the Public Service
<b>SABC</b>	South African Broadcasting Cooperation
<b>SA GAP</b>	South African Good Agricultural Practices
<b>SALA</b>	Subdivision of Agricultural Land Act, Act 64 of 1998
<b>SANAS</b>	South African National Accreditation System
<b>SANDF</b>	South African National Defence Force
<b>SAPS</b>	South African Police Services
<b>SCM</b>	Supply Chain Management
<b>SCOPA</b>	Standing Committee on Public Accounts
<b>SDIP</b>	Service Delivery Improvement Plan
<b>SIAS</b>	Shared Internal Audit Services



<b>SMS</b>	Senior Management Services
<b>SONA</b>	State of the National Address
<b>SSA</b>	State Security Agency
<b>STIs</b>	Sexually Transmitted Infections
<b>TB</b>	Tuberculosis
<b>UIF</b>	Unemployment Insurance Fund
<b>WSP</b>	Workplace Skills Plan

### 3. FOREWORD BY MEMBER OF THE EXECUTIVE COUNCIL FOR AGRICULTURE AND RURAL DEVELOPMENT

This Annual Report of the Limpopo Department of Agriculture and Rural Development (LDARD) is an account to the citizens of Limpopo on the 2022/23 Financial Year performance of the Department on both financial and service delivery outputs. As a Department, our resources were directed towards support programmes that sought to create an enabling environment for food production, employment creation, contribution to local economic activities and sustainable livelihoods of our people whose livelihood is derived from agriculture.

The Department has in the year under review continued to support and work with farmers and the sector at large in a strive towards achieving the above objectives which are clearly articulated in our Limpopo Development Plan and Limpopo Economic Socio-Economic Recovery Plan.

Notwithstanding the challenges confronted with, the agricultural sector continues to play a crucial role in ensuring the national food security. We believe that this is made possible through the hard work of our farmers and farm workers, the agricultural industry at various levels and of course the supportive role of Government through various enabling policies and programmes.

However, the fact that there still about 11% of the population or approximately 6,5 million people that still go to bed hungry should be a course for concern. We should therefore intensify our intervention programmes towards ensuring household food security in espouse of Sustainable Development Goal 2: „By 2030, end to hunger and ensure access by all, in particular the poor and people in vulnerable situations, to safe, nutritious and sufficient food all year round’.

The impact of the current power cuts on the overall food chain is already being felt, which has been evident with food price hikes. Programmes of the Department should always aim to contribute towards cushioning producers from this blow, and in turn enable access to affordable, safe and nutritious food by all people. Hence, our quest to strengthen our partnership

This Annual Report does not only highlight our performance and successes, but also indicates shortcomings. It is a complete representation of the year’s work and is also inviting suggestions and views aimed at improving our performance even more.

I would like to thank all our stakeholders and officials of the department for the commitment shown throughout the year. My sincere gratitude also goes to the oversight bodies, especially the Portfolio Committee on Agriculture and Rural Development for their oversight role, to our Premier and my colleagues in the Executive Council for their support. Special thanks to my predecessor, MEC Ndalane, for the great work done.



**Mr T.A Mokone, MPL**

**Member of Executive Council**

**Department of Agriculture and Rural Development**

**31 July 2023**

## 4. REPORT OF THE ACCOUNTING OFFICER

An Overview on the Operations of the Department is presented in line with the key priorities of the Department as reflected in the 2020/21 – 2024/25 Strategic Plan and the Annual Reporting Framework thereof.

### 4.1 OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT

The 2022/23 financial year ended on a low note for the agricultural sector as the sector grapples to navigate through headwinds, mainly the recurring power cuts and the high price of fertilisers. It is without doubt that the agricultural sector is more reliant on energy for almost all production activities across the food value chain.

As also noted in the State of the Nation Address (SONA) 2023, the agricultural sector “is now facing several pressures, from input costs for fertilizers, fuel, market access constraints and severe weather patterns that are impacting badly on production”. The various programmes of the Department in the year under review sought to assist producers to reduce the impact of such unfavourable conditions on production.

It is envisaged that the notable decrease that was recorded from February 2023 on the price of some of the fertilisers, such as ammonia, urea, potassium chloride will bring a bit of relief to the farmers.

Progress on the implementation of the various agricultural support programmes in line with the key priorities of the Department as reflected in 2020/21 – 2024/25 Strategic Plan is summarised below. More details are outlined and elaborated on in Part B of the Annual Report.

#### 4.1.1. Revitalisation of Agriculture and Agro-processing Value Chain (RAAVC) Plan

The RAAVC Plan remains central towards the LDARD’s contribution to the provincial socio-economic recovery efforts as well as the overall attainment of the National Development Plan and the Limpopo Development Plan (LDP) objectives.

The implementation of the RAAVC Plan is through various catalytic projects in partnership with the industry stakeholders. The projects are in the fruits, vegetables, industrial crops, grains, red and white meat industries. These projects are aimed at contributing to the increase in agricultural production, which should anchor the industrialisation of the sector and agro-processing to contribute to the achievement of broader objectives of the Limpopo Development Plan and Limpopo Socio-Economic Recovery. The development covers a wide range of activities, including irrigation infrastructure, orchards development, packaging and storage facilities and infrastructure to meet phytosanitary requirements, production inputs and mechanisation support.

Progress made in 2022/23 financial year includes the implementation of the following catalytic projects: Revitalisation of Zebediela Citrus, Majeje Citrus, Magadimane citrus, Kopano Citrus, Hereford vegetable cluster for Tafelkop Farmers Association, Tshilwavirusiku vegetable cluster for Tshilwavirusiku Secondary Cooperative. The RAAVC projects are mainly to be implemented over a multi-year period, some of them commenced in 2020/21 financial year and are expected to be completed by 2024/25. Development at bigger projects such as Zebediela is envisaged to be over a longer period of about 10 years because of the size and budget requirements.

- a) **Revitalisation of Zebediela Citrus.** The Department is assisting the estate to revitalise irrigation water supply by first conducting hydrological assessment, which outcome will also inform the Masterplan which is the main deliverable for 2023/24 financial year. LDARD has entered into a Cooperation Agreement with Impact Catalyst to co-fund the development of the Masterplan for the revitalisation which will also serve to unlock future capital investment. The Estate (Zebediela 101KS) is owned by the Bjatladi Communal Property Association (CPA). The beneficiaries are households from 21 villages in the Lepelle-Nkumpi Municipality to whom the land was restored.



In 2022/2023 financial year, the main activity was the refurbishment of water infrastructure and to date, seven boreholes have been drilled, equipped and are functional. The progress on the hydrological assessment and development of a master plan for revitalisation of Zebediela Citrus Estate in partnership with Impact Catalyst is as follows:

- Project Cooperation Agreement has been signed with Impact Catalyst. Delays were experienced due to internal approval processes within Impact Catalyst which took longer than expected.
- Project SteerCO and Project Implementation Committee have been established.
- TORs for the rehabilitation of irrigation water infrastructure and master plan development have been finalised

Furthermore, the Department is providing a social facilitation support towards addressing the challenges between the CPA and Workers Trust.

**b) Majeje citrus development:** The project is a partnership between the Department and Majeje Citrus on behalf of Majeje Tribal Authority, Komati Group Holdings and Bruboer. The project is a green field aiming to develop 450 hectares (Ha) of citrus orchards over a four years period, which commenced in 2021/22. The Majeje Tribal Authority applied for support from the Department as community contribution to development in the form of a match funding for the infrastructure development. The Department has approved the support request, which constitutes 40% contribution to the development costs of the estimated R126 million. As at the end of March 2023 the following progress has been made at the project:

- Soil preparations of 195 ha completed
- 78 ha of citrus orchards established
- 102 ha of irrigation installed
- Electrical infrastructure (solar energy) to the tune of R3,2 million has been established
- 32 workers are employed of whom 15 are permanent

**c) Hereford vegetable cluster for Tafelkop Farmers Association:** Tafelkop Farmers' Association is farming in the Hereford irrigation scheme, located in the Elias Motsoaledi Local Municipality. The total farm size is 191 ha divided into 32 plots. The plots are owned by 32 farmers (24 men, 8 women, 1 youth and 2 people living with disabilities). The land was a state land under the ownership of the National Department of Public Works and the farmers were given Title Deeds, which were handed over by the State President, His Excellency President Ramaphosa in May 2021. These farmers are farming individually with 995 000 cubic meters water rights to irrigate 160 ha. The Department is supporting the project with irrigation infrastructure, shadenets, fencing and infrastructure for General Agricultural Practices (GAP) certification for market access. At the end of March 2023, progress was at 71% which include bulk water supply, infield irrigation infrastructure, shades nets, and pump house.

**d) Tshilwavirusiku vegetable cluster for Tshilwavirusiku Secondary Cooperative:** The Tshilwavirusiku Secondary Cooperative is located in the Makhado Municipality and is made up of 90 farmers. The Department is supporting the Cooperative with infrastructure development including drip irrigation system and pipes, steel reservoirs, rehabilitation of fencing, equipping of boreholes and production inputs such as fertilizers and chemicals. By March 2023, three boreholes have been drilled and equipped. The project is expected to be concluded in the 2023/24 financial year with the supply drip irrigation pipes, installation of five steel reservoirs, construction of two pack sheds and ablution facilities, construction of three storerooms and erection of fencing for 123 ha.

**e) Magadimana Citrus:** The project is a new development in Ephraim Mogale Municipality with a total size 156 ha. Support intervention includes debushing & land preparation of 20 ha, irrigation system, citrus establishment on 20 ha, upgrading of the pump house, 4 km fence, ablution facility & storage shed. Progress is at 77% as at March 2023 and it is continuing into 2023/24 financial year.

**f) Revitalisation of Irrigation Schemes programme:** Notable progress has been made with the revitalization of some of the irrigation schemes. Four schemes are being revitalized and the support is mainly through infrastructure development.

Progress is as follows: The development of Mogalatsane irrigation scheme infrastructure is at 80% completion. It is worth noting that the scheme is currently producing cotton under dryland rainfed production system; for Tafelkop Farmers Association at Hereford irrigation scheme, the revitalization of the scheme includes bulk water supply and in-field irrigation system development, establishment of shade nets covering 1ha each plot, refurbishment of packing facility, construction of ablution facilities and storage facility to ensure compliance with South African Good Agricultural Practices (SAGAP) market requirements. This development is planned to be completed in 2023/24 financial year. Production at other schemes, namely, Zamerkomste, ReadiraBaswa, Dichweung and Swara O Tiiše is also progressing fairly well. Seasonally, an average quantity of cotton produced is 400 tons, with more than 300 jobs created.

#### g) Red meat cluster development

During 2022/23 greater effort was put into the management of Foot and Mouth Disease (FMD). Necessary interventions required to manage the outbreak and contain the spread of FMD in the Vhembe District were implemented. The Department was able to conduct a successful vaccination programme, conducted extensive disease surveillance, conducted roadblocks to control the movement of cloven-hoofed animals in order to curb the spread, constructed and repaired animal handling facilities and employed 35 veterinary officials on a contract basis for 9 months to assist with the management of the outbreak. Communication through electronic and print media, as well as information sessions at community level, were utilised as communication tools to empower communities on the management of FMD. Disease Management Area (DMA) Monitoring continued after the outbreak in the Vhembe District. The Department is working in collaboration with the national Department of Agriculture, Land Reform and Rural Development (DALRRD) towards officially declaring the end of the Vhembe District outbreak.

The management and prevention of the outbreak of the FMD in collaboration with DALRRD, SANParks and the livestock industry will continue with necessary measures and interventions to keep the disease at bay. This includes key among others: minimizing contact between cattle and buffalo by keeping the fences of the Kruger National Park and surrounding community game reserves properly maintained, continuous and timeous supply of FMD vaccine is very paramount in order to keep to the annual vaccination schedule, of four times a year, in the protection zone in line with legislative requirement, completion of the upgrading the three strategic Provincial Veterinary Laboratories for approval by DALRRD and accreditation by the South African National Accreditation System (SANAS) so they handle and run lab tests for animal diseases, This is central in enabling basic primary animal health care. Other interventions towards management and prevention of FMD include: FMD Zone Red Meat Value Chain Development Programme which seeks to respond to the market challenges experienced by livestock farmers within the Redline Zone. The Department in collaboration with DALRRD, Agricultural Research Council (ARC), Mopani and Vhembe Districts has started a process to establish the Red Meat Value Chain system which aims at to improve market opportunities for the FMD affected farmers and communities in the Redline area. The programme entails the establishment of two Livestock Custom Feedlots and an Abattoir to boost sustainable off-takes. Primary Livestock Production Development Programme which will involve a situational analysis on primary production segments and develop a master plan for improvement towards sustainable supply to the envisaged redline red meat value chain viz, livestock producers and grain producers, as well as Livestock Identification and Traceability System (LITS) wherein a mass roll-out in the FMD Controlled zone is planned for 2023/24 to assist in curbing illegal movement of cattle.

#### 4.1.2. Market access to improve domestic and export market access by all farmers

Access to formal markets by smallholder farmers is one of the critical success factors for their farming operations. The market standards certification programme is implemented to support these farmers to have improved access to local and international markets.

This support is assisting the farmers on phytosanitary measures to comply with GAP for purposes of Global Good Agricultural Practices(GlobalGAP) and SAGAP certification through the Perishable Products Export Control Board (PPECB).

Progress made in 2022/23 includes the auditing of 25 farms, out of which 4 have been SAGAP certified and one GlobalGAP certified. 3 farms are ready for final audit and certification, which would be done in 2023/24.

#### 4.1.3. Reducing vulnerability and risks associated with climate change

Agricultural support services was provided to land users to enable sustainable development and management of natural agricultural resources towards mitigating the effects of climate change. Progress for 2022/23 financial year includes:

- 502 producers were supported to adopt and use climate smart agricultural practices
- 1 300 hectares of agricultural land were rehabilitated to improve production potential of the land
- 93 communities were supported to adopt land care practices in the management of their natural resources
- 1 600 ha were cleared of Alien Invasive Plants (AIP) as part of soil and water conservation
- 12 awareness campaigns on disaster risk reduction were conducted as continuous awareness raising among producers across their scale of production

#### 4.1.4. Agricultural training and skills development to improve the skills base in the sector

As previously stated, training and skills development remains central to viable and sustainable agricultural enterprises. Through Comprehensive Agricultural Support Programme (CASP), 1 233 farmers were trained on various aspects of production, business management and marketing. Furthermore, 2 130 farmers were capacitated through scientific demonstrations to impart technical knowledge. Through the work done by our agricultural colleges, Tompi Seleka and Madzivhandila, 438 producers were capacitated on various skills development programmes in partnership with Agri-SETA. This support will continue in 2023/24 financial year.



## 4.2 OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT

### Departmental Receipts

For 2022/23 Financial Year (FY) the Department estimated to collect R 13 557 million. Of this amount, Sales of Goods and Services constitutes R 10 698 million or 79 percent. The remainder constitute 21 percent.

The following Table shows the main categories of the receipts for 2022/23:

Departmental receipts	2022/2023			2021/2022		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	10 698	9 126	1 572	10 304	9 400	904
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	52	114	(62)	91	56	35
Sale of capital assets	688	0	688	1 559	1 501	58
Financial transactions in assets and liabilities	2 119	2 147	(28)	982	642	340
Total	13 557	11 387	2 170	12 936	11 599	1 337

For the same period ending 31 March 2023, the Department managed to collect R 11 387 million. This amounts to 84 percent of its revenue collection budget of R 13 557 million.

The Department under collected revenue with R2 170 million or 16 percent. The under collection was mainly due to auction for 2022/23 financial year which was not held and low payments on student fees.

#### Sale of Goods and Services other than Capital Assets.

The Department collected R9 126 million. This is an under collection of R1 572 million or 14.7 percent of the estimated budget of R10 698 million. The under collection was due to 2022/23 financial year auction not being held and few payments on student's fees.

#### Interest, Dividends and Rent on Land.

The Department collected R0.114 million. This is an over collection of R0.062 million or 118.4 percent of the estimated collection of R0.052 million. The over collection is due debts written off for 2022/23 financial year and more payment received from farmers for irrigation scheme under Rent land.

### Sale of Capital Assets.

There is no collection for financial year 2022/23; due to auction not being held.

### Financial Transactions in Assets and Liabilities.

The Department collected R2 148 million. This is an over collection of R0.029 million or 1.3 percent of the estimated collection of R2 119 million. The over collection is due to debts written off for 2022/23 financial year.

The Department determine all tariffs as per Provincial Treasury Guideline every financial year. Only one transversal policy as approved by Treasury is implemented when determining departmental tariffs. All services are being paid for as per approved tariffs by Provincial Treasury. The Department did not have any new revenue source during 2022/23.

### Programme Expenditure

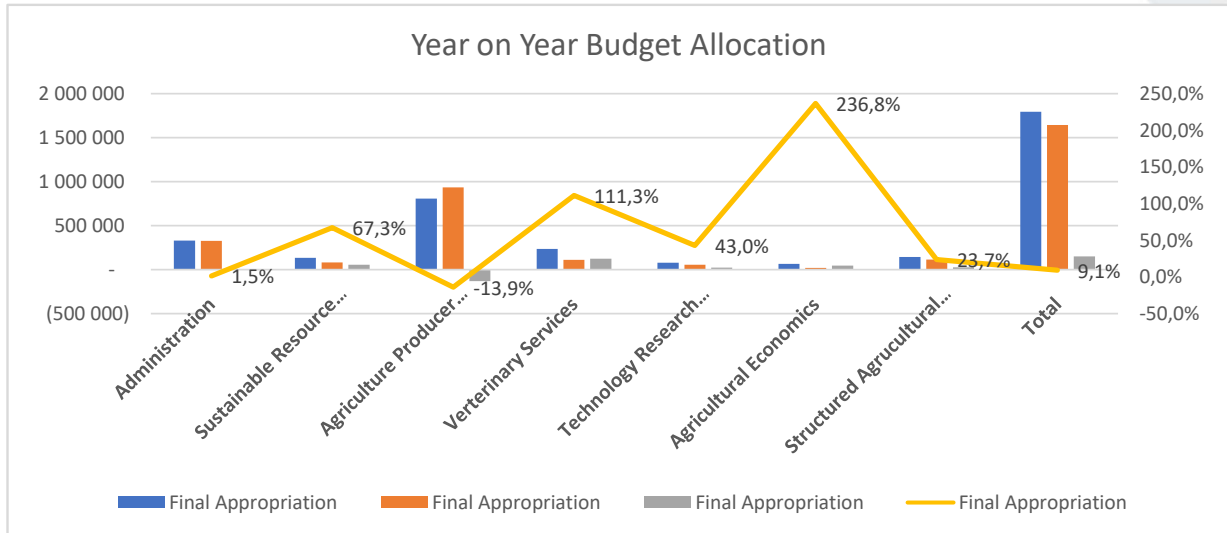
The Table below provide a summary of programme expenditure by the Department for the 2022/23 financial year:

Programme Name	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	331,133	321,332	9,801	326,181	323,370	2,811
Sustainable Resource Use and Management	134,764	132,250	2,514	80,541	76,394	4,147
Agricultural Producer Support and Development	805,617	684,195	121,422	936,205	845,577	90,628
Veterinary Services	236,204	221,182	15,022	111,788	111,788	-
Research and Technology Development Services	78,520	77,749	771	54,898	54,898	-
Agricultural Economics Services	64,223	64,101	122	19,066	19,066	-
Structured Agricultural Education and Training	143,431	131,826	11,605	115,991	114,791	1,200
<b>Total</b>	<b>1,793,892</b>	<b>1,632,635</b>	<b>161,257</b>	<b>1,644,670</b>	<b>1,545,884</b>	<b>98,786</b>

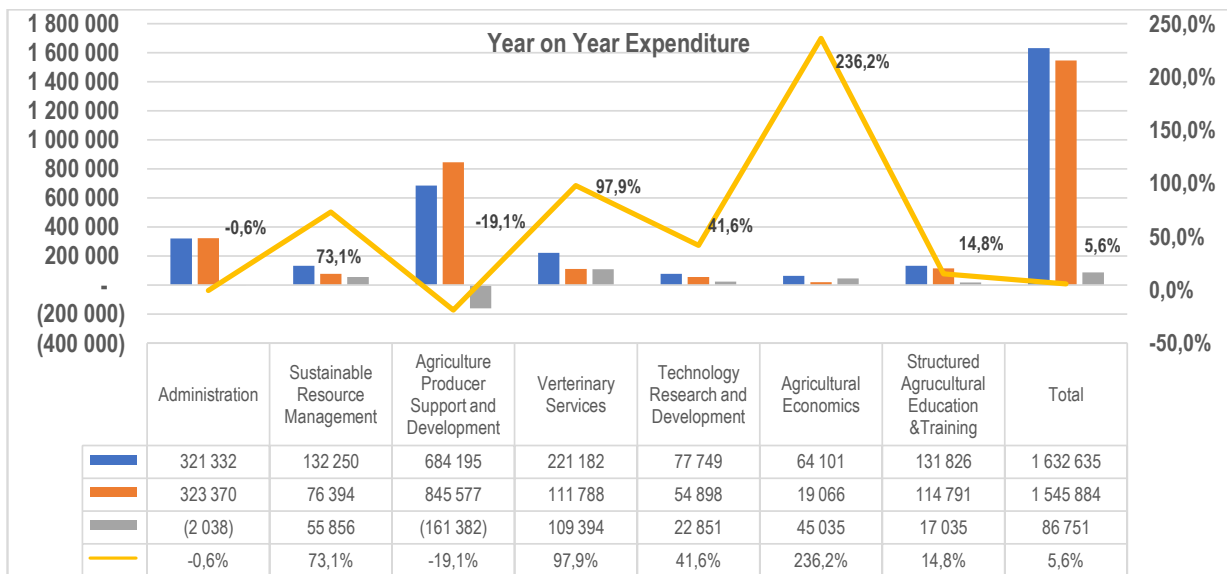
For the period under review, the Department was allocated an adjusted budget of R1.794 billion. The allocation represents a increase R149.222 million or 9.1 percent from the 2021/22 FY. The increase is attributed to the additional allocation for FMD outbreak and further allocation for operational budget.

The graph below shows the allocation per programme for 2022/23 financial year. in terms of the graph, Administration budget increases by R4.952 million or 1.5 percent, Sustainable Resource Use and management increase by R54.223 or 67.3 percent whilst Agriculture Producer and support reduces by R130.588 million or 13.9 percent. Veterinary Services budget increase by R124.416 million or 111.3 percent and Technological Research, Agriculture Economics and Agriculture Education and Training increases by R23.622 million or 43 percent, R45.157 million or 236.8 percent, and R27.440 million 23.7 percent respectively. The reason for the material increases on some of the programmes is attributed to the implementation of the new

Organisational Structure (OS) where the budget of transferred officials was shifted.



Of the R1.794 billion, the Department has spent R1.632 billion or 91 percent. In terms of percentage on budget, the expenditure shows a reduction of 3 percent from the 2021/2 financial year.



The Graph above shows the expenditure movement on year on year per programme which show that the Department expenditure increases by R86.75 million or 5.6 percent from the 2021/22 financial year.

**Virement**

The Table below provide a breakdown of Virements implemented by the Department during 2022/23.

The Department implemented virement in line with the Public Finance Management Act (PFMA), funds were moved from underspending programmes to programmes that showing an overspending within the 8% ceiling. In terms of the table below, R14.691 million, R12.438 million and R0.191 million were shifted from Administration, Agriculture Producer Support and development and Technological Research, respectively. These funds were shifted to Sustainable Resource Management (R9.817 million), Veterinary Services (R12.113 million), Agricultural Economics (R4.090 million) and Structured Agriculture Education and Training (R1.3 million).

Programme	Final Appropriation	Virement	Final Appropriation
	R'000	R'000	R'000
Administration	345,824	(14,691)	331,133
Sustainable Resource Use and Management	124,947	9,817	134,764
Agricultural Producer Support and Development	818,055	(12,438)	805,617
Veterinary Services	224,091	12,113	236,204
Research and Technology Development Services	78,711	(191)	78,520
Agricultural Economics Services	60,133	4,090	64,223
Structured Agricultural Education and Training	142,131	1,300	143,431
<b>Total</b>	<b>1,793,892</b>	<b>-</b>	<b>1,793,892</b>

### Rollover

The Department received a rollover of R14.493 million for the year under review. Within the R17.756 million, Sustainable resource Use and Management received an amount of R2.728 million and Agriculture Producer Support and Development received R11.765 million. The rollover pertains to Conditional Grants of which Land care received R2.728, Comprehensive Agriculture Support programme received R10.276 million and illima/Letsema received R1.489 million

### Unauthorised, Fruitless And Wasteful Expenditure

The Unemployment Insurance Fund (UIF) expenditures listed below are carried over from the previous years as outlined in the table. The Department did not incur any new UIF expenditure in the year under review.

### Unauthorised Expenditure

REASONS	AMOUNT (R'000)	STEPS TAKEN TO ADDRESS AND PREVENT A RECURRENCE
<p>The Unauthorised expenditure was due to an error during the implementation of virement at the closing of books for 2018/2019 financial year, which resulted in the virement above 8%.</p> <p>Processes are underway through LPT for the clearing of the expenditure by Legislature.</p>	13000	To ensure that the virement is calculated correctly and does not exceed 8% as stipulated on the prescript.

**Irregular Expenditure**

REASONS	AMOUNT	STEPS TAKEN TO ADDRESS AND PREVENT A RECURRENCE
Rendering of security services. This irregular expenditure was identified in 2014/2015. Processes are underway towards application for condonation in line with the Irregular Expenditure Framework.	15 820 500,97	Strengthening quality assurance on specifications and terms of reference before bids are advertised. Compliance audits by Internal Control to monitor and ensure compliance.
Appointment of consultants for construction of Dzanani Agricultural offices. This irregular expenditure was identified in 2014/2015.  Processes are underway towards application for condonation in line with the Irregular Expenditure Framework.	1 451 516,40	Strengthening quality assurance on specifications and terms of reference before bids are advertised. Compliance audits by Internal Control to monitor and ensure compliance.
Rendering of security services. The irregular expenditure was identified in 2016/2017.	6 525 000,00	Strengthening quality assurance on specifications and terms of reference before bids are advertised. Compliance audits by Internal Control to monitor and ensure compliance.
Overpayment of PMDS bonus due to wrong calculation formula used. The irregular expenditure was identified in 2016/2017.  The recovery of the overpayments from the affected officials is in progress.	586 768,00	Before payment by HRM, the confirmation of the formula and the amount is verified by the CFO.
Booking for accommodation. The irregular expenditure was identified in 2018/2019. Processes are underway towards application for condonation in line with the Irregular Expenditure Framework.	198 099,00	Strengthening quality assurance on specifications and terms of reference before bids are advertised. Compliance audits by Internal Control to monitor and ensure compliance.
Procurement of diesel at Vhembe District. The irregular expenditure was identified in 2018/2019. Processes are underway towards application for condonation in line with the Irregular Expenditure Framework.	294 000,00	Strengthening quality assurance on specifications and terms of reference before bids are advertised. Compliance audits by Internal Control to monitor and ensure compliance.
Procurement of irrigation infrastructure at Capricorn District. The irregular expenditure was identified in 2019/2020. Processes are underway towards application for condonation in line with the Irregular Expenditure Framework.	119 571,53	Strengthening quality assurance on specifications and terms of reference before bids are advertised. Compliance audits by Internal Control to monitor and ensure compliance.
The procurement and provisioning	62 727 166,00	Strengthening quality assurance on specifications and



REASONS	AMOUNT	STEPS TAKEN TO ADDRESS AND PREVENT A RECURRENCE
system was not fair, equitable, transparent, competitive, and cost effective when procuring fencing material. The irregular expenditure was identified in 2018/2019.		terms of reference before bids are advertised. Compliance audits by Internal Control to monitor and ensure compliance.
Irregular appointment of service providers for mechanisation services for fetsatlala. The irregular expenditure was identified in 2014/2015.	31 466 999,03	Standard Operating Procedure has been developed and approved. FetsaTlala technical committee was established to ensure monitoring of the implementation of the standard operating procedure and provide technical advice. An open and competitive bidding process is being followed as from 2015/16.
Non-adherence to CIDB requirements when procuring the manufacturing and installation of tomato paste equipment for Norjax project. The irregular expenditure was identified in 2018/2019.	75 526 373,00	Strengthening quality assurance on specifications and terms of reference before bids are advertised. Compliance audits by Internal Control to monitor and ensure compliance.
Irregular expenditure due to non-compliance as SCM-bid invitation did not include local content and CIDB grading and contract awarded to a Contractor with lower CIDB grading. An irregular expenditure was identified in 2021/2022 and confirmed in 2022/2023.	2 297 977	Strengthening quality assurance on specifications and terms of reference before bids are advertised. Compliance audits by Internal Control to monitor and ensure compliance.

#### Fruitless and Wasteful Expenditure

REASONS	AMOUNT	STEPS TAKEN TO ADDRESS AND PREVENT A RECURRENCE
The expenditure is due interest paid for Eskom electricity account. electricity at Eskom. Fruitless expenditure was identified in 2016/2017.	2709	The Department is making sure that before the last run of the month all sundry accounts are received to pay them on time.
An interest is paid for electricity at Eskom. Fruitless expenditure was identified in 2016/2017.	652	The Department is making sure that before the last run of the month all sundry accounts are received to pay them on time
The procurement and provisioning system was not fair, equitable, transparent, competitive, and cost effective when procuring fencing material. The expenditure was identified in 2016/2017.	425196	Strengthening quality assurance on specifications and terms of reference before bids are advertised. Compliance audits by Internal Control to monitor and ensure compliance.
The expenditure is due interest paid for Eskom electricity account. electricity at Eskom. Fruitless expenditure was identified in 2020/2021.	4 209	The Department is making sure that before the last run of the month all sundry accounts are received to pay them on time

- Strategic focus over the short to medium term period**  
 The future of the Department is informed by key focus priorities of the Department as reflected in the 2020/21–2024/25 Strategic Plan and reported on in the Overview of the operations of the Department. Strategies will be pursued across the remaining two years of the Medium-Term Strategic Framework (MTSF), as guided by the APP developed on a yearly basis.
- Public Private Partnerships**  
 The Department has no Public Private Partnerships (PPP's) agreement.
- Discontinued key activities / activities to be discontinued**  
 The Department didn't discontinue any activities.
- New or proposed key activities**  
 There were no new activities for the year under review
- Supply Chain Management**  
 There were no unsolicited bid proposals for the year under review. The Department has SCM Policy in place therefore all SCM processes and systems are in place to prevent irregular expenditure. There were no challenges experienced in SCM for the year under review.
- Gifts and Donations received in kind from non-related parties**  
 The Table below reflects the list of donations received on behalf of the Department and donations made to third parties:

SUPPLIER	LOCATION	DESCRIPTION	AMOUNT R'000
<b>DONATIONS RECEIVED BY THE DEPARTMENT</b>			
Van Schaik Bookstore	Madzivhandila College	55 x Library Books	26
DALRRD	Head Office	20 x Machine Scanners	201
Nozala Trust	TOMPI Seleka College	1 x Machine Printer	14
		1 x Machine Chain Saw	10
		1 x Brush Cutter	8
		1 x Generator	269
		5 x Pigs	57
		Inventory Farming Suppliers and Consumables	174
		Services Received	309
Agricultural Sector Education Training Authority (AGRISETA)	Madzivhandila College	8 x Laptops	98
		1x Printer	12
<b>DONATIONS MADE BY THE DEPARTMENT TO THIRD PARTIES</b>			
Sethe Family Bereavement		2 x Cattle	7

SUPPLIER	LOCATION	DESCRIPTION	AMOUNT R'000
TOTAL			1 186

- **Exemptions and deviations received from the National Treasury**

The Department did not receive any deviations and exemptions in a year under review.

- **Events after the reporting date**

None

- **Other**

None

In conclusion, I would like to thank the Member of the Executive Council, Mr T. A. Mokone (MPL), the Chairperson and members of the Portfolio Committee on Agriculture and Rural Development and the Audit Committee for guidance and support. My appreciation goes to the management team and the entire staff of the Limpopo Department of Agriculture and Rural Development (LDARD) for their continued dedication and hard work. My appreciation is also extended to the leadership and colleagues in the Provincial Administration, the leadership and staff of the Department of Agriculture, Land Reform and Rural Development, as well as the agribusiness community and farmer organisations for their continued dedication to the agricultural sector.



**Ms RJ Maisela**  
**Accounting Officer**  
**Department of Agriculture and Rural Development**  
**31 July 2023**

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

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

All information and amounts disclosed throughout the Annual Report are consistent.

The Annual Report is complete, accurate and is free from any omissions.

The Annual Report has been prepared in accordance with the Guidelines on the Annual Report as issued by National Treasury.

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

The Accounting Officer (AO) is responsible for the preparation of the AFS and for the judgements made in this information.

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

The external auditors are engaged to express an independent opinion on the AFS.

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2023.

Yours faithfully.



**Ms RJ Maisela**  
**Accounting Officer**  
**Department of Agriculture and Rural Development**  
**31 July 2023**

## 6. STRATEGIC OVERVIEW

### 6.1 Vision

United, prosperous, and productive agricultural sector for sustainable rural communities.

### 6.2 Mission

To promote food security and economic growth through sustainable agricultural development.

### 6.3 Values

As a Department we value:

- **Professionalism:** We deliver excellent work with positive attitude using best practice in a professional approach.
- **Integrity:** We act in an ethical manner with trust, honesty, reliability, and credibility.
- **Innovation:** We continuously introduce new ways of doing our work.
- **Caring:** We want the best for our clients and staff, treat them with respect and empathy whilst embracing diversity; and
- **Teamwork:** We believe in the “*together we can do more*” philosophy through shared visionary leadership.

## 7. LEGISLATIVE AND OTHER MANDATES

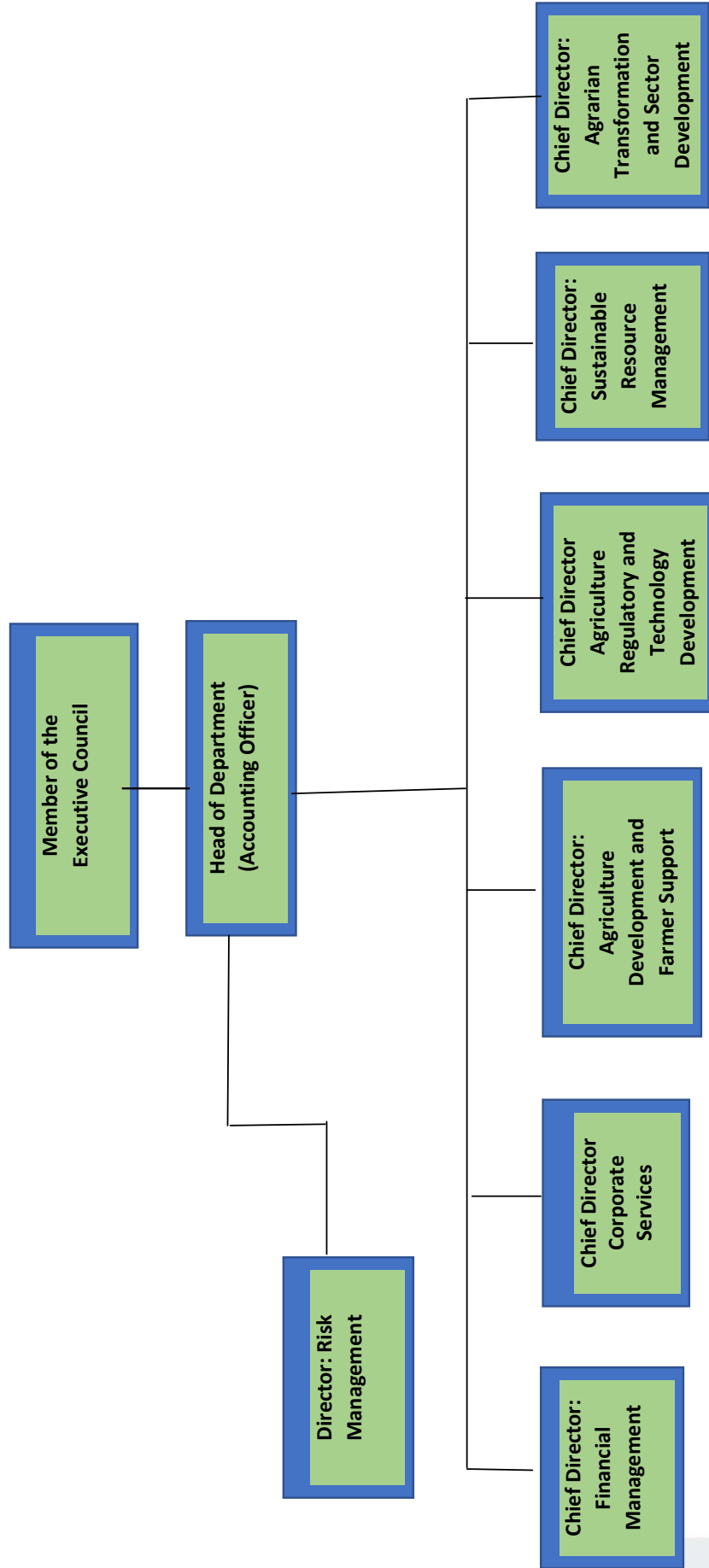
The core functions and mandates of the Department are governed by the following legislation in line with the functions and mandates:

FUNCTION/MANDATE	LEGISLATION
GENERAL CONSTITUTIONAL MATTERS	National Constitution of the Republic of South Africa (Act 108 of 1996)
STAFF MEMBERS	Labour Relations Act (Act 66 of 1995) Basic Conditions of Employment Act (Act 75 of 1997) Skills Development Act (Act 97 of 1998) Sills Development Levies Act (Act 9 of 1999) Occupational Health and Safety Act (Act 85 of 1993) Compensation for Occupational Injuries and Diseases Act (Act 130 of 1993) Government Employees Pension Law of 1996 Employee Equity Act (Act 55 of 1998) Public Service Act (Act 103 of 1994) Natural Scientific Professions Act (Act 20 of 2003)
FINANCIAL MANAGEMENT	Public Finance Management Act (Act 1 of 1999 as amended by Act 29 of 1999) Division of Revenue Act (Annual) Preferential Procurement Policy Act (Act 5 of 2000) Companies Act (Act 71 of 2008) Income Tax Act - 1962 – Fourth Standard
ADMINISTRATIVE	Extension of Security of Tenure Act (Act 62 of 1997) National Archives Act (Act 43 of 1996)



FUNCTION/MANDATE	LEGISLATION
	Promotion of Access to Information Act (Act 2 of 2000) Administrative Justice Act (Act 3 of 2000)
<b>AGRICULTURE</b>	Conservation of Agricultural Resources Act (Act 43 of 1983) Subdivision of Agricultural Land Act (Act 70 of 1970) Meat Safety Act (Act 40 of 2000) Animal Diseases Act (Act 35 of 1984) Land Use Planning Ordinance (Ordinance 15 of 1985) National Water Act, 1998 (Act 36 of 1998) Water Services Act, 1997 (Act 108 of 1997) Act on Marketing of Agricultural Products, 1996 (Act 47 of 1996) Land Reform Act, 1997 (Act 3 of 1997) Act on Agricultural Products Standards Veterinary and Para-Veterinary Professions Act, 1982 (Act 19 of 1982) Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act 36 of 1947) The International Code for the Control of Animal Diseases of the World Organization for Animal Health The International Code for Laboratory Diagnostic Procedure for Animal Diseases of the World Organization for Animal Health The International Sanitary and Phyto Sanitary Code of the World Trading Organization Codex Alimentarius of the World Trade Organization (International Code of Food Security) Spatial Planning and Land use Management Act (Act 16 of 2013)
<b>OTHER MATTERS</b>	Adult Basic Education and Training Act (Act 52 of 2000) South African Qualifications Act (Act 58 of 1995) National Education Policy Act (Act 27 of 1996) Further Education and Training Act (Act 98 of 1998) General and Further Education and Training Quality Assurance Act (Act 58 of 2001) Employment Education and Training Act (Act 76 of 1998) Higher Education Act (Act 101 of 1997) Cooperatives Act (Act 14 of 2005) Merchandise Marks Act, 1941 (Act 17 of 1941) Trademark Act, 1993 (Act 194 of 1993) Trade Practices Act, 1976 (Act 76 of 1976)

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEMBER OF THE EXECUTIVE COUNCIL

In the year under review the LDARD did not have a gazetted Public Entity.







**LIMPOPO**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
**AGRICULTURE AND RURAL DEVELOPMENT**

# **PART B**

## **PERFORMANCE INFORMATION**

**ANNUAL REPORT  
2022/23 FINANCIAL YEAR**



## 1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 174 of the Report of the AG, published as Part E: Financial Information.

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

In the *Overview of Departmental Performance*, the following are presented:

- Service Delivery Environment
- Service Delivery Improvement Plan
- Organisational Environment
- Key policy developments and legislative changes

### 2.1 SERVICE DELIVERY ENVIRONMENT

Limpopo has diverse soils, which vary in productivity. The soils are also vulnerable to various forms of degradation (physical, chemical and biological) and hence appropriate management strategies are critical if productivity of the soils is to be improved and sustained. The agricultural sector is still one of the most labour-intensive sectors of the economy in addressing the current trajectory of government (unemployment, inequality and food insecurity). Soil resources are under degradation and human pressures on soils are high, reducing and eliminating essential soil functions.

The loss of high potential agricultural land through degradation and competing demands such as human settlement, mining poses a threat to food security and the sector as a whole. A more productive and resilient agriculture requires transformations in the management of natural resources (e.g. land, water, soil nutrients, and generic resources) and higher efficiency in the use of these resources and inputs for production, hence a good combination of technical, institutional, policy and financial responses. This type of agriculture is well known as Climate Smart Agriculture (CSA).

Chapter 6 of National Development Plan (NDP) regards agriculture as fundamental for economic growth and increased job opportunity. Infrastructure investment is key to growing the economy, creating jobs and empowering smallholder producers. It is against this background that farmers need to be supported with proper infrastructures to compete in a National and Inter-National market that is very competitive with only the cost of production and optimal yield under their control. Sustainable socio-economic infrastructure need to be designed, constructed and maintained. Agricultural Engineers are trained to design agricultural structures and systems for optimal production with the lowest possible operating and maintenance cost to ensure maximum profit for the farmer.

The Province had a challenge with delivery of infrastructure by several departments, LDARD was one of the identified departments with difficulties in delivering infrastructure. Government Technical Advisory Centre (GTAC) assisted the Limpopo Provincial Treasury (LPT) to unblock and accelerate infrastructure delivery and build capacity. LDARD was guided to incorporate Infrastructure Development Support Component into the Organizational structure in order to improve infrastructure delivery services. The 2022/23 FY marked the commencement of the new component of Infrastructure Development, Coordination and Support. The component ensures that the departmental infrastructure delivery is aligned to the Infrastructure Delivery Management System (IDMS).

During the financial year 2022/2023 Government Information Technology Office (GITO) has noted some successes and drawbacks. The greatest success is the ICT Governance, ICT Security, User Access Management and improvements in



systems of internal control, while the drawbacks are related to budget expenditure, systems failures and procurement of ICT equipment and systems.

ICT Governance has achieved all its milestones and targets, while improving internal operational efficiencies, from the improved management of ICT changes, Information Technology Service Management (ITSM), ICT governance committees' meetings, audits (internal control systems, procedures and processes) and User Access Management which is a GITO meetings standing agenda item for close monitoring. During the financial year the following policies were approved, change management policy, cybersecurity policy, ICT equipment management framework, ICT equipment replacement road map and firewall policy.

ICT Security and management of ICT risks have displayed some weaknesses as a result of loadshedding, lack of generator and UPS which are not yet installed at the building hosting the main LDARD systems such as the firewall and main switches. From the ICT Security and Risk Governance point of view the Department has been able to stabilise the environment. ICT Security awareness campaigns have been conducted using computer screen savers, emails, noticeboards and presentations. All ICT Security related incidents are reported in terms of ITSM.

ICT equipment management framework and ICT equipment replacement road map approvals have enabled the Department to have a regulatory framework that governs how ICT equipment are procured and allocated. While the regulatory documents have been approved, however the Department is still enforcing the benchmarking efforts that will enable the Department to procure ICT equipment as and when required. This will ensure that ICT equipment are replaced when they are due, or they run out of support and warranty.

The Department is implementing a digital reporting system for Extension and Advisory Services (using ArcGIS Survey 123) which enables electronic reporting on indicators in the Annual Performance Plan (APP). The system also makes provision to track performance continuously and areas of under-performance can be highlighted in advance and intervention measures be put in place.

Throughout the year under-review (2022/23) there were several challenges that were encountered which led to under-performance on some of the indicators. In an effort to address these challenges the Executive Management mandated the project steering committee [AGIS, Performance, Monitoring and Evaluation (PME) and Extension services] to conduct follow up training to the various stakeholders. For an appropriate implementation of the system, trainings were conducted in all the Districts to reinforce the scope and responsibility assigned to all the user types.

The outbreak of Foot and Mouth Disease (FMD) which started in March of the financial year 2021/ 2022 in the Vhembe district continued in 2022/2023 financial year. FMD clinical cases were picked at Rotovhowa in Collins Chabane, Muhuyu, Mangaya, Sambandou, Mahunguwi and Mulenzdhi in Thulamela local municipality. A reponse plan was developed and a business plan was presented to Provincial Treasury (PT) for additional funding to fight the FMD outbreak. The initial 6 diptanks and the adjacent 10 kilometers kilometer diptanks were immediately put under quarantine followed by Intensive clinical and serological surveillance. Vaccination of cattle for FMD to limit the the spread also got underway. The entire Vhembe district, a sero- surveillance was conducted to determined the extent of FMD virus spread.

Additional personnel was mobilized from other municipalities in Vhembe were deployed at the outbreak area. Personnel from the other four districts were mobilized to Vhembe district. In the FMD business plan it was proposed to employ an additional veterinary officials. The recruitment process to employ them on a contract bases commenced in May 2022. 33 contract Animal Health Technicians (AHTs) and 2 Veterinarians started work in August and September 2022. Interprovincial collaboration happened where 12 AHTs from Gauteng province, Veterinary Services were deployed in Vhembe for two months. As a results, two roadblocks were held at Capricorn Toll Gate Plaza and at Pont drift in Musina to curb illegal cattle movement from the 7<sup>th</sup> of June 2022 until 8 of July 2022. There was also collaboration with the farming community, South African Police Services (SAPS) and LDARD, where the Closed-Circuit Television(CCTV) cameras on the strategic roads were utilized to intercept vehicles illegally moving cattle and goats.

Loadshedding has a huge impact on the agricultural sector. Electricity is essential to modern farming practices and the topical increase in load shedding has seriously interrupted the farming operations. The pumping stations, irrigation,

cooling, and other systems are depended on power supply. Although some farmers have the means to move away from the power grid, most are unable to do so. The most vulnerable small-scale farmers feel the heat and farmers continue to forfeit their water quotas for irrigation purposes when these power outages occur and the loadshedding impact on the agricultural sector is apparent at all levels of operation, including logistics and cold-chain management. Loadshedding's impact is universal, from irrigation, the conveyer belt movement of produce or livestock products, and alarm systems for security to keep livestock contained to cold storage facilities at farms and at ports, as well as railway lines. It threatens food security, economic growth, and employment and the viability of the sector. This phenomenon continues to contribute to higher inflation and resulting in farmers planting less due to the rising costs of production and disruption in irrigation or planting schedules.



## 2.2 SERVICE DELIVERY IMPROVEMENT PLAN

Service Delivery Improved Plan (SDIP) was not developed in the year 2022/23 due to the Department of Public Service and Administration(DPSA)utilising the year for training and workshops on the newly developed SDIP Template.

### MAIN SERVICES AND STANDARDS

MAIN SERVICES	BENEFICIARIES	CURRENT/ACTUAL STANDARD OF SERVICE	DESIRED STANDARD OF SERVICE	ACTUAL ACHIEVEMENT
N/A (Not Applicable)	N/A	N/A	N/A	N/A

### BATHO PELE ARRANGEMENTS WITH BENEFICIARIES

Current/actual arrangements	Desired arrangements	Actual achievements
Development of strategic plans, policy documents, manage coordination and implementation thereof.	01 Communication plan developed, approved and implemented	01 Communication plan developed, approved, and implemented.
Content dissemination: electronic Newsletter	24 electronic Newsletters	27 electronic Newsletters (Temo News) produced and published. Distribution of Temo News to internal stakeholders through e-mail and departmental intranet (Rito) Temo News is an e-Newsletters publication for the internal stakeholders
	40 Zwavhulimi news stories published online	40 compiled Zwavhulimi news stories were published on the departmental website on monthly basis. Zwavhulimi is a departmental publication to external stakeholders
Stakeholder Engagements: Events and Campaigns	12 Events and Campaigns (as guided by the departmental Events Calendar 3 events per quarter)	<b>14 events and campaigns were held to mark departmental significant events as per calendar.</b> The following events were held; Youth Day, Mandela Day, Capacity building for women in Agriculture, Female Farmer of the year Vhembe District, Persons with Disability in Agriculture and Rural Development (PDARD), World Food Day, Foot and Mouth Disease Campaign, Abor Day, Provincial Landcare and Back to School Agricultural Crusade, MEC hand over Livestock Re-sale Scheme to farmers with disability, World Wetland Day, including graduation Ceremonies of Tompi Seleka and Mazivhandila Colleges of Agriculture.
Shows and Exhibitions	28 Shows and Exhibitions	<b>28 Shows and Exhibitions were conducted including</b> , in 2022/23 the department participated through exhibition and branding at 101 agricultural related activities through invitations and partnerships during departmental farmers



Current/actual arrangements	Desired arrangements	Actual achievements
		<p>information days, workshops and awards to honor farmers at all five-district level, provincial significant calendar events, national departmental intervention initiatives and local government events. The events include Provincial Africa Day – Africa Day celebrations that took place at the University of Limpopo. Favored by the celebrations theme as the leading Department. LDARDtook advantage of Africa Day theme, which was security for ALL, to launch from exhibition stalls' World Food Safety Day. World Food Safety Day is to be Commemorated on 6<sup>th</sup> to 7<sup>th</sup> June 2022. The Department participated also at intervention events such as the event hosted by the Minister Didiza on FMD Management and Market Access information day in response to the disease outbreak at Hlomela Village held on September 07, 2022</p>
<p>Information sharing sessions with the public.</p>	<p>Radio as medium to share information with the public utilised.</p>	<p><b>12 Media Advisories Issued for public education and information sharing through Radio programmes.</b></p> <ul style="list-style-type: none"> <li>▪ 08 April 2022 - South African Broadcasting Cooperation(SABC) 2, MunghanaLonene - Current Affairs Radio News – FMD outbreak</li> <li>▪ 30 April 2022 - SABC 2 and Radio News on high cost of poultry</li> <li>▪ The Department in partnership with the Department of Agriculture, Land Reform and Rural Development run Foot and Mouth Disease Radio public awareness campaign on SABC Combo and Capricorn Frequency Modulation(FM) for two weeks. The campaign ran between May 23 to June 6 both on SABC Combo and Capricorn FM</li> <li>▪ 03 May 2022 – Media Statement was released about the MEC vaccination Drive which took place on May 04, 2022, at Shakaza Dipping Tank in the Vhembe District – Coverage received was as follows: Current Affairs on Energy and Choice FM, Energy FM News and Capricorn FM News, Mohodo FM and Capricorn Talk. SABC news bulletin clip.</li> <li>▪ Podcasts on News Koop online content News agency that provides content to community radio stations across the country.</li> <li>▪ Information was shared with Landou an agricultural publication on request for publication in the edition.</li> </ul>

Current/actual arrangements	Desired arrangements	Actual achievements
		<ul style="list-style-type: none"> <li>▪ 05 May 2022 – Nzhelele FM, Sekhukhune FM, Tubatse FM, Turf FM and Vision FM.</li> <li>▪ 12 June 2022 - SABC 2 - Zwamaramani – Discussion Food Security in the Province.</li> <li>▪ 16 June 2022- SABC Television (T.V) News and Radio News – Youth in Agriculture</li> <li>▪ Featured on Thobela to talk about Animal production management - 02 August 2022</li> <li>▪ Featured on Thobela FM to talk about Food Security in the province and farmer support - 07 September 2022</li> <li>▪ Featured on Thobela FM to talk about Abattoir Compliance radio Interview on Thobela FM - 20 September 2022</li> <li>▪ Rabies Month on Radio campaign - 29 September 2022 - Public Education on SABC Combo</li> <li>▪ Public education and awareness on Foot and Mouth Disease (FMD) took place on electronic media in September - December 2022             <ul style="list-style-type: none"> <li>✓ On SABC Combo Radio public education kicked on Thursday 29 September 2022. The campaign will run every Thursday until the 28<sup>th</sup> October 2022.</li> <li>✓ FMD Radio drama featured the MEC Thabo Mokone broadcaster aired the message around December 2022</li> </ul> </li> <li>▪ October 14, 2022 - Issued Media statement on the danger of veldfires.</li> <li>▪ October 14, 2022 - The MEC was featured on Munghana FM - Warning communities about the danger of veldfires.</li> <li>▪ October 23, 2022 - Tompi Seleka – Alleged food poisoning – We gave comment and coverage was balanced and not damaging to the Department – SABC News</li> <li>▪ November 03, 2022 - Profiling of the MEC on Thobela FM</li> <li>▪ November 03, 2022 - SABC Combo FMD and planting Season drama integration kicked in with first episode on Phalaphala FM and it shall be on until the End of November 2022</li> <li>▪ November 05, 2022 - International Children's Day - Child labor in Agriculture - Jacaranda FM, Capricorn FM and Thobela FM</li> </ul>



Current/actual arrangements	Desired arrangements	Actual achievements
		<ul style="list-style-type: none"> <li>▪ November 04, 2022 – We were on Combo talking about seasonal forecast.</li> <li>▪ November 24, 2022 – MEC led a fruit harvest event, and the story was on Zebediela Community FM</li> <li>▪ December 2022 - The MEC delivered his Christmas Message on, SABC Combo prominent radio Drama, Mahlakung, Mini Hi Mina and Ndi yone mini ye ne ye</li> <li>▪ January 19, 2023 - The Back-to-School Crusade went awesomely and received coverage from the SABC Combo, Gate Way Radio</li> </ul>
<p>Utilisation of d Digital and Social Media platforms</p>	<p>Digital and Social Media platforms utilised as information sharing opportunities</p>	<p><b>Information was shared with internal and external clients through literature, electronic, print, and social media, including the following:</b></p> <p>Social media for an informed citizenry: The inclusion/introduction of WhatsApp option/icon on the Departmental Website contact us menu bar on the 28<sup>th</sup> of July 2022, resulted in an immediate response and in demand from our farmers; enquiring about Call for farmer support information, addresses of our offices and bursary enquiries.</p> <p>Rabies Month awareness campaign on departmental Facebook page during September Month</p> <p>Foot and Mouth Disease awareness campaign on the departmental Facebook page</p> <p>Partnering in the fight against Foot and Mouth Disease, Traditional Leaders (Limpopo Chairperson of House of the Traditional Leaders Kgosi Dikgale, Thovhele Mashamba and Hosi Ngove were recorded, and the footage uploaded on the departmental Facebook. The script was developed in English and the three members of the House, presentenced in Sepedi, Xitsonga and Tshivenda respectively.</p> <p>FMD awareness social media awareness – September Month</p> <p>Ground Stone Peach harvest in November Month led by MEC Mokone</p> <p>MEC Mokone’s visit to various schools within the province as part of the 2023 Limpopo Back to School Agricultural Crusade Programme.</p> <p>Video profiling of farms were conducted during Livestock Re-sale Scheme handing over ceremony to PDARD</p>

## SERVICE DELIVERY INFORMATION TOOL

CURRENT/ACTUAL INFORMATION TOOLS	DESIRED INFORMATION TOOLS	ACTUAL ACHIEVEMENTS
Thusong Service Centres	Provision of Agricultural services to 10 Provincial Thusong Service Centres	08 Thusong Service Centres were monitored due to budget constraints
Service Delivery Charter posters	Service Delivery Charter posters	100 Service Delivery Charter posters were printed and distributed to all departmental institutions
Service Standards booklets	Service Standards booklets	Departmental Service Standards were developed, approved and are available to the public.
Statement of Public Service Commitment posters	Statement of Public Service Commitment posters	100 Statement of Public Service Commitment posters were printed and distributed to all departmental institutions
Citizens Report booklets	Citizens Report booklets	Departmental Citizens Report was developed and approved.

**COMPLAINTS MECHANISM**

CURRENT/ACTUAL COMPLAINTS MECHANISM	DESIRED COMPLAINTS MECHANISM	ACTUAL ACHIEVEMENTS
Presidential Hotline	100% Presidential Hotline complaints to be resolved	17 Presidential Hotline complaints received and 16 resolved
Premier Hotline	100% Premier Hotline complaints to be resolved	1 Premier Hotline complaint was received and resolved
Walk-in complaints	100% Walk-in complaints received	3 Walk-in complaints received and resolved
Suggestion boxes	100% management of suggestion boxes, which includes opening, investigation and referral	2 suggestion boxes at Head Office were serviced 24 times. No complaints or compliments were received during 2022/23



## 2.3 ORGANISATIONAL ENVIRONMENT

The Department has embarked on the review of the Organisational Structure (OS) over the past years. This rigorous exercise was completed during the 2021/22 financial year. Due diligence, analysis, consultation, and coordination processes were followed to ensure meticulous and professional activities towards approval of the OS. All relevant and critical structures were actively involved in the processes, and they included the following:

- Provincial Treasury (PT);
- Office of the Premier (OTP).
- The Department of Public Service and Administration (DPSA);
- The Provincial Personnel Management Committee (PPMC).
- LDARD Organisational structure Implementation Task Team at various levels (including labour Unions).
- Chief Directorate: Corporate Services
- LDARD Executive Management.

In all instances the above structures provided professional guidance and relevant recommendations were factored into the review of the OS.

During the review process a strategic human resource planning process was undertaken, involving inter alia, the following:

- Analysis of cost drivers.
- Maximising utilisation of current staff capabilities.
- Reinforcing integration of expertise across the Department.
- Using the commodity approach system to enhance identified Agricultural Development Zones (ADZs), which have been adopted as service delivery points; and
- Reduction in the Cost of Employees (COE).

The reviewed OS was approved by the Member of Executive Council (MEC) on the 28<sup>th</sup> of July 2021.

The approval enabled the actioning of different phases guiding the structure implementation plan. During the fourth quarter of 2021 the Department embarked on the placement of staff to ensure that the OS is implemented at the onset of the 2022/23 financial year. Preceding the placement process, the extended executive management, the OS implementation task team members, and all employees were capacitated on the approved staff placement guidelines. The aim of the capacitation exercise was to ensure that all employees share a common understanding of the migration and placement processes.

Following the capacitation exercise, the Department engaged on the actualisation process of matching and placing employees from the 2012 OS to the 2021 OS in line with the staff placement guideline. During the pencilling process, affected employees were consulted by the relevant line managers, members of the task team and organised labour representatives. One thousand eight hundred and forty-eight (1 848) employees were horizontally placed and migrated to the 2021 staff establishment.

The Department has managed to reduce the Chief Directorates from 8 to 6 in line with a rigorous approach towards a strategic human resource process which involves cost drivers' analysis, maximising utilisation of current staff capabilities, and reinforcing integration of expertise across the Department and alignment and streamlining service delivery with the adopted approach of the agro-ecological zones.



The Department will put in place a change management strategy during the 2023-2025 Medium Term Expenditure Framework (MTEF) to ensure that the reviewed structure is implemented successfully and is supported and embraced by all personnel within the Department. The Department will embark on a rigorous skills audit exercise to identify skills gaps, especially for employees who would have been placed in new positions during the horizontal movement process. Capacity building programs will be developed to always ensure high performance.

The top structure of the Department depicts the Offices of the MEC, Head of Department (HOD), 6 Chief Directorates and 29 Directorates. The Department has at present a staff complement of 2 385 posts, of which 1 762 are placed.

The Department has a total staff establishment of 2 385 posts, currently with a headcount of 1 848 including employees who are not yet placed (or who are in the process of being placed), with a vacancy rate of 23.48% which is above the threshold of 10%. LDARD is still experiencing challenges in filling of critical and scarce skills posts at the middle management, production and operational levels. The Department has also filled 19 permanent and 261 contract posts and 35 out of 261 contract posts were filled to salvage Food and Mouth Disease outbreak. The impact of the high vacancy rate has become apparent on the inadequate delivery of essential services. It also impacts negatively on giving the required strategic support to the service delivery units of the LDARD, several requests to seek approval for advertisement are made through submission to PPMC to obtain approval for filling of those critical posts.

The Department experienced a high turnover rate at 146 posts due to retirement, and other natural attrition of most employees who are between the age of 55- 64 which is 40.20%. The Department has appointed 46 employees of which one post is at the SMS level.

The risk of losing critical and scarce skills categories remains a challenge. The categories include Veterinary Services, Animal Health Technicians, and Engineering Services. There is a dire need to develop a comprehensive strategy to retain the critical and scarce skills, which will include intensifying departmental bursary interventions for external graduates. There is a challenge of budgetary constraint to accommodate bursars, however the Department is envisaging to bid for additional budget during the budget adjustment to cater for the 2024 academic year students.

The Department will continue to ensure that there are effective and efficient systems of internal controls to adhere to applicable laws and regulations through the development/ review of policies, procedure manuals, standard operating procedures and any other tools and instruments that promote proper governance within the Department.

Proper ICT governance is critical during this epoch of Fourth Industrial Revolution (4IR). The governance of ICT in the Department is guided by the approved LDARD Corporate Governance of Information and Communication Technology Policy Framework (CGICTPF), which is in line with DPSA ICT Framework. The Department is currently implementing the approved 2020/21 – 2024/25 ICT Plan. The Plan is currently on its fourth year of implementation as it was approved in July 2020. There are challenges with the implementation of the plan, mainly emanating from budget constraints. The ICT Equipment Replacement Road Map has been approved as a subnet of the ICT Plan to fast track the implementation of the ICT Plan. Plans are afoot to ensure that the ICT Plan is implemented, replacement of obsolete ICT equipment.



## 2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

There were no key policy development and legislative changes in the year under review.



### 3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The LDARD Strategic Plan for 2020/21 to 2024/25 presents the outcomes that the Department plans to achieve over the five-year period.

Outcomes	Outcome Indicators	Implementing Programme / Sub Programme	Baseline	5-year target	Progress achieved towards 5-year target
Increased participation of producers in the integrated value chain	1.1 Number of producers participating in the integrated value chain	Farmer Support and Development	61 650	71 800 (Inputs)	24 460 (inputs)
		Farmer Support and Development	Indicator not measured before	500 (Infrastructure)	102 (infrastructure)
		Disaster Risk Management	26 819	6 552	3 605 Farmers assisted through disaster relief scheme
		Agricultural Economics Services	24 114	29 345	9 340 Agribusiness supported with production economic services
	1.2. Number of producers participating in the production of key commodity clusters	Farmer Settlement and Development	Indicator not measured before	500	14 865 Producers supported in the Cotton, Citrus, Red Meat and Grain Commodities
	1.3. Number of producers accessing markets	Agricultural Economics Services	721	975	442 Producers accessing markets
	1.4. Number of producers participating in agro-dealership	Production Economics and Marketing Support	Indicator not measured before	500	9 340 Production economic services
1.5 Number of black producers participating in seed production	Extension and Advisory Services (Crop Production)	Indicator not measured before	98	163 Producers participating in seed production	
2. Increased skills base of the agricultural sector	2.1 Quantified output contribution to skills training	Rural Development	3 358 [Farmers trained through CASP	10 000	3 493 Farmers trained through CASP
		Structured	96 (Students)	424	299 Students

Outcomes	Outcome Indicators	Implementing Programme / Sub Programme	Baseline	5-year target	Progress achieved towards 5-year target
		Agricultural Education and Training			graduated for higher Education Qualifications
			2 391	2 500	1 066 Participants trained in skills development programmes
3 Adopted climate smart agriculture technologies	3.1 Quantified adoption of climate smart agriculture technologies	Landcare	Indicator not measured before	10 000 (producers using climate smart agriculture)	1 602 producers used climate smart agriculture technologies
			Indicator not measured before	5 000 ha under Conservation Agriculture (CA)	1 400 ha Land under Conservation Agriculture
	3.2 Number of climate smart agriculture technologies initiated	Research and Technology Development	Indicator not measured before	5	1 Climate smart agriculture technology
4. Enhanced research and development	4.1 Number of climate smart agriculture technologies developed	Research and Technology Development	Indicator not measured before	5	3 climate smart agriculture technologies developed
	4.2 Number of research outputs (alternative crop cultivars; livestock breeds and efficient production technologies)	Research and Technology Development	4	10	5 New technologies developed
5. Increased primary production	5.1 Hectares of key commodity clusters established	Farmer Support and Development	Indicator not measured before	10 100 ha	1 436 ha
	5.2 Livestock provided to smallholder farmers	Extension and Advisory Services (Animal Production)	Indicator previously only measured seed stock	3 000	586 Breeding livestock provided to farmers



Outcomes	Outcome Indicators	Implementing Programme / Sub Programme	Baseline	5-year target	Progress achieved towards 5-year target
	5.3 Jobs created through support interventions	Farmer Settlement and Development	CASP -5 998	5 000	9 364 Jobs created
		Landcare	Expanded Public Works Programme(EP WP) – 22 587	33 500	
6. Increased youth support interventions to contribute towards reduction of youth unemployment	6.1 Young farmers supported (production support: Infrastructure, production inputs, training and technical advice)	Farmer Settlement and Development	Indicator previously only measured production inputs, mechanisation and infrastructure	500	99 Youth agricultural entrepreneurs supported
	6.2 Agricultural graduates' placement	Farmer Settlement and Development	110	1 500	218 unemployed graduates placed

#### 4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

##### PROGRAMME 1: ADMINISTRATION

The purpose of the programme is to manage and formulate policy directives and priorities and to ensure there is appropriate support service to all other programmes regarding strategic management, finance, personnel, information, communication, and procurement.

##### SUB-PROGRAMME 1.1: OFFICE OF THE MEC

The purpose of the sub-programme is to set priorities and political directives to meet the needs of clients. It strives for the efficient running of the Office of the MEC.

##### SUB – PROGRAMME 1.2: SENIOR MANAGEMENT

The purpose of the sub-programme is to translate policies and priorities into strategies for effective service delivery and to manage, monitor and control performance. Risk Management and Security Management Services fall within this ambit.

##### 1.2.1: RISK MANAGEMENT

The purpose of the sub-programme is to provide risk management support to eight departmental programmes. This is done by ensuring that risks that can affect the achievement of the departmental objectives are identified and mitigation strategies developed, fraud and corruption cases are investigated and to ensure that the Department has effective and efficient systems of internal controls.

##### 1.2.2: SECURITY MANAGEMENT SERVICES

The purpose of the sub-programme is to provide security management support to eight departmental programmes. This is done by ensuring that all security aspects and functions are managed properly by enhancing a coordinated approach to prevent and react to all security threats targeting the Department and to have a sound and protected working environment.

##### SUB – PROGRAMME 1.3: CORPORATE SERVICES

The purpose of the sub-programme is to provide support to the Department from a Human Resource Management (HRM) and Strategic Management perspective, being supported by sound Information Communication Technology (ICT) systems and Legal Services. HRM provides strategic direction and critical support services to the Department to ensure that relations and structures are appropriate to corporate goals and that people with the right skills and abilities are available.



HRM strives to ensure an improved and efficient administration through the development of a sound OS, human resource services and development, employee health and wellness, labour relations, and special programmes for improved service delivery.

Strategic Management follows the approach of Results Based Management. This approach to management is based on four pillars: (1) definition of strategic goals which provide a focus for action; (2) specification of expected results which contribute to the achievement of these goals and the alignment of programmes, processes and resources in support of these expected results; (3) on-going monitoring and assessment of performance, integrating lessons learnt into future planning; and (4) improved accountability for results (whether programmes made a difference in the lives of ordinary South Africans).

#### **SUB-PROGRAMME 1.4: FINANCIAL MANAGEMENT**

The purpose of the sub-programme is to manage limited financial and non-financial resources economically and efficiently in the delivery of outputs required to achieve departmental objectives (effectiveness) that will serve the needs of the community (appropriateness).

#### **SUB-PROGRAMME 1.5: COMMUNICATIONS AND LIAISON SERVICES**

The purpose of the sub-programme is to provide communication support to eight departmental programmes and services including the dissemination of departmental information to both internal and external stakeholders. It is also the responsibility of the sub-programme to promote the Department through corporate branding and exhibitions and to market, manage and coordinate events and campaigns across the Department.

#### **LIST THE INSTITUTIONAL OUTCOMES THAT EACH PROGRAMME CONTRIBUTES TOWARDS ACCORDING TO THE ANNUAL PERFORMANCE PLAN.**

- Increased participation of producers in the integrated value chain;
- Increased skills base of the agricultural sector;
- Adopted climate smart agriculture technologies;
- Enhanced research and development; and
- Increased primary production.
- Increased youth support interventions to contribute towards reduction of youth unemployment

Outcomes, outputs, output indicators, targets and actual achievements

Sub-programme 1.2.1: Risk Management								
Outcomes/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
<ul style="list-style-type: none"> <li>Increased participation of producers in the integrated value chain</li> <li>Increased skills base of the agricultural sector</li> <li>Adopted climate smart agriculture technologies</li> <li>Enhanced research and development</li> <li>Increased primary production</li> <li>Increased youth support interventions to contribute towards reduction of youth unemployment</li> </ul>	Enhanced security services provided	1.2.1.1 Number of risk assessments conducted	5	5	5	5	None	None

Sub-programme 1.2.2: Security Management Services								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
<ul style="list-style-type: none"> <li>Increased participation of producers in the integrated value chain</li> <li>Increased skills base of the agricultural sector</li> <li>Adopted climate smart agriculture technologies</li> <li>Enhanced research and development</li> <li>Increased primary production</li> <li>Increased youth support interventions to contribute towards reduction of youth unemployment</li> </ul>	Enhanced security services provided	1.2.2.1 Number of security threat risk assessment reports compiled	20	20	20	20	None	None

Sub-programme 1.3. Corporate Services								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
<ul style="list-style-type: none"> <li>Increased participation of producers in the integrated value chain</li> </ul>	Enhanced Information Communication Technology (ICT)	1.3.1 Number of ICT Plan implemented	1	1	1	1	None	None
<ul style="list-style-type: none"> <li>Increased skills base of the agricultural sector</li> <li>Adopted climate smart agriculture technologies</li> <li>Enhanced research and development</li> <li>Increased primary production</li> <li>Increased youth support interventions to contribute towards reduction of youth unemployment</li> </ul>	Enhanced human resource support	1.3.2.1 Human Resource Plan implemented	1	1	1	1	None	None





Sub-programme 1.4 Financial Management								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
<ul style="list-style-type: none"> <li>Increased participation of producers in the integrated value chain</li> <li>Increased skills base of the agricultural sector</li> <li>Adopted climate smart agriculture technologies</li> <li>Enhanced research and development</li> <li>Increased primary production</li> <li>Increased youth support interventions to contribute towards reduction of youth unemployment</li> </ul>	Sound financial management support provided	1.4.1 Number of Financial Statements submitted	1	1	1	1	None	None

Sub-programme 1.5: Communications and Liaison Services								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
<ul style="list-style-type: none"> <li>Increased participation of producers in the integrated value chain</li> </ul>	Effective communication support provided	1.5.1 Number of Communication Plan implemented	1	1	1	1	None	None

**Strategy to overcome areas of underperformance**

Programme 1 Administration has achieved on all 5 performance indicators, thus 100% achievement.

**Linking performance with budgets**

Administration has been allocated adjustment budget of R331.133 million which represent an increase of R4.952 million or 1.5 percent from 2021/22 financial year. The allocation includes the Statutory amount of R2.037 million for the Member of the Executive Council (MEC). The expenditure for 2022/23 financial year amount to R101.984 million or 97 percent of the allocated budget. The expenditure shows a decrease of R2.038 million or 0.6 percent from the previous financial year. The programme has underspent the allocated budget by R9.801 million or 3 percent of the allocated budget. The underspending is on Communication Sub-programme (R1.913 million), Corporate Services (R8.131 million and Financial Management (R0.082 million). The underspending is attributed mainly to the non-filling of the vacant funded posts due to the delay in the approval by the Provincial Treasury (PPMC). In addition, the underspending is also a saving from the implementation of the austerity measures implemented by the Department.

Administration	2022/23			2021/22		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Office of the MEC	6,018	6,343	(325)	2,133	2,133	-
Senior Management	6,707	6,707	-	16,127	16,127	-
Communication	9,603	7,690	1,913	8,102	8,102	-
Corporate Services	206,739	198,608	8,131	147,106	144,440	2,666
Financial Management	102,066	101,984	82	150,735	150,590	145
<b>Total</b>	<b>331,133</b>	<b>321,332</b>	<b>9,801</b>	<b>324,203</b>	<b>321,392</b>	<b>2,811</b>

**PROGRAMME 2: SUSTAINABLE RESOURCE USE AND MANAGEMENT**

The purpose of the programme is to provide agricultural support services to land users to ensure sustainable development and management of natural agricultural resources.

**SUB-PROGRAMME 2.1: AGRICULTURAL ENGINEERING SERVICES**

The purpose of the sub-programme is to provide engineering support according to industry standards regarding irrigation, on-farm mechanization, value adding, farm structures and resource conservation management.

**SUB-PROGRAMME 2.2: LANDCARE**

The purpose of the sub-programme is to promote the sustainable use and management of natural agricultural resources by engaging in community-based initiatives that support sustainability (social, economic, and environmental), leading to improved productivity, food security, job creation and agro-ecosystems.

**SUB-PROGRAMME 2.3: LAND USE MANAGEMENT**

The purpose of the sub-programme is to promote the preservation, sustainable use, and management of agricultural land through the administration of Conservation of Agricultural Resources Act (CARA), Subdivision of Agricultural Land Act (SALA), and Fencing Act.

**SUB-PROGRAMME 2.4: DISASTER RISK REDUCTION**

The purpose of the sub-programme is to provide agricultural disaster risk reduction (prevention, mitigation, preparedness, response, and relief) support services to producers and other clients.



Outcomes, outputs, output indicators, targets and actual achievements

Sub-programme 2.1: Agricultural Engineering Services									
Outcomes/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	
Increased participation of producers in the integrated value chain	Agricultural infrastructure established	2.1.1 Number of agricultural infrastructure established	20	31	33	37	+4	More projects were established because of Foot and Mouth (FMD) outbreak in Vhembe district which necessitated the construction of additional animal handling facilities, in line with the FMD business plan and budget approved during the year	
		2.1.2 Number of hectares equipped with irrigation systems	28	20	79	11	-68	Some Projects were re-prioritised due to outstanding water rights.	
		2.1.3 Number of efficient water use systems developed	2	9	22	6	-16	Some Projects were re-prioritised due to outstanding water rights. The following projects are still in construction and not completed: Mogalatjana, Diisebe Ngwana Mobu, TK Family, Magadimana, Mazeli, Mosengoana and Tafelkop	
		2.1.4 Number of livestock infrastructure established	6	10	7	14	+7	Foot and Mouth (FMD) outbreak in Vhembe district necessitated the construction of additional animal handling facilities	
		2.1.5 Number of norms and standard documents development for infrastructure projects	2	1	1	1	None	None	
		2.1.6 Number of environmentally	2	11	9	5	-4	Some Projects were re-prioritised due to outstanding water rights. The following	

Sub-programme 2.1: Agricultural Engineering Services									
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	
		controlled production structures constructed						projects are still in construction and not completed: Makiema, Ditsebe Ngwana Mobu, Mosengoana and Tafelkop	

Outcomes, outputs, output indicators, targets and actual achievements

Sub-programme 2.2: LandCare									
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	
Adopted climate smart agriculture technologies	Hectares of agricultural land rehabilitated	2.2.1 Number of hectares of agricultural land rehabilitated	4 050	1 200	1 300	1 300	None	None	
	Hectares cultivated fields under Conservation Agriculture practises	2.2.2 Number of hectares of cultivated land under Conservation Agriculture practises	500	400	500	500	None	None	
Increased participation of producers in the integrated value chain	Green jobs created	2.2.3 Number of green jobs created	2 596	2 676	2 600	2 733	+133	Additional green jobs were created because of project owners sponsored the additional jobs to meet the number of workers required by the project.	
	Sustainable resource	2.2.4 Number of communities	100	80	90	93	+3	More farmers adopted Land Care practices as a	

Sub-programme 2.2: LandCare									
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	
	management practices adopted	adopting LandCare practices						result of awareness conducted	
		2.2.5 LandCare training sessions conducted to increase awareness	18	15	20	26	+6	Additional projects from EPWP necessitated Land Care training to be intensified prior to projects implementation	
Adopted climate smart agriculture technologies	Agro-ecosystems initiatives implemented	2.2.6 Number of producers using climate smart technologies	700	400	500	502	+2	More producers showed interest in using climate smart technologies.	
		2.2.7 Number of hectares cleared of alien invasive plants	2 610	1 500	1 600	1 600	None	None	

Outcomes, outputs, output indicators, targets and actual achievements

Sub-programme 2.3: Land Use Management									
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	
Adopted climate smart agriculture technologies	Agro-ecosystems management plans developed	2.3.1 Number of agro-ecosystems management plans developed	5	2	4	4	None	None	

Sub-programme 2.3: Land Use Management								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Farm management plans developed	2.3.2 Number of farm management plans developed	30	8	12	13	+1	An additional plan was as a result of a farmer who approached the Department requesting assistance.

**Outcomes, outputs, output indicators, targets and actual achievements**

Sub-programme 2.4: Disaster Risk Reduction								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Adopted climate smart agriculture technologies	Awareness on disaster risk reduction conducted	2.4.1 Number of awareness campaigns on disaster risk reduction conducted	30	17	8	12	+4	Additional campaigns were requested and funded by Greater Tzaneen and Greater Tzaneen municipalities
	Surveys on uptake for early warning information conducted	2.4.2 Number of surveys on uptake for early warning information conducted	-	4	5	7	+2	Additional surveys were conducted due to farmers requesting more information regarding climate change
Increased participation of producers in the integrated value	Disaster management programmes implemented	2.4.3 Number of disaster relief schemes managed	1	1	1	1	None	None
		2.4.4 Number of	1 426	1 170	1 000	1 009	+9	More farmers were assisted as additional



Sub-programme 2.4: Disaster Risk Reduction								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
chain		farmers assisted through disaster relief schemes						seeds were received from United Nation women who were piloting the drought resistance seeds
	GIS products developed	2.4.5 Number of GIS products developed to inform planning	4	5	5	5	None	None

#### Strategy to overcome areas of under performance

*Indicator Number 2.1.2 Number of hectares equipped with irrigation systems*

Strategy to overcome areas of underperformance: The Department will strengthen the Provincial Assessment Panel (PAP) with representatives from the Department of Water and Sanitation to assist with the water rights issues.

*Indicator Number 2.1.3 Number of efficient water use systems developed*

Strategy to overcome areas of underperformance: The Department will strengthen the Provincial Assessment Panel (PAP) with representatives from the Department of Water and Sanitation to assist with the water rights issues.

*Indicator Number 2.1.6 Number of environmentally controlled production structures constructed*

Strategy to overcome areas of underperformance: The Department will strengthen the Provincial Assessment Panel (PAP) with representatives from the Department of Water and Sanitation to assist with the water rights issues.

Linking performance with budget

The budget allocated to Engineering Services enabled the established of infrastructure and infield irrigation for farmers to increase their participation in the integrated value chain. Farmers were enabled to produce economically and optimally. Improved irrigation infrastructure contributes to the reduction the operational cost of the farm whilst production is improved. Environmentally controlled structures enable the reduction of the impact of adverse climatic conditions and improve the level of production through promoting the use of technology. Limited capacity, in terms of numbers, in the Engineering Directorate, remained a challenge throughout 2022/23, however filling of posts will continue during the current year. The budget allocated to the LandCare Programme and Land Use Management was utilized to curb natural resource degradation and to build the underspending of the LandCare conditional grant. The budget allocated to Disaster Risk Management enabled the implementation of the Agricultural Comprehensive Disaster Plan to enable a proactive approach to disaster management. The dry weather conditions in the Province necessitated interventions by the Department to assist the affected farmers. Resources allocated to disaster risk reduction was spent through the drought relief scheme and prioritised farmers in all the five districts were assisted with water development projects. As part of disaster risk reduction programmes implemented, FetaKgomotubetse and Greater Tzaneen municipality sponsored additional awareness campaigns on drought mitigation measures while United Nation assisted with additional seeds piloting drought resistant seeds to farmers.

The budget allocated to Agriculture Geo-Spatial Information Services enabled the management and facilitation of the provision of agricultural geo-spatial information services to both internal and external clients. The development of the Digital Reporting System is enabling the monitoring and reporting on progress made with the implementation of indicators and targets in the departmental Annual Performance Plan. The System also allows for early warning on performance with resultant identification of challenges and strategies to overcome challenges. The Digital Reporting System relies on accurate geospatial information, streamlining the flow of data from the field to Geographic Information Systems (GIS) systems. This is vital in reducing errors, omissions, and delays, thereby assisting the Department to turn data into actionable insights towards service delivery.

As part of measures to implement climate smart agriculture, communities adopted this noble approach and land users benefited from the capacity building initiatives conducted on LandCare. The late approval of the LandCare Business Plan by DALRRD resulted in the adaptive capacity of farmers to the recurrent climatic changes in the Province.

Sustainable Resource Management	2022/23			2021/22		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Agricultural Engineering Services	34,472	34,472	-	7,958	7,958	-
Land Care Services	80,381	77,867	2,514	49,711	46,905	2,806
Disaster Risk Reduction	19,911	19,911	-	22,872	21,531	1,341
<b>Total</b>	<b>134,764</b>	<b>132,250</b>	<b>2,514</b>	<b>80,541</b>	<b>76,394</b>	<b>4,147</b>

### PROGRAMME 3: AGRICULTURAL PRODUCER SUPPORT AND DEVELOPMENT

The purpose of the programme is to provide support to producers through agricultural development programmes. Enable and support transformation of the agriculture sector to actively contribute to economic growth, inclusion, equality, and the creation of decent work. Increase food production through producers support and development initiatives.

#### SUB – PROGRAMME 3.1: PRODUCER SUPPORT SERVICES

The purpose of the sub-programme is to provide producer support services for sustainable agricultural development in line with the National Policy on Comprehensive Producer Development Support.

#### SUB-PROGRAMME 3.2: EXTENSION AND ADVISORY SERVICES

The purpose of the sub-programme is to promote knowledge transfer and skills development as the foundation for equitable, productive, competitive, profitable, and sustainable agricultural value chain enterprises.

#### SUB-PROGRAMME 3.3: FOOD SECURITY

The purpose of the sub-programme is to support, advise and coordinate the implementation of National Policy on Food and Nutrition Security.

#### Outcomes, outputs, output indicators, targets and actual achievements

Sub-programme 3.1: Producer Support Services								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Increased primary production	Smallholder producers supported	3.1.1 Number of smallholder producers supported	-	1 198	576	1 796	+1 220	Distribution of seed procured from reprioritisation budget for fertilizers resulted in more producers being advised
	Subsistence producers supported	3.1.2 Number of subsistence producers supported	-	9 940	3 165	11 746	+8 581	Distribution of seed procured from reprioritisation budget for fertilizers resulted in more producers being advised
Increased participation of producers in the integrated value chain	Production across the agriculture value chain	3.1.3 Number of producers supported in the Cotton Commodity	-	151	110	199	+89	Due to additional funds from reprioritisation more producers were supported through production inputs
		3.1.4 Number of producers supported in the Citrus	-	102	10	55	+45	More producers were supported due to additional capacity provided by appointed

Sub-programme 3.1: Producer Support Services								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
		Commodity						Assistant Agric Advisors
		3.1.5 Number of producers supported in the Red Meat Commodity	-	1 955	1 412	2 562	+1 150	More producers were supported due to additional capacity provided by appointed Assistant Agric Advisors
		3.1.6 Number of producers supported in the Grain Commodity	-	4 240	4 059	5 601	+1 542	More producers were supported due to additional capacity provided by appointed Assistant Agric Advisors
		3.1.7 Number of producers supported in the Vegetable Commodity	-	-	128	1 097	+969	More producers were supported due to additional capacity provided by appointed Assistant Agric Advisors
		3.1.8 Number of producers supported in the Sub-trop Commodity	-	-	1	29	+28	More producers were supported due to additional capacity provided by appointed Assistant Agric Advisors
Increased skills base of the agricultural sector	Producers capacitated on soft and technical skills	3.1.9 Number of farmers trained through Comprehensive Agricultural Support Programme (CASP)	911	1 223	950	1 359	+409	More farmers were trained as part of Kaonafatso Ya Dikgomo (KYD) program as coordinated by ARC to improve livestock productivity in rural communities
		3.1.10 Number of Mentorship programmes facilitated	6	16	16	3	-13	Under achievement was due to delays in finalisation of agreement with the commodity groups
Increased youth support interventions to contribute	Unemployed graduates maintained on agricultural	3.1.11 Number of unemployed graduates maintained on	0	120	120	98	-22	Graduates resigned as a result of getting employment opportunities due to experience gained in the programme. Replacement is only permitted during the



Sub-programme 3.1: Producer Support Services									
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	
towards reduction of youth unemployment	enterprises	agricultural enterprises for practical skills development						first 6 months of intake as per the framework	
Increased participation of producers in the integrated value chain	Agricultural marketing infrastructure developed (Agro-processing and Value Adding)	3.1.12 Number of stakeholder engagements for post settlement support facilitated	10	12	10	14	+4	Collaboration with the Independent Development Trust (IDT) resulted in more engagements which involved the assistance to land reform projects with skills development.	

**Outcomes, outputs, output indicators, targets and actual achievements**

Sub-programme 3.2: Extension and Advisory Services									
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	
Increased participation of producers in the integrated value chain	Production stock provided	3.2.1 Number of breeding livestock provided to farmers	323	263	250	253	+3	The implementation of Livestock Replacement Strategy resulted in increased production performance	
		3.2.2 Number of fish breeding stock provided to farmers	10 000	15 000	15 000	15 000	None	None	
	Seed projects	3.2.3 Number of projects provided with	15	10	5	4	-1	One project at Leydah Farming, Maruleng	

Sub-programme 3.2: Extension and Advisory Services								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	certified	technical support to achieve seed certification						Municipality, withdrew due to financial challenges experienced by the project owners
		3.2.4 Number of producers participating in seed production	86	64	15	13	-2	The two producers who could not participate are attached to Leydah Farming - Maruleng Municipality, withdrew due to financial challenges experienced by the project owners
	Producers supported with agricultural advice	3.2.5 Number of producers capacitated through demonstrations	-	2 638	856	2 130	+1 274	Due to the introduction of new seed varieties provided to the producers, more demonstrations were facilitated
		3.2.6 Number of farmers facilitated	-	298	237	278	+41	More farmers days were held to capacitate farmers on Pest Control due to outbreak of pests

**Outcomes, outputs, output indicators, targets and actual achievements**

Sub-programme 3.3: Food Security								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Increased participation of producers in the integrated value chain	Increased household agricultural production support initiatives	3.3.1 Number of households supported with agricultural food production initiatives	5 373	5 290	5 200	2 712	-2 488	Less households were supported mainly due to higher fertilizer prices that has doubled with suppliers not being able to supply

**Strategy to overcome areas of under performance**

*Indicator 3.1.10 Number of Mentorship programmes facilitated.*

Strategy to overcome underperformance: The Department will only include projects where Memorandum of Agreements/ Understanding are finalised with Commodity Groups and Providers of Mentorship programmes.

*Indicator 3.2.3 Number of projects provided with technical support to achieve seed certification.*

Strategy to overcome underperformance: The Department will ensure that only farmers who already have basic seeds are included.

*Indicator 3.2.4 Number of producers participating in seed production.*

Strategy to overcome underperformance: The Department will ensure that only farmers who already have basic seeds are included.

*Indicator 3.3.1 Number of households supported with agricultural food production initiatives.*

Strategy to overcome underperformance: The Department will explore procurement systems that will accommodate the instability of price fluctuation for production inputs.

Linking performance with budget

The budget allocated to Farmer Producer Support and Development Programme assist the development of a skills base in the sector to ensure participation of producers in the integrated value chain. The under expenditure of the allocated budget is mainly on agricultural inputs and infrastructure projects with the main non-delivery of fertilizers due to high escalation of prices while the Infrastructure projects main underspending was due to the slow performance of contractors on Infrastructure projects. The budget allocated to Extension Recovery was utilised to provide producers with technical agricultural information which is mainly for Extension services which deal primarily with agricultural advice. The underspending was more on Compensation of Employees because of non-filling of vacant posts of Extension Practitioners. The budget allocated to Food Security was used to support vulnerable households with production inputs for various commodities produced at household level especially backyard gardens. The underspending is because of high increase in the price of fertilizers.

The budget allocated to post settlement support enabled the management and coordination of the provision of integrated rural development in the Limpopo Province. Service delivery included the implementation of the Project Koba Tlala, support to Military Veterans and supporting the Provincial Shared Service Centre (PSSC) on land reform matters. Through the Project Koba Tlala the South African National Defence Force (SANDF) is procuring produce from individual farmers and cooperatives registered in the SANDF Supplier Database. In line with the training needs of Military Veterans as identified by the OIP, training on animal and crop production is provided. Assistance is provided to the PSSC on allocation of land and training of farmers on state land through the National Skills Fund (NSF).

Agriculture Producer Support and Development	2022/23				2021/22				
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Producer Support and Management	231,723	209,752	21,971	236,838	173,781	63,057			
Extension & Advisory Services	485,257	396,632	88,625	623,804	608,893	14,911			
Food Security	84,946	74,148	10,798	70,503	59,276	11,227			
Rural Development	3,691	3,663	28	5,060	3,627	1,433			
<b>Total</b>	<b>805,617</b>	<b>684,195</b>	<b>121,422</b>	<b>936,205</b>	<b>845,577</b>	<b>90,628</b>			





## **PROGRAMME 4: VETERINARY SERVICES**

The purpose of the programme is to provide veterinary services to clients to ensure healthy animals, sustainable and profitable animal production enterprises, safe trade in animals and products of animal origin and the wellbeing of animals and the public.

### **SUB-PROGRAMME 4.1: ANIMAL HEALTH**

The purpose of the sub-programme is to facilitate and provide animal health services to protect the animals and public against identified zoonotic and diseases of economic importance, promote primary animal health and welfare programs / projects, resulting in a favourable zoo-sanitary status that maintains consumer confidence in products of animal origin and enables the export of animals and products of animal origin.

### **SUB-PROGRAMME 4.2: VETERINARY INTERNATIONAL TRADE FACILITATION**

The purpose of the sub-programme is to facilitate the import and export of animals, products of animal origin and related products through certification and health status.

### **SUB-PROGRAMME 4.3: VETERINARY PUBLIC HEALTH**

The purpose of the sub-programme is to promote safety of meat and meat products.

### **SUB-PROGRAMME 4.4: VETERINARY DIAGNOSTICS SERVICES**

The purpose of the sub-programme is to provide veterinary diagnostics and investigative services that support and promote animal health and production towards the provision of safe food.

### **SUB-PROGRAMME 4.5: VETERINARY TECHNICAL SUPPORT SERVICES**

The purpose of this sub-programme is to provide veterinary ancillary support service that addresses and promotes the welfare of animals, animal identification and advisory services.

Outcomes, outputs, output indicators, targets and actual achievements

Sub-programme 4.1: Animal Health								
Outcomes/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Increased participation of producers in the integrated value chain	Biosecurity policies and strategies strengthened	4.1.1 Number of samples collected for targeted animal disease surveillance	-	2 696	5 032	7 445	+2 013	More samples were collected for targeted animal disease surveillance in response to FMD outbreak in order to decrease the outbreak and reduce the disease management area
		4.1.2 Number of visits to epidemiological units for veterinary interventions	7 839	6 740	15 200	11 111	-4 089	Less epidemiological units visited as officials focused on the response to the FMD outbreak. Officials were released from their wards to assist in Vhembe and Mopani District
Increased participation of producers in the integrated value chain	Improved animal herd Health	4.1.3. Number of dipping sessions on communal cattle	2 722	1 717	2 000	3 149	+1 149	More dipping sessions were conducted in due to negative cases of FMD and in response to higher than anticipated tick load after good rains
		4.1.4 Number of FMD vaccination sessions conducted	196	227	222	406	+184	More FMD vaccination sessions conducted in response to outbreak control

Sub-programme 4.2: Veterinary International Trade Facilitation								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Increased participation of producers in the integrated value chain	Biosecurity policies and strategies strengthened	4.2.1 Number of veterinary certificates issued for export facilitation	898	917	1 000	1 329	+329	More export certificates issued especially for wildlife trophies following the hunting season

Sub-programme 4.3: Veterinary Public Health								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Increased primary production	Reduce level of risks associated with food	4.3.1 Number of inspections conducted on facilities producing meat	-	460	480	528	+48	More inspections were conducted on facilities processing meat especially at abattoirs slaughtering cattle from FMD
		4.3.2 Average percentage of compliance of all operating abattoirs in the Province to the meat safety legislation	75%	80.74	60%	71.75%	+11.75%	Intensified advice as a result of follow up inspections to ensure implantation of advices given to the abattoirs, resulted in higher compliance

Sub-programme 4.4: Veterinary Diagnostics Services								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Increased primary production	Reduce level of risks associated with food	4.4.1 Number of laboratory tests performed according to approved standards	29 525	35 489	30 000	49 604	+19 604	More tests were required due to increased requests for buffalo movements from external clients

Sub-programme 4.5: Veterinary Technical Support Services								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Increased primary production	Address and promotes the welfare of animals, animal identification and advisory services	4.5.1 Number of Performing Animals Protection Act (PAPA) registration licenses issued.	-	5	4	7	+3	More applications received than anticipated

**Strategy to overcome areas of under performance**

*Indicator Number 4.1.2 Number of visits to epidemiological units for veterinary interventions.*

Strategy to overcome under performance: The Department will improve on planning to combat the outbreak of any disease by ensuring that other services do not suffer as a result of an outbreak in one area. The Department will through Veterinary team increase surveillance of other diseases such as Brucellosis and Bovine Tuberculosis by all veterinary officials. All cattle in the FMD control zones are ear tagged with RFID (Radio-Frequency Identification) tags through the Livestock Identification and Traceability System of South Africa and Engagement of the communities and stakeholders bordering the Kruger National Park to ensure the integrity of the buffalo proofed fences, stock theft and illegal cattle movement out of the protection zone.

**Linking performance with budget**

The Programme Veterinary Services is mainly preventative and has surveillance, movement control, vaccination and dipping as main activities. The budget allocated to the programme enabled the Department to service clients, mainly livestock owners in communal areas, and the services were mostly through the Primary Animal Healthcare and Vaccination programmes. Underspending of the budget was mainly due non-delivery of suppliers.

Veterinary Services	2022/23				2021/22		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	
<b>Animal Health Services</b>	<b>214,150</b>	<b>199,128</b>	<b>15,022</b>	<b>90,373</b>	<b>90,373</b>	<b>-</b>	
<b>Veterinary Public Health</b>	<b>8,750</b>	<b>8,750</b>	<b>-</b>	<b>9,680</b>	<b>9,680</b>	<b>-</b>	
<b>Veterinary Diagnostic Services</b>	<b>13,304</b>	<b>13,304</b>	<b>-</b>	<b>11,735</b>	<b>11,735</b>	<b>-</b>	
<b>Total</b>	<b>236,204</b>	<b>221,182</b>	<b>15,022</b>	<b>111,788</b>	<b>111,788</b>	<b>-</b>	



**PROGRAMME 5: RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES**

The purpose of the programme is to provide expert, problem focused and client centric agricultural research, technology development and transfer impacting on development.

**SUB-PROGRAMME 5.1: AGRICULTURAL RESEARCH**

The purpose of the sub-programme is to improve agricultural production through conducting, facilitating, and coordinating research and technology development.

**SUB-PROGRAMME 5.2: TECHNOLOGY TRANSFER SERVICES**

The purpose of the sub-programme is to disseminate information on research and technology developed to clients, peers, scientific community, and relevant stakeholders.

**SUB-PROGRAMME 5.3: RESEARCH INFRASTRUCTURE SUPPORT SERVICES**

The purpose of this sub-programme is to manage and maintain research infrastructure facilities (research farms, laboratories) and provide support services to perform its research and technology transfer functions.

**Outcomes, outputs, output indicators, targets and actual achievements**

Sub-programme 5.1: Agricultural Research									
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	
Enhanced research and development	Research projects implemented	5.1.1 Number of research projects implemented to improve agricultural production	20	19	12	14	+2	Overachievement is due to continuous collaborative research with various institutions	

Sub-programme 5.2: Technology Transfer Services								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Enhanced research and development	Research results disseminated	5.2.1 Number of scientific papers published	10	14	6	17	+11	Overachievement is due to continuous collaborative research with various institutions.
		5.2.2 Number of research presentations made at peer review	0	10	8	17	+9	The Department received an invitation from SASAE for researchers to attend the conference and present their research findings and more abstracts were accepted by SASAE for presentation at their conference
	Demonstration trials conducted	5.2.3 Number of presentations made at technology transfer events	12	12	6	14	+8	The Department responded to more requests received from farmers and research partners to present on research conducted
		5.2.4 Number of new technologies developed for the smallholder producers	-	1	1	2	+1	Collaborative partnership and the service demanded by farmers led to an additional technology developed
		5.2.5 Number of demonstration trials conducted	17	10	7	7	None	None

Sub-Programme 5.3: Research Infrastructure Support Services								
Outcomes/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Enhanced research and development	Research infrastructure managed	5.3.1 Number of research infrastructure managed	7	2	2	2	None	None

**Strategy to overcome areas of under performance**

Programme 5: Research and Technology Development Services has 7 Output indicators. The programme achieved 7 indicators, thus being 100% achievement.

Linking performance with budget

Through the budget allocation to Research and Technology Development, the Programme endeavoured to conduct quality research for production of useful knowledge and technologies as demanded by the agriculture sector in the province. Knowledge and technologies from the research were shared with targeted clients and stakeholders through various platforms. The research included projects conducted solely by the Department and those conducted in collaboration with partners, hence the achievement of targets even though the budget was not fully spent. The under-spending of budget was mainly due to poor contractor performance.

Technology Research and Development	2022/23		2021/22		(Over)/Under Expenditure R'000
	Final Appropriation R'000	Actual Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	
Research Services	78,520	77,749	54,898	54,898	-
Infrastructure Support Services	-	-	-	-	-
Total	78,520	77,749	54,898	54,898	-

**PROGRAMME 6: AGRICULTURAL ECONOMIC SERVICES**

The purpose of the sub-programme is to provide timely and relevant agricultural economic services to ensure equitable participation in the economy.

**SUB-PROGRAMME 6.1 PRODUCTION ECONOMICS AND MARKETING SUPPORT**

The purpose of the sub-programme is to provide production economics and marketing services to agri-businesses.

**SUB-PROGRAMME 6.2: AGRO-PROCESSING SUPPORT**

The purpose of the sub-programme is to facilitate agro-processing initiatives to ensure participation in the value chain.

**SUB-PROGRAMME 6.3: MACROECONOMICS SUPPORT**

The purpose of the sub-programme to provide economic and statistical information on the performance of the agricultural sector to inform planning and decision-making.

**Outcomes, outputs, output indicators, targets and actual achievements**

Sub-Programme 6.1: Production Economics and Marketing Support								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Increased participation of producers in the integrated value chain	Agri-businesses supported with market access	6.1.1 Number of agribusinesses supported with marketing services	102	162	150	178	+28	More farmers were assisted with market access as their production was in line with market demand
		6.1.2 Number of clients supported with production economic services	2 363	2 921	2 500	4 066	+1 566	Additional clients were supported with production economic services in line with the Farmer Support Policy

Sub-Programme 6.1: Production Economics and Marketing Support								
Outcomes/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Agri-businesses supported with Black Economic Empowerment (BEE)	6.1.3 Number of agri-business supported with Black Economic Empowerment advisory services	-	2	3	3	None	None

Sub-Programme 6.2: Agro-Processing Support								
Outcomes/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Increased participation of producers in the integrated value chain	Agri-businesses supported	6.2.1 Number of agri-businesses supported with agro-processing initiatives	3	3	1	1	None	None



Sub-Programme 6.3: Macroeconomic Support								
Outcomes/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Increased participation of producers in the integrated value chain	Economic reports	6.3.1 Number of economic reports compiled	36	62	35	46	+11	Additional industry reports on statistics and production economics were compiled for information sharing for decision-making

**Strategy to overcome areas of under performance**

Programme 6: Agricultural Economic Services has 5 Performance Indicators and has achieved 100%.

Linking performance with budget

The budget allocated to Agricultural Economic Services enabled the Programme to achieve its mandate of to provide timely and relevant agricultural economic services to ensure equitable participation in the economy. Progress was made on the broadening of black Agribusinesses' participation in the mainstream value chain through the facilitation of market access, agro-processing initiatives and the implementation of the Revitalization of Agriculture, Agro-processing and Value Chain (RAAVC) Plan. Anchor projects within the RAAVC Plan, which include Zebediela Citrus Estate, MajejeCitrus, Tafelkop Farmers Association and Tshilwabusiku Secondary Cooperative, are implemented as multi-year projects. ZebedielaCitrus Estate is being supported to develop a Master Plan, being informed by a hydrological assessment, to unlock new sustainable enterprises whilst sustaining existing enterprises. The Majeje project entails the establishment of 450 hectares of citrus orchards. The Tafelkop Farmers Association is supported with the establishment of irrigation infrastructure and infrastructure to meet SAGAP market certification requirements. The farmers of Tshilwabusiku Secondary Cooperative are supported with irrigation infrastructure and on-site packing shed. These initiatives are geared towards job creation and contribute to economic growth, being catalytic projects of significant scale and scope that will make a substantial impact and contribution to sustainable development and economic growth in the Province.

Agricultural Economics	2022/23				2021/22		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	
Production Economics & Marketing	32,537	32,476	61	13,984	13,984	-	
Agro-Processing support	3,404	3,343	61	5,082	5,082	-	
<b>Total</b>	<b>35,941</b>	<b>35,819</b>	<b>122</b>	<b>19,066</b>	<b>19,066</b>	<b>-</b>	

### PROGRAMME 7: AGRICULTURAL EDUCATION AND TRAINING

The purpose of the programme is to provide and facilitate structured and vocational agricultural education and training to establish a knowledgeable, prosperous and competitive sector.

#### SUB-PROGRAMME 7.1: HIGHER EDUCATION AND TRAINING

The purpose of the sub-programme is to provide and facilitate accredited vocational agricultural qualification.

#### SUB-PROGRAMME 7.2: AGRICULTURAL SKILLS DEVELOPMENT

The purpose of the sub-programme is to provide and facilitate formal and non-formal agricultural skills development through structured vocational education and training programmes.

#### Outcomes, outputs, output indicators, targets and actual achievements

Sub-Programme 7.1: Higher Education and Training									
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	
Increased skills base of the agricultural sector	Skilled participants and employable graduates in the sector	7.1.1 Number of students graduated with agricultural qualification	61	115	80	102	+22	Students who could not complete their studies within the stipulated time had to carry over their studies	

Sub-Programme 7.2: Agricultural Skills Development								
Outcome/s	Output/s	Output Indicator/s	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Increased skills base of the agricultural sector	Skilled Producers	7.2.1 Number of participants trained in skills development programmes in the sector.	224	404	400	438	+38	Additional training sessions were conducted on site in response to request from farmers

**Strategy to overcome areas of under performance**

Programme 7: Agriculture Education and Training has 2 Output Indicators. The Programme achieved 2 Indicators, thus being 100% achievement. Linking performance with budget

The budget allocation for the Programme Agricultural Education and Training contributed to increasing the skills base of the agricultural sector through both the diploma and the skills programmes offered by the two Colleges of Agriculture. The skills base to which the two institutions contributed are important for improved performance of the agricultural sector with the resultant promotion of food security, economic growth and job creation. The under-spending of the budget was mainly attributable to contractor response where some contractors declined offers because of price escalations (e.g. computer laboratory), while others accepted but failed to deliver. The issue of funded posts that were not yet filled also contributed.

Structured Agricultural Education & Training	2022/23		2021/22		(Over)/Under Expenditure R'000
	Final Appropriation R'000	Actual Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	
Higher Education and Training	143,225	131,620	115,150	113,950	1,200
Agriculture Skills Development	206	206	841	841	-
<b>Total</b>	<b>143,431</b>	<b>131,826</b>	<b>115,991</b>	<b>114,791</b>	<b>1,200</b>

**5. TRANSFER PAYMENTS**

**5.1 Transfer payments to Public Entities**

In the year under review the LDARD did not have a gazetted Public Entity, thus no transfer payments were made.

**5.2 Transfer payments to all organizations other than Public Entities**

In the year under review the LDARD did not transfer payments to organisations.

**6. CONDITIONAL GRANTS**

**6.1 Conditional grants and earmarked funds received**

The Department received the following conditional grants to assist in the achievement of the departmental priorities:

- Comprehensive Agricultural Support Programme (CASP);
- Ilima/Letsema;
- LandCare; and
- Expanded Public Works Programme.

**Comprehensive Agricultural Support Programme**

<b>Department who transferred the grant</b>	Department of Agriculture Land Reform and Rural Development
<b>Purpose of the grant</b>	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform, restitution and redistribution and other producers who have acquired land through private means and are engaged in value adding enterprises
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• 24 Projects with 342 beneficiaries</li> <li>• 120 Unemployed agricultural graduates placed on farms</li> <li>• 950 Farmers trained through CASP.</li> <li>• Improved capacity of Extension Officers to support farmers with agricultural advice through maintaining salaries of 72 Extension Officers, purchase 92 laptops, 734 smartpens subscriptions maintained, and develop skills of 300 extension officers</li> <li>• Upgrading two Colleges of Agriculture by rehabilitating existing buildings and construction of new buildings.</li> <li>• 16 projects received knowledge and skills through mentorship programmes.</li> <li>• 8 projects implemented at Tompi Seleka and Madzivhandila Colleges of Agriculture</li> </ul>



<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>• Support provided to 323 smallholders on on-farm infrastructure.</li> <li>• 1 359 farmers trained through CASP.</li> <li>• 14 projects were supported with infrastructure and 235 beneficiaries.</li> <li>• 406 vaccination sessions conducted.</li> <li>• 260 jobs created.</li> <li>• Purchase 97 laptops</li> <li>• 3 projects received knowledge and skills through mentorship programmes.</li> <li>• 120 unemployed graduates placed on commercial enterprises for potential skills transfer.</li> <li>• 72 Extension Officer salaries paid and maintained in the system</li> <li>• 1 project implemented at Tompi Seleka College of Agriculture</li> </ul>
<b>Amount per amended Division of Revenue Act (DORA)</b>	R 237 816 000
<b>Amount received</b>	R 237 816 000
<b>Reasons if amount as per DORA was not received.</b>	N/A
<b>Amount spent by the Department</b>	R 219 758 000
<b>Reasons for the funds unspent by the Department</b>	<ul style="list-style-type: none"> <li>• Total amount of R 18 058 000 not spent.</li> <li>• An amount of R 25 067 000 is requested for roll over</li> <li>• The reasons for funds unspent are reflected below</li> </ul>
<b>Reasons for deviations on performance</b>	<ul style="list-style-type: none"> <li>• Delayed delivery of laptops by the service provider.</li> </ul>
<b>Measures taken to improve performance</b>	Expenditure catch up plan was developed and monitored on weekly basis to track expenditure trend. Consultations were conducted with poor performing service providers and implementing agents to fast-track performance on site
<b>Monitoring mechanism by the receiving Department</b>	The conditional grant Quarterly Review Meetings were held to monitor grant performance and implementation. Reports were compiled on a monthly and quarterly basis to present on the utilisation of the grant

ILIMA/ LETSEMA

<b>Department who transferred the grant</b>	Department of Agriculture Land Reform and Rural Development
<b>Purpose of the grant</b>	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• 7 945 hectares</li> <li>• 4154 work opportunities created (permanent 1514 and temporary 2640)</li> <li>• 5200 households; 30 schools gardens and 15 Communal food gardens and 34 micro enterprise projects supported.</li> <li>• 8464 Subsistence farmers</li> <li>• 913 Smallholder farmers</li> <li>• 139 Projects</li> </ul>
<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>• 0 ha</li> <li>• 7783 work opportunities were created</li> <li>• 2712 households; 43 school gardens and 23 Communal food gardens and 45 Micro enterprise projects were supported with inputs</li> <li>• 11 476 Subsistence farmers were supported</li> <li>• 1 869 Smallholder farmers were supported</li> <li>• 84 projects supported</li> </ul>
<b>Amount per amended Division of Revenue Act (DORA)</b>	None
<b>Amount received</b>	R 75 333 000,00 plus the R 1 489 250,00 rollover. The total received is R 76 822 250,00
<b>Reasons if amount as per DORA was not received</b>	N/A
<b>Amount spent by the Department</b>	R 67 017 453,00. This translate to 87,24% of the transferred funds.
<b>Reasons for the funds unspent by the Department</b>	At the end of the financial year there was a total commitment of R 11 197 327,17. Of this amount, a total of R 6 462 175 was committed with actual purchase orders issued to the various service providers.
<b>Reasons for deviations on performance</b>	<p>For this amount the Department has requested a Roll over of these funds in order to pay all service providers who were issued with purchase orders to deliver various production inputs.</p> <p>The challenges experienced with the escalation of prices for various production inputs, notably fertilizers led to reduction in the support that was intended for the farmers. There were other challenges posed by seeds &amp; seedling contract which made it difficult to procure the inputs in the shortest possible time.</p>

<b>Measures taken to improve performance</b>	<p>The challenges experienced with the escalation of prices for various production inputs, notably fertilizers led to reduction in the support that was intended for the farmers.</p> <p>There were other challenges posed by seeds and seedling contract which made it difficult to procure the inputs in the shortest possible time.</p>
<b>Monitoring mechanism by the receiving Department</b>	<p>The department negotiated with the various contractors notably for seeds and seedlings and fertilizer contractors to deliver despite the challenges they were facing for increased prices. The Department made them realise that it is better to receive a reduced profit than no profit at all.</p> <p>The Department further embarked on constant engagements with all contracted service providers to assist in clearing any concerns that the contractors had and, in this way, it was possible to persuade them to continue rendering services.</p>
<b>Monitoring mechanism by the receiving Department</b>	<p>The grant was monitored through the submission of Monthly financial reports and quarterly financial and non-financial reports to the National Transferring Officer. The conditional grant was also monitored through the Quarterly Review Meeting which was held only once during the year under review for Q1 and Q2.</p> <p>The grant was further monitored by the Provincial office through project implementation progress reports compiled and submitted by the districts. The Provincial officials visited some projects in two districts for monitoring the support provided. The officials at local level monitored projects on an ongoing basis.</p>

## LANDCARE

<b>Department who transferred the grant</b>	Department of Agriculture, Land Reform and Rural Development
<b>Purpose of the grant</b>	To optimise productivity and sustainability of natural resources resulting in greater productivity, food security, job creation and a better quality of life for all
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• Ha of land where weeds and invader plants are under control: 391</li> <li>• Ha of land under the system of conservation agriculture: 500</li> <li>• Number of water resources developed or protected against over utilisation: 6</li> <li>• Number of youths successfully attending Junior LandCare initiatives: 450</li> <li>• Number of green jobs created: 208</li> <li>• Number of people more aware of sustainable use of natural agricultural resources: 1540</li> <li>• Number of people benefited from capacity building initiatives: 669</li> <li>• Kilometers of fence erected: 22</li> <li>• Ha land rehabilitated: 4</li> </ul>
<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>• Ha of land where weeds and invader plants are under control: 721</li> <li>• Ha of land under the system of conservation agriculture: 43</li> <li>• Number of 6 water resources developed protected against over utilisation: 6</li> <li>• Number of youths successfully attending Junior LandCare initiatives: 869</li> <li>• Number of green jobs created: 255</li> </ul>

	<ul style="list-style-type: none"> <li>• Number of people more aware of sustainable use of natural agricultural resources: 3561</li> <li>• Number of people benefited from capacity building initiatives: 802</li> <li>• Kilometers of fence erected: 30</li> <li>• Ha land rehabilitated: 4</li> </ul>
<b>Amount per amended Division of Revenue Act (DORA)</b>	13 303
<b>Amount received</b>	13 303
<b>Reasons if amount as per DORA was not received</b>	N/A
<b>Amount spent by the Department</b>	12 133
<b>Reasons for the funds unspent by the Department</b>	Late approval and changes on approved conditions of the Business Plan by DALRRD. Delays in ordering and supply of fencing material. Non-response by the bidders for training of beneficiaries
<b>Reasons for deviations on performance</b>	N/A
<b>Measures taken to improve performance</b>	Have and use term contract for major activities
<b>Monitoring mechanism by the receiving Department</b>	Physical visits to the projects. Monthly financial reports. Quarterly activity reports. On-going communications by emails and telephonically.

#### EXPANDED PUBLIC WORKS PROGRAMME

<b>Department who transferred the grant</b>	National Department of Public Works and Infrastructure
<b>Purpose of the grant</b>	To provide EPWP funding to expand job creation efforts in the environment and culture sector where labour intensive delivery methods of goods and services can be maximise and the expansion of job creation in line with EPWP guidelines.
<b>Expected outputs of the grant</b>	2 600 green jobs created in the agricultural sector
<b>Actual outputs achieved</b>	2 733 green jobs created
<b>Amount per amended Dora</b>	10361
<b>Amount received</b>	10 361
<b>Reasons if amount as per DORA was not received</b>	N/A
<b>Amount spent by the Department</b>	10 072
<b>Reasons for the funds unspent by the entity</b>	The training budget was not used due to unavailability of accredited training provider.
<b>Reasons for deviations on performance</b>	N/A
<b>Measures taken to improve performance</b>	<ul style="list-style-type: none"> <li>• Recruitment of 6 data capturers on contract</li> <li>• Encouraged early start of projects</li> </ul>



**Monitoring mechanism by the receiving department**

- IYM reports
- Quarterly evaluation reports
- Physical site inspections
- Registers (time sheets and payments registers)

**7. DONOR FUNDS**

**7.1 Donor funds received**

The Department did not receive any donor funding during the year.





## 8. CAPITAL INVESTMENT

### 8.1 Capital investment, maintenance, and asset management plan

The Department managed to complete 34 infrastructure projects to the value of R40 million.

PROJECT NUMBER	PROJECT NAME	DISTRICT	2022/23
1.	Ga-Kgatta	Capricorn District	R 12 773 962,88
2.	GRASP 5 Nthhouse Projects (Moraddu , Vuxuka, Rayaya Farms)	Mopani District	R 822 083,33
3.	Madzivhandila Agro Process	Vhembe District	R 3 281 450,35
4.	Maponya Agricultural Project	Capricorn District	R 1 052 619,30
5.	Molemole Office Building	Capricorn District	R 36 062 856,53
6.	North Elephant Farming Pty Ltd	Mopani District	R 4 795 722,99
7.	Rebo Chicks	Capricorn District	R 1 092 353,76
8.	Sekgale Project Borehole	Sekhukhune District	R 773 799,50
9.	Seda Agric Primary Co-Operative	Mopani District	R 3 396 297,65
10.	Ahitirheni Agric Coop	Mopani District	R 1 363 667,20
11.	A 1000 Layer House	Capricorn District	R 429 922,44
12.	Kgapane Fresh Produce	Sekhukhune District	R 985 050,18
13.	Lavdrador Project	Capricorn District	R 293 494,95
14.	Mabodyane Fres Produce Co-Op	Mopani District	R 4 246 586,90
15.	Mamatsekane Project Borehole	Sekhukhune District	R 440 478,20
16.	Maponya Farm Packing House	Capricorn District	R 175 455,00
17.	Raleputso	Mopani District	R 5 763 007,59
18.	Uitkyk Project	Sekhukhune District	R 468 659,28
19.	Risana Borehole	Mopani District	R 1 332 208,58

PROJECT NUMBER	PROJECT NAME	DISTRICT	2022/23
20.	Zebediela	Capricorn District	R 1 943 937,89
21.	Borehole Harry Oppenheimer	Capricorn District	R 335 978,25
22.	MankobaneNgreen Project	Sekhukhune District	R 193 160,20
23.	Mokete Farming	Sekhukhune District	R 601 247,10
24.	Borehole At Makhamotse Trust Project	Capricorn District	R 361 157,50
25.	Tsedu Farm Project (Tshilwavhusiku Vegetables)	Vhembe District	R 251 321,00
26.	Vhumatshelo Farm Project (Tshilwavhusiku Vegetables)	Vhembe District	R 259 658,50
27.	Moletji-Matlala Service Centre	Capricorn District	R 225 034,40
28.	Makhamotse	Capricorn District	R 326 203,20
29.	Tafelkop Panel Pit Toilet	Sekhukhune District	R 921 713,75
30.	Grasp 4 (Mongwe, Rikhotso, Madanda)	Mopani District	R 946 100,11
31.	Mralej	Capricorn District	R 420 130,66
32.	Nsete Primary Co-Operative	Capricorn District	90 215,00
33.	Rainhall Enterprise	Capricorn District	R 645 827,20
34.	Makhado Vetenerary Borehole	Vhembe District	308 280,00
	<b>TOTAL</b>		<b>R39 855 335,78</b>

The following project are still in progress to be completed during 2022/23 and beyond: R156m

The Department has 88 projects which are still in progress to the value of R156 million.

Project Number	Project Name	District	TOTAL Planned Budget
1	6 Storey	Sekhukhune District	R 21 947 335,14
2	Animal Handling Facilities	Vhembe District	R 974 400,00
3	Animal Handling Facilities	Waterberg District	R 312 297,43
4	College Building Maintenance	Sekhukhune District	R 849 437,10
5	Exilite 499cc	Mopani District	R 174 375,00
6	Immerpan Farms	Waterberg District	R 1 330 134,82
7	Lesudi	Capricorn District	R 723 325,35
8	Madzivhandilabuilding fence	Vhembe District	R 3 999 475,66
9	Maintenance of office buildings	Sekhukhune District	R 1 409 218,78
10	Malemela Peba	Mopani District	R 10 313,20
11	Mazeli Farming and Projects	Capricorn District	R 4 877 259,95
12	Mogalatsane Irrigation Scheme	Sekhukhune District	R 18 590 240,02
13	Ngwanangoato Broiler	Sekhukhune District	R 128 535,00
14	Rahlagane Table Grape Phase 2	Sekhukhune District	R 880 039,56
15	RebanderAgribus. Primary Co-Op	Vhembe District	R 3 436 789,80
16	Red Meat - Immerpan Phase 1	Waterberg District	R 4 309 973,08
17	Red Meat - Immerpan Phase 2	Waterberg District	R 4 893 554,61
18	Red Meat Development Mokgalakwena	Waterberg District	R 2 700 950,36
19	Tompi Seleka Cluster 2 Mzana Hostel	Sekhukhune District	R 2 930 612,63
20	Tompi Seleka College Oxidation	Sekhukhune District	R 765 738,62

Project Number	Project Name	District	TOTAL Planned Budget
21	Tompi Seleka Mzana 2	Sekhukhune District	R 257 692,88
22	Marievert	Mopani District	R 334 530,94
23	Selamoolaand Sons	Capricorn District	R 576 144,30
24	Supply, delivery and offloading of Septic Tank Building Material Haartebeest	Mopani District	R 480 654,00
25	Red Line Houses	Mopani District	R 412 529,97
26	Drilling of N Borehole at MphelloItrireleng Community	Waterberg District	R 235 810,00
27	Drilling of N Borehole at Smashblock Village	Waterberg District	R 292 720,00
28	Drilling of Borehole at Phahlamanoge Village	Sekhukhune District	R 427 627,17
29	Bakone Ko Jeff	Waterberg District	R 840 707,55
30	Makome Farms	Mopani District	R 556 550,00
31	Manelaspruit	Mopani District	R 413 669,55
32	Shai Shai Farming	Mopani District	R 207 110,40
32	African Cattle	Waterberg District	R 1 396 632,33
33	Baletsi Estate Pty Ltd	Mopani District	R 318 205,00
34	Birds Poultry House Nemabaka	Vhembe District	R 341 600,00
35	Mantsho	Waterberg District	R 812 838,00
36	B&J Farming, Beracah ,Magalas Agric, Greentech Humdile , Random , Mokgama Farming Enterprise , KganeMasedi Farm Produce and Mashishi	Waterberg District	R 227 102,00
37	Ablution Facility Matlala Service Center	Capricorn District	R 180 236,70
38	Ga-Seroka Village Borehole	Sekhukhune District	R 104 489,00
39	Ditsebe Ngwana Mobu	Sekhukhune District	R 5 086 672,39

Project Number	Project Name	District	TOTAL Planned Budget
40	Gravellete Borehole	Mopani District	R 309 772,05
41	Hartebees Solar Power System	Mopani District	R 179 313,75
42	J Makhubele Trading Enterprise	Mopani District	R 3 698 286,59
43	Madzivhandila Library	Vhembe District	R 799 714,42
44	Magadima	Sekhukhune District	R 7 641 718,02
45	Makhuva Redline	Mopani District	R 353 616,38
46	Makhuvele Farm	Mopani District	R 235 180,00
47	Manobane Greenery Project	Sekhukhune District	R 581 760,57
48	Matlala service center Borehole	Capricorn District	R 113 045,00
49	Modimo/Mookgo and Bela Bela	Waterberg District	R 375 682,00
50	Mogalakwena SC	Waterberg District	R 217 005,00
51	NgwanalamolaNgwetsana	Sekhukhune District	R 175 589,50
52	Nsavulani Village	Mopani District	R 307 625,00
53	Seimela Piggery	Sekhukhune District	R 567 050,00
54	Mara Water Reticulation	Vhembe District	R 459 840,99
55	Mosengoana Trading	Capricorn District	R 3 869 692,21
56	Nkavele Redline houses	Vhembe District	R 1 316 202,02
57	Potato Belt Dev Gamolele West	Capricorn District	R 89 517,17
58	Potato Belt Dev Ga-Moleele	Capricorn District	R 2 103 081,96
59	Grass 2 Grace Project	Sekhukhune District	R 170 069,76
60	Kopano Disabled	Sekhukhune District	R 212 191,10



Project Number	Project Name	District	TOTAL Planned Budget
61	Magangeni Group	Mopani District	R 316 679,63
62	Makuwa	Sekhukhune District	R 299 943,00
63	Motlakamoshuma	Mopani District	R 473 274,82
64	Modimolle-Mookgopongand Mogalakwena Boreholes (Waterberg Planning)	Waterberg District	R 779 487,25
65	Spm Piggery at Matlala ALehwelere Village	Sekhukhune District	R 553 184,55
66	Grasp 6	Mopani District	R 820 239,80
67	Makiema Packhouse	Waterberg District	R 1 603 210,75
68	Mninginisi Block 3	Mopani District	R 339 189,04
69	Tafelkop	Sekhukhune District	R 29 281 185,52
70	Tshwale	Mopani District	R 67 275,00
71	Xihontlovila	Mopani District	R 368 391,86
72	Red Meat - Immerpan Phase 1	Waterberg District	R 385 005,62
73	Borehole Sekhukhune	Sekhukhune District	R 11 152,99
74	Borehole Sekhukhune	Sekhukhune District	R 24 666,28
75	Doornboom	Waterberg District	R 495 937,50
76	HunadiVrtivae Project	Sekhukhune District	R 121 198,50
77	JJ Makina Farm Tunnels	Waterberg District	R 773 857,75
78	Khoseni	Mopani District	R 293 330,22
79	Lema o Phele	Waterberg District	R 525 385,98
80	Mara Animal Handling Facilities	Vhembe District	R 148 209,88
81	Maswi Le Dinosi	Waterberg District	R 27 408,88

Project Number	Project Name	District	TOTAL Planned Budget
82	Matsika	Vhembe District	R 599 995,25
83	Precedential	Mopani District	R 686 984,22
84	Ramakeka Project	Waterberg District	R 20 681,95
85	Sekhukhune Fencing Project	Sekhukhune District	R 2 648 293,60
86	Tompi Seleka It and Security	Sekhukhune District	R 500 000,00
87	Vukhensas	Mopani District	R 169 222,50
88	Agrivillage Generator	Head Office	R 1 438 044,64
	TOTAL		R 156 294 918,76

**Plans to close down or down grade any Facilities:** The Department does not anticipate to close down or down-grade any facilities

**Progress made on Maintenance of Infrastructure:** The maintenance at Tompi Seleka College of Agriculture amounted to R6 927 534 for the financial year 2022/23

**Development relating to the above, that are expected to impact on the Department's current expenditure:** None as all multiyear projects have been budgeted over the MTEF period.

**Movable capital Assets**

The table below shows the status of the Department Capital Asset Register as at 31 March 2023

Row Labels	Count of Asset	Opening	Cost Additions	Cost Disposals	Cost Closing
Audio Visual Equipment	183	R4,774,926.99	R 0.00	R 0.00	R4,774,926.99
Computer Hardware & Systems	2818	R76,619,185.87	R124,365.00	0.00	R76,743,550.87
Construction & Maintenance Equip	9	R 14,618,993.10	R 0.00	R 0.00	R 14,618,993.10
Domestic Equipment	139	R 1,767,705.72	R 19,250.00	R 0.00	R 1,786,955.72
Domestic Furniture	37	R 383,646.23	R 0.00	R 0.00	R 383,646.23
Electronic Wire & Power Supply	39	R1,297,899.05	R429,243.50	R 0.00	R1,727,142.55
Farm/Agriculture Equipment	508	R46,350,155.78	R 838,670.74	R -1,395,949.99	R 45,792,876.53
Fix Individ&Movable Air Condit	31	R 270,771.771	R 0.00	R 0.00	R 270,771.77
Gardening Equipment	15	R679,256.04	R 0.00	R 0.00	R679,256.04
School Furniture	3	R28,428.51	R0,00	R 0.00	R28,428.51
Irrigation Equipment	4	R382,106.72	R 0.00	R 0.00	R382,106.72
Kitchen Appliances	23	R894,049.03	R29,800.00	R 0.00	R923,849.03
Lab Equipm: Agriculture	13	R 0.00	R 1,086,020.00	R 0.00	R 1,086,020.00
Laboratory Equipment	259	R10,346,769.29	R 0.00	R 0.00	R10,346,769.29
Library Material	5	R33,460.00	R0	R 0.00	R33,460.00

Row Labels	Count of Asset	Opening	Cost Additions	Cost Disposals	Cost Closing
Medical & Allied Equipment	2	R25,511.40	R 0.00	R 0.00	R25,511.40
Office Equipment	110	R1,854,600.73	R201,398.80	R 0.00	R2,055,999.53
Office Furniture	1349	R15,249,393.94	R 0.00	R 0.00	R15,249,393.94
Other Intangible Assets	12	R4,146,895.85	R 0.00	R 0.00	R 4,146,895.85
Photographic Equipment	32	R470,270.99	R 0.00	R 0.00	R470,270.99
Pump/Plumb/Purif/Sanit/Waste Eq	22	R1,061,711.23	R 0.00	R 0.00	R 1,061,711.23
Security Equipysystematerials: Fix	114	R11,088,258.97	R 0.00	R 0.00	R11,088,258.97
Sport & Recreation Equipment	9	R62,179.99	R 0.00	R 0.00	R62,179.99
Survey Equipment	109	R4,425,700.60	R 0.00	R 0.00	R4,425,700.60
TrspAcc&Trlrs	42	R3,149,376.29	R 0.00	R 0.00	R3,149,376.29
Transport Assets	279	R 75,778,129.96	R6,389,525.35	R 0.00	R82,167,655.31
Workshop Equipment & Tools	76	R1,656,641.64	R 10,180.00	R 0.00	R1,666,821.64
Grand Total	6242	R277,416,025.69	R9,128,453.39	R-9,128,453.39	R285,148,529.09

The following has been undertaken to ensure that the Capital Asset Register remain up to date for 2022/23 financial year :

- Conducted two asset verification exercises
- Disposed 5 assets through transfers to the value of R775 000 and 1 asset through donation to the value of R621 thousand.
- Donations recorded on the asset register to the value of R1498 000.

#### The current State of Departmental Capital Assets

Status Code	Status Description	Number	Value R'000
0	Not Assessed	88	R12 350
1	Very Good	317	R21 218
2	Good	4175	R194 167
3	Fair	1186	R44 087
4	Poor	316	R10 022
5	Scrap	160	R3 304

#### Major Maintenance Projects that have been undertaken during the period under review

Infrastructure Projects	2022/2023			2021/2022		
	Final Appropriation R'000	Actual Expenditure R'000	(Over) / Unders Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over) / Unders Expenditure R'000
New and replacement assets	18 847	7 788	11 059	7 971	10 237	2 266
Existing infrastructure assets	-	-	-	-	-	-
Upgrades and addition	125 570	114 203	11 367	61 224	39 926	21 298
Rehabilitation, Renovations and refurbishments	15 350	2 363	12 987	16 000	21 410	(5 410)
Maintenance and repairs	7 791	6 182	1 609	3 807	1 579	2 228
<b>Infrastructure transfers</b>	<b>13 130</b>	<b>13 130</b>	-	-	-	-
Current	6 430	6 430	-	-	-	-
Capital	6 700	6 700	-	-	-	-
Non infrastructure	12 239	10 604	1 635	-	-	-

The Department does not have maintenance backlog during the period under review.





**LIMPOPO**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
**AGRICULTURE AND RURAL DEVELOPMENT**

# PART C

## GOVERNANCE

**ANNUAL REPORT  
2022/23 FINANCIAL YEAR**



## 1. INTRODUCTION

The Department ensures that there are effective and efficient controls systems by maintaining financial and operational systems of internal control. An implementation of an effective compliance management system to address the issues of noncompliance and monitor compliance with laws and regulations is done on a regular basis.

## 2. RISK MANAGEMENT

The Department Risk Management Strategy is in place and is reviewed on an annual basis. The strategy is driving the approach of recognising that areas of high risk are identified, and appropriate remedial actions are considered in reduction of risk exposures to an acceptable level. The Strategy creates an environment that adds value to ongoing service delivery activities.

The Department is in compliance with the prescribed statutory legislations to ensure that there is an effective integrated risk management, risk assessments are conducted on regular basis to identify, evaluate potential emerging threats that negatively impact on the achievement of departmental outcomes. The risk profile is developed to monitor the effectiveness of the mitigation strategies in addressing the identified risks exposures aligned to the risk appetite and tolerance levels.

The Department has appointed independent Chairperson to provide oversight on the effectiveness of the risk management processes. The Risk Management Committee meetings are well attended by the Committee members and the meetings are convened on quarterly basis as per the approved Risk Management Committee schedule. The Committee interrogates the risk management reports, provides inputs on the risk movement and the implementation of mitigation strategies progress. The Risk Management Committee recommendations includes strengthening measures for the risks with high residual exposures ratings. The Independent Chairperson of the departmental Risk Committee compile report to the Accounting Officer regarding management report, deviations if there are any and concerns raised by the Internal Audit or the External Auditors.

The Risk Management processes are annually reviewed by the Provincial Treasury, Internal Audit and AGSA to provide assurance on the effectiveness risk management implementation processes. The Risk management reports are tabled at the Audit Committee (AC) for recommendations and improvement. Accounting Officer and Executive Authority (EA) are provided with regular feedback reports on the adequacy and effectiveness of risk management in the Department.

The Department prioritised risks are managed effectively with identified mitigation strategies to proactively reduce the risks to acceptable level. The Internal controls are in place and adequate to address potential emerging threats that impact the business continuity and achievements of the department's outcomes.

The overall status of the risks register is 94% in progress of mitigation strategies implemented, the achievement of the targets are aligned to the Departmental performance key indicators. The positive risk register movement has directly improved the Departments performance by reducing the level of the negative impacting contributing factors to the outcomes.

The Table below breaks down the departmental risk register into the various levels of risks and matches the relevant action plans that management perceived to strengthen the control environment.

Departmental identified Risk Category Profile 2022/23FY	Risk Magnitude	No. of risks Identified	No. of Agreed Mitigation measures	No. of mitigation measures implemented as at 31 March 2023	No. of mitigation measures still in progress as at 31 March 2023
Strategic risk (06)	High	10	35	33	03
Operational risk (34)	Medium	21	112	108	04
	Low	09	24	22	02
		<b>40</b>	<b>171</b>	<b>162</b>	<b>09</b>

The Department has put in place adequate mitigation strategies to manage unforeseen threat exposures that emanate from external contributing factors i.e. Unpredictable Climate Change. Mitigation Strategies identified to address the unpredictable climate change exposures are implementation of Agricultural Comprehensive Disaster Plan, Promote and support efficient water use programmes in agriculture and regular issue of Disaster Management Early Warning Report. The risk residual exposures are within the acceptable level to date.

### 3. FRAUD AND CORRUPTION

The departmental Fraud Prevention Plan is used to introduce mechanisms to prevent unethical activities, such as Fraud and Corruption. Employees, stakeholders and Service Providers are encouraged to report any malpractice. As a preventative measure, employees are expected to disclose their interests, recruits are screened prior to their appointment and Strategic Service Providers are vetted by South African Security Agency (SSA) and all newly appointed SMS are vetted. The Department has structural Strategy whereby, competent investigators, Ethics Officers and Ethics Committee members are appointed by the Accounting Officer.

Cases are reported anonymously, as the Department has a Whistle Blowing Policy in place. Incidents may be reported by anyone in the Department or members of the public, National Anti- Corruption Hotline(NACH) cases and Public Service Commission (PSC) cases.

Cases are referred to Labour Relations for Corrective measures and Consequence Management. Criminal conducts are referred to South African Police Services (SAPS) for criminal investigation and possible prosecution.

#### 4. MINIMISING CONFLICT OF INTEREST

The Department adopted the Code of Conduct in the Public Service, prescribed by the Minister of the Public Service and Administration. Chapter 2, Part 1 of the Public Service Regulations, 2016 as amended addresses the employee behavior in the workplace and encourages the employee to report any maladministration and corrupt activities. The Code guides the Department's determination to uphold the strong ethics and integrity and the eradication of corruption as part of the governance framework, which is fundamental to good organizational performance.

The Code of Conduct is enforced through the application of the existing departmental Remuneration of Work Outside the Public Service (RWOPS) Circulars and policy documents on risk management, risk controls and fraud and corruption. During the year under review the Department received 35 RWOPS applications. All applications were assessed by the departmental Ethics Committee. Out of 35 applications 30 applications were approved, which translate to 85.71%, and 05 applications were declined, which is 14.29%. Of the 05 applications that were declined, the Ethics Committee determined possible conflict of interest on 02 applications while the remaining 03 was due to several reasons, for example incomplete information in the application. In the event of conflict of interest being detected, the Department implements labour relation process, through consequence management and investigation of cases.

#### 5. CODE OF CONDUCT

The Department is adhering to the Public Service's Code of Conduct and Service Charter. These guiding documents are applicable to all employees, read in conjunction with Chapter 7 of the SMS Handbook which is relevant to SMS members. New employees attend an orientation and induction course which covers the Public Service's Code of Conduct and Disciplinary Procedures. In the event of a breach of the Code of Conduct, disciplinary procedures are followed as prescribed.

During 2022/23 the Labour Relations Directorate received 13 misconduct cases:

- 09 cases were finalized
- 04 were not yet finalised, pending finalisation.

With regard to grievances, 19 grievances were received, of which 13 were finalised and 06 were not finalised or are still pending. Out of 15 arbitrations, 06 arbitrations finalized and 09 are not finalised or pending.

The finalisation of the misconduct and grievances cases within the prescribed timeframes remains a challenge to the Department. Cases are postponed due to ill health of role players and dates are rescheduled because of the unavailability of critical role players, i.e., chairpersons and representatives on the part of the employees.



Twelve training sessions on Employee Relations were conducted with departmental employees as the target group. Amongst others the following areas were covered: Code of Conduct, leakage of information, acts of misconduct, management of discipline, sexual harassment, grievance procedure and initiating and chairing of cases.

## 6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department continuously comply with the Occupational Health and Safety Act, 1993 and its regulations to maintain a healthy and safe working environment for all employees of the Department, the following programmes and interventions are implemented to achieve the following objectives:

- Wellness management programmes which include provision of Psychosocial Therapeutic Service are provided by Employee Assistance Programme (EAP) Professionals, Physical and Spiritual wellness programmes.
- Safety Health Environment, Risk and Quality management where workplace inspections and emergency evacuation drills are conducted on continuous basis. There are trained First Aiders and First Aid boxes clearly marked with appropriate signage for access and utilisation of emergency services.
- Health and productivity management integrated with Mental Health programmes.
- Human Immunodeficiency Virus, Tuberculosis, Sexual Transmitted Infections (STIs) Management including other communicable and non-communicable diseases to accelerate prevention and reduce new infections.
- Health and Wellness screenings (HIV and Eye Testing, STIs, Dental, High Blood Pressure, Diabetes, STI's, Cholesterol, Body Mass Index and Weight Circumference) are provided to provide proactive intervention programmes.
- Mainstreaming of Gender, youth, disability and elderly into the programmes and core mandates of the Department. Sexual Harassment is integrated through the implementation of the national policy guideline.

## 7. PORTFOLIO COMMITTEE

The following are activities of the Portfolio Committee for the 2022/23 financial year

- On the 19 April 2022, the Department briefed the Portfolio Committee on the 2022/21 Annual Report, 2021/22 Second and Third quarter APP reports and 2022/23 APP and Budget speech
- On the 06 May 2022, the Department briefed the Portfolio Committee on the following
  - 2021/22 fourth quarter APP report,
  - Progress on Norjax Tomato Paste project and Auditor General (AG) finding on the matter,
  - Alleged irregular appointment of Immaculate Security company,
  - Progress on action taken against officials who did business with the state emanating from SCOPA resolutions,
  - Material misstatements on financial statements as reported by the AG and
  - Inability to monitor internal leading to findings as reported by the AG
- On the 18 to 20 May 2022, the Portfolio Committee conducted an oversight visit to Dovheni Irrigation Schemes, Madzivhandila College, Matsika Banana Project, Foot and Mouth Disease redline zones and monitoring areas and Nwanedi Pack House
- On the 27 September 2022, the Department briefed the Portfolio Committee on the 2022/23 first quarter APP report and progress on the resolutions of the previous meetings.
- On the 28 October 2022, the Department briefed the Portfolio Committee on the 2021/22 Annual Report and progress on resolutions of the previous meetings



- On the 29 and 30 October 2022, the Portfolio Committee conducted an oversight visit to projects to Thabazimbi and Lephalale Agricultural Projects



## 8. SCOPA RESOLUTIONS

The Department appeared before Standing Committee on Public Accounts (SCOPA) hearing on 14 February 2023 and 24 April 2023 respectively to discuss questions for the 2021/2022 financial year audit report. The Department received 09 resolutions for 2019/2020 and 05 resolutions for 2020/2021 financial years of which progress report was submitted to Legislature on the 31 March 2023. Out of 38 resolutions from 2014/15 to 2018/19, the Department has implemented 31, which translates to 82%. Progress on the implementation of the resolutions is reflected in the Table below.

### Breakdown of the SCOPA resolutions

Resolution no.	Subject	Details	Response by the Department	Resolved yes/no
1.	Irregular expenditure	Executing Authority must conduct investigation into all allegations of financial misconduct committed by officials and act which is commensurate with the offence committed against responsible officials.	Eleven (11) cases are in progress and all cases have been investigated and served at Financial Misconduct Board (FMB). 04 Cases have been submitted to Provincial Treasury for condonation, 03 cases have been referred to Labour Relations for disciplinary process, 01 is still under investigation by Department of Public Works, Roads and Infrastructure(DPWRI) , 01 is under investigation by Forensic investigators and 01 is under assessment by Legal and Labour Sections.	Unresolved
2.	Stagnant in the audit outcomes	The Committee recommends that the Accounting Officer must develop a comprehensive plan to obtain a clean audit.	The outstanding resolution is in relation to an improvement in the audit outcome. The audit outcome improved from qualified opinion in 2016/17 to unqualified opinion in 2017/18. Although the Department has improved to unqualified the resolution required the Department to have a clean audit opinion and to date it had not been achieved due to findings on material statement.	
3.	Investigation	The Committee resolved that all departments which are conducting investigations must table the reports to the House	The EA has been requested to table the reports during one of the Legislature sittings	Unresolved





## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Table below reflects on the prior modification to Audit Reports:

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
N/A	N/A	N/A

## 10. INTERNAL CONTROL UNIT

The Internal Control and Compliance Unit ensures that there are effective and efficient systems of internal controls within the Department. The Directorate monitors and coordinates the departments general compliance with laws and regulations, coordinate monthly audit steering committee meetings to ensure that audit issues are discussed in detail with management and actions to address the issues raised are properly implemented. It coordinates external and internal audit activities, SCOPA reports and good working relations with auditors and to provide technical advice on policy reviews and legislation. The Unit maintains the loss register and serves as secretariat to the FMB which was established in 2016 to review all reported incidents of financial misconduct and losses suffered by the Department and recommend on remedial actions. 04 FMB meetings were held in 2022/2023. The Directorate also provides advisory services to management pertaining systems control services.

The table below reflect on the work performed by Internal Control Directorate during the year under review.

### Summary of Audit Findings

Focus Area	No of Audit Findings	No of findings resolved	In- Progress
1. Supply chain management	5	5	0
2. Corporate Services	2	2	0
3. Financial Accounting management	3	2	1
4. Policy Coordination	1	1	0
5. Information Technology	5	5	0
6. Systems Control	1	1	0
Total number of findings	17	16	1

The Explanation for the unresolved finding is as follows: -

Focus area	Explanations
Financial Accounting Management	Internal Control and Compliance Directorate is awaiting the review of the AFS to resolve the finding.

## 11. INTERNAL AUDIT AND AUDIT COMMITTEES

### 11.1 Key Activities and Objectives of the Audit Committee

The Audit Committee (AC) activities are outlined in the approved AC Charter which requires that an Annual Schedule must be finalised and approved as a guideline for the AC activities of that particular financial year. The AC has satisfactorily performed its mandate as enshrined in Sections 76 (4) (d) and 77 of the Public Finance Management Act (Act No. 1 of 1999) read in conjunction with Treasury Regulations 3.1 which states that AC must, amongst others, review the following:

- i. the effectiveness of the internal control systems;
- ii. the effectiveness of the internal audit function;
- iii. the risk areas of the institution's operations to be covered in the scope of internal and external audits;
- iv. the adequacy, reliability and accuracy of the financial information provided to management and other users of such information;
- v. any accounting and auditing concerns identified as a result of internal and external audits;
- vi. the institution's compliance with legal and regulatory provisions; and
- vii. the activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations.

### 11.2 Impact of COVID-19 on Audit Committee Activities

COVID-19 posed a serious threat to humanity, however the work of the AC has partly benefitted from the proclamations made by the state that most of the meetings must be held virtually. The Provincial Accountant General's (PAG's) office has realised some savings within the budget of the AC. The savings were realised mainly from accommodation and travelling by the AC members because meetings were held virtually. Given the spirit of good governance, the impact of COVID-19 on the AC is felt on the sense that virtual meetings are not equipped with necessary tools to monitor efficient and effective participation of all the AC stakeholders. This becomes even difficult when one has to evaluate the work of the AC through National Treasury 360 Degree evaluation tool. However, the PAG's office has been active in ensuring that the AC remains a value adding tool as a critical oversight and governance structure.

There has been immense improvement in terms of connectivity as there were little interruptions resulting from network challenges as compared to the previous financial year. However, Load shedding remains a serious challenge as it briefly affects the network resulting in poor connectivity for a time being. In addition, the new cell phone contract came with serious improvements in terms of data allocation and connectivity to Microsoft Teams which remains free thus not affecting allocated data to officials rendering support to the work of AC.

### 11.3 Audit Committee Meetings

During the financial year 2022/2023, the AC met five (5) times to perform its roles and responsibilities as stipulated in the AC Charter. All the AC meetings have taken place as planned through 2022/2023 AC Annual Schedule. As resolved the during 2022 AC Annual Strategic Planning Workshop, briefing sessions between Members of Executive Council (MECs) and Cluster Chairpersons were held from 27 – 28 October 2022 and 10 November 2022. The briefing sessions were held virtually and afforded all the AC Chairpersons a slot with each MEC of the Department they serve to discuss all the pertinent issues affecting the Department. However, two (2) Centra Audit Committee (CAC) meetings were held



physically including the very last CAC held 07 December 2022 to bid farewell to the outgoing CAC and Cluster Chairpersons. A plan is in place to hold one of the Cluster AC meetings physically as part of strengthening oversight on the work of Departments by the ACs.

#### 11.4 2023 Audit Committee Annual Strategic Planning Workshop and Orientation Program

The 2023 AC Annual Strategic Planning Workshop was held face-to-face to discuss numerous issues affecting the work of the AC during 06 – 08 February 2023. The Strategic Planning workshop included an Orientation Program for all AC members to familiarise them to the Limpopo Provincial Government operations including taking them through what is expected from them as the newly appointed AC members in their respective roles. Departments were requested to prepare Presentations on their mandate to brief the newly appointed AC members. Honourable MEC for Treasury who was also Acting Premier presented to the workshop to outline the Executive Council (EXCO) expectations to the newly appointed AC members and made a commitment that the AC is enjoying unconditional support from EXCO.

In an effort to enhance and integrate risk-based audit approach, the Independent Risk Management Committee Chairpersons were represented by Chairperson of Cooperative Governance, Human Settlements and Traditional Affairs (COGHSTA) who presented the Overview of the Provincial Risk Management including progress made on the Provincial Risk Profile. The three (3) day workshop has resulted in the members taking a total of eight (8) resolutions coupled with thirty-eight (38) resolutions that were carried forward from the 2022 AC annual strategic planning workshop which makes up a total of forty-five (45) resolutions to be implemented by various AC stakeholders. Slow implementation of the AC resolutions remains a concern. Continued Professional Development (CPD Hours) item was rendered by the Institute of Internal Audit South Africa (IIASA) as required by best practices and the AC Charter that AC members must be provided with CPD hours. All the protocol documents such as the AC Charter, Internal Audit Charter, and Reporting Frameworks were reviewed and adopted during day two (2) of the workshop.

#### 11.5 CAC Chairperson Meetings

During the current financial year, the CAC Chairperson managed to attend only one (1) EXCO meeting during August 2022. Despite a need for the CAC Chairperson to attend such meetings, they are based on invite from EXCO Secretariat depending on issues being discussed. However, a great emphasis is made that the CAC Chairperson must be invited to attend EXCO at least quarterly to present CAC Reports detailing all the Clusters AC activities. Contradictory to the previous financial year wherein CAC Chairperson managed to attend three (3) HOD Forums, the CAC Chairperson was not able to attend any HOD Forum in the current financial year as no invite was extended to the Chairperson. Invitations to these structures are welcomed and strategic in nature as they provide an opportunity for the CAC Chairperson to interact with Executive Authorities and Accounting Officers of all the Departments. As per best practices and PFMA / Treasury Regulations provisions, the CAC Chairperson was part of the panellist for the appointment of the Chief Audit Executive (CAE) to head Shared Internal Audit Services (SIAS). Moreover, the CAC Chairperson was involved in the recruitment process of the newly appointed seventeen (17) AC Members.

#### 11.6 360 Degree Audit Committee Evaluation Feedback

National Treasury 360 Degree Evaluation tool was used to evaluate the work and performance of the AC. The final evaluation yielded an average score of 4.72 (from rating of 1 – 5) when combining the average scores of all the AC Stakeholders. This represented a slight improvement from the previous evaluation period which yielded an average score of 4.71 rating. The AC stakeholders who participated in the performance evaluation of the AC included Provincial Internal Audit, External AC Members and Management (Accounting Officers, Chief Risk Officers, Chief Financial Officers, Head of Internal Controls and GITO). Auditor General South Africa as an AC stakeholder could not participate in the performance review of the AC, mentioning that they do their own evaluation in the management report of each Department to protect and maintain their independence.

In comparison to the average scores of the three (3) stakeholders (AC; SIAS; and Management), it must be noted that SIAS has recorded a highest average score of 4.97 as compared to 4.92 in the last financial year followed by the AC with the second highest average score of 4.61 while Management remained steady at an average score of 4.5. The following were critical issues that Departments felt were not robustly engaged to their satisfaction by the AC members as follows:

- 11.6.1 Understanding of Departmental Environment
- 11.6.2 Oversight of Internal Audit and External Audit matters by AC Members
- 11.6.3 Concerns around reviews of both the findings and recommendations by internal and external auditors to ensure that recommendations are implemented
- 11.6.4 Concerns around reviewing the appropriateness of the external audit fee
- 11.6.5 Concerns around review of a whistleblower hotline and reviewing the log of incoming calls
- 11.6.6 Understanding of Business & Risks of the Departments

It remains priority of the AC members to deal with the above issues as they conclude the current PFMA audit and start a new session. The newly appointed AC members were robustly orientated with the mandate of each Department with most Hon. MECs taking a lead role and attending the induction and orientation program for their respective Departments. This was done in a breakaway session per Cluster to ensure completeness of the process.

### 11.7 Audit Committee Membership

Current AC Membership was appointed with effect from 01 January 2023 and will expire on 31 December 2025. A total of 17 AC members were appointed during 2022 AC membership recruitment process. Total number of female AC members are seven (7) while a total number of male AC members are ten (10) represented as: 58.8% males and 41.2% females. This is a decline in the appointment of female candidates as the previous year the number stood at eight (8) and it has currently decreased to seven (7). There is a strong need to improve female recruitment into the Limpopo AC membership as 41% is very low. Due to challenges when engaging into doing business with the state, most of the AC members no longer opt to be appointed through the PERSAL and rather use BAS system to receive their payments.

The following Table stipulate the nature and activities of each AC meeting/event held:

NO.	PERIOD	NATURE OF THE AC MEETING	INFORMATION / DOCUMENTS REVIEWED
1.	May 2022	Review of Fourth Quarterly Performance Information and Draft Annual Report (Including Draft AFS) before submission to the Auditor General	a. Annual Performance Report, b. Draft AFS, c. Fourth Quarterly Risk Management Report, d. Fourth Quarterly Internal Audit Progress Report.
2.	June 2022	CAC Meeting to consider Clusters AC Reports	e. Clusters AC Reports reporting on matters pertaining to Draft Annual Performance Report including Draft AFS
3.	July 2022	Review of Draft Audit and Management Reports	f. Draft Management Reports, g. Draft External Audit Reports.
4.	August 2022	CAC Meeting to consider Clusters AC Reports	h. Clusters AC Reports on matters pertaining to External Audit Reports.
5.	August / September 2022	Review of First Quarter Performance Information including Financial & Non-Financial Reports	a. First Quarter Accounting Officer's Report to the AC (Financial & Non-Financial), b. First Quarter Risk Management Report, c. SCOPA Resolutions Implementation Progress, d. Auditor General Audit Findings Implementation Progress, e. First Quarter Internal Audit Report
6.	September 2022	CAC Meeting to consider Clusters AC Reports	f. Clusters AC Reporting on matters concerning to First Quarter Reports

NO.	PERIOD	NATURE OF THE AC MEETING	INFORMATION / DOCUMENTS REVIEWED
7.	October / November 2022	AC Briefing Sessions between AC Chairpersons and Hon. MECs to discuss AC Matters.	
8.	November 2022	Review of Second Quarter Performance Reports (Financial and Non-Financial)	<ul style="list-style-type: none"> <li>a. Second Quarter Accounting Officer's Report to the AC (Financial &amp; Non-Financial),</li> <li>b. Second Quarter Risk Management Report,</li> <li>c. SCOPA Resolutions Implementation Progress,</li> <li>d. Auditor General Audit Findings Implementation Progress,</li> <li>e. Second Quarter Internal Audit Report.</li> </ul>
9.	December 2022	CAC Meeting to consider Clusters AC Reports	f. Clusters AC Reports on matters pertaining to Second Quarter Audit Committee Reports as per paragraph 7 above.
10.	February 2023	AC Annual Strategic Planning Workshop	<ul style="list-style-type: none"> <li>a. Approval of the Audit Committee Charter,</li> <li>b. Approval of the Internal Audit Charter,</li> <li>c. Review of the Accounting Officer's Reporting Framework to the AC,</li> <li>d. AC Improvement Plan by Clusters AC Chairpersons</li> <li>e. Reflection on the Status of the Previous Year AC Resolutions,</li> <li>f. 360 Degree AC Evaluation Feedback.</li> </ul>
11.	March 2023	Third Quarterly Departmental Reports and approval of the Three-Year Internal Audit Plan, Annual Internal Audit Plan and Auditor General Audit Coverage Strategy	<ul style="list-style-type: none"> <li>g. All information under No. 5,</li> <li>h. Three Year Internal Audit Plans and Annual Internal Audit Plans for 2022/2023.</li> <li>i. Auditor General Audit Coverage Strategies</li> </ul>
12.	March 2023	CAC Meeting to consider Clusters AC Reports	j. Clusters AC Reports on matters pertaining to Third Quarter AC Reports as per paragraph 11 above.



### 11.8 OBJECTIVES OF THE AUDIT COMMITTEE

The Strategic Objectives of the AC as stipulated in its approved written Terms of Reference (AC Charter) are to ensure:

- a. Availability of a well-resourced, functional and sustained internal audit function;
- b. Sound relationship with all assurance providers, oversight structures and other stakeholders;
- c. Effective and efficient Internal and External Audit processes;
- d. Promotion of sound functional interaction between the internal audit and other assurance providers;
- e. That there is adequate and effective corporate governance, encompassing fraud and risk management, information technology, internal control, financial management and reporting systems;
- f. Accounting Officers are fully supported in fulfilling their responsibilities in terms of the PFMA;
- g. Accountability in terms of financial management and performance information for effective service delivery; and
- h. Compliance with relevant laws and regulations.



The Table below discloses relevant information on the members of the AC:

**CLUSTER 04 (01 APRIL 2022 – 31 MARCH 2023)**

Name	Qualifications	Internal or external	If internal, position in the Department	Date Appointed	Date Resigned	No. of Meetings attended: (LDARD)	No. of Meetings attended: Economic Development, Environment and Tourism (LEDET)	No. of Meetings attended: (Transport & Community Safety)
<b>PREVIOUS CLUSTER 4 AUDIT COMMITTEE MEMBERS</b>								
T.F TUKISI	<ul style="list-style-type: none"> <li>• CIA</li> <li>• B Com</li> </ul>	External	N/A	01 February 2020	N/A	4	4	4
J.N MPJANE	<ul style="list-style-type: none"> <li>• CA (SA)</li> <li>• BCOMPT Honours (CTA)</li> <li>• BCOMPT Degree</li> </ul>	External	N/A	01 February 2020	N/A	4	4	4
M.P.RAMUTSHELI	<ul style="list-style-type: none"> <li>• CIA</li> <li>• MPhil: Internal Auditing</li> <li>• B TECH: Internal Auditing</li> <li>• ND: Internal Auditing</li> <li>• Certified Ethics Officer</li> </ul>	External	N/A	01 February 2017 Re-appointed February 2020	N/A	4	4	4
A.P.C.MANGOMA	<ul style="list-style-type: none"> <li>• B Com Honours: Auditing</li> <li>• B Com: Accounting</li> <li>• Advanced Diploma in Risk Management in Progress</li> </ul>	External	N/A	01 February 2017 Re-appointed February 2020	N/A	4	4	4
S.J.MASITE	<ul style="list-style-type: none"> <li>• Certified Internal Auditor (CIA)</li> <li>• Certified Fraud Examiner (CFE)</li> <li>• Chartered Internal Auditor (CMIIA)</li> <li>• B. Com</li> <li>• Qualification in Internal Auditor Leadership (QIAL)</li> <li>• Professional Govt. Internal Auditor and Chartered Govt. Internal Auditor</li> </ul>	External	N/A	01 February 2020 Re-appointed 01 February 2023	To Date	1	1	1



Name	Qualifications	Internal or external	If internal, position in the Department	Date Appointed	Date Resigned	No. Meetings attended: (LDARD)	No. of Meetings attended: Economic Development, Environment and Tourism (LEDET)	No. of Meetings attended: (Transport & Community Safety)
<b>PREVIOUS CLUSTER 4 AUDIT COMMITTEE MEMBERS</b>								
AN MHLONGO	<ul style="list-style-type: none"> <li>B Com</li> <li>B. Com (Hons)</li> <li>Post Graduate Diploma in Taxation</li> <li>CA (SA)</li> <li>ACMA (Chartered Global Management Accountant)</li> </ul>	External	N/A	01 February 2023	To date	1	1	1
L LANKALEBALELA	<ul style="list-style-type: none"> <li>Honors Bachelor of Accounting Science</li> <li>Bachelor of Accounting Science</li> </ul>	External	N/A	01 February 2023	To date	1	1	1
L THUBAKGALE	<ul style="list-style-type: none"> <li>MBA</li> <li>B Luris</li> <li>LLM</li> <li>Advanced Diploma in Labour law.</li> <li>LLB</li> </ul>	External	N/A	01 February 2023	To date	1	1	1

## 12 REPORT OF THE AUDIT COMMITTEE ON LIMPOPO DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

We are pleased to present our report for the financial year ended 31 March 2023.

### **Audit Committee Structure**

Limpopo Provincial Government has an Audit Committee which is two-tiered consisting of 4 Cluster Audit Committees, dealing with specific departments, and a shared Central Audit Committee.

### **Audit Committee Responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. 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 and the related code of conduct, policies and practices.

### **Stakeholder Engagement/s**

The committee has been able to engage with the following stakeholders:

- Limpopo Provincial Treasury senior management
- Limpopo Provincial Internal Auditors (Shared Internal Audit Services)
- Limpopo Provincial Auditor General (AGSA)

### **Audit Committee Skills Development**

A strategic and induction session was held during the last quarter of the financial year to assist the audit committee members better understand their challenging roles and the direction of the province in general.

### **The Effectiveness of Internal Control**

Based on the results of the formal documented review of the design, implementation and effectiveness of the department's system of internal controls conducted by the internal audit and AGSA during the financial year ended 31 March 2023, and in addition, considering information and explanations given by management plus discussions held with

the external auditor on the results of their audit, the Audit Committee concluded that no material internal control breaches come to the Committee's attention.

### **Risk Management**

The Audit committee reviewed the department's policies on risk management and strategy (including IT Governance) and monitored the implementation of risk management policy and strategy and concluded that there is a room for improvement in so far as department's risk management maturity level in capacitation of the risk management unit and funding of the risk management activities.

### **In-Year Management and Monthly/Quarterly Report**

Based on the quarterly review of in-year monitoring systems and reports, the Audit Committee is somewhat satisfied with the quality, accuracy, usefulness, reliability, appropriateness, and adequacy of the department in-year reporting systems.

### **Internal Audit**

The Audit committee:

- Reviewed and approved the annual Internal Audit plans and evaluated the independence, effectiveness and performance of the internal audit function;
- Considered the reports of the Internal Auditors on the department's systems of internal control;
- Reviewed issues raised by internal audit and the adequacy of corrective action taken by management in response thereto;

### **Combined Assurance**

The Audit committee reviewed the plans and reports of the external and internal auditors and other assurance providers including management and concluded that the internal audit unit should finalise the fully implementation of Combined Assurance Framework.

### **Compliance with the relevant laws and regulations**

The Audit Committee considered reports provided by management, internal assurance providers and the independent auditors regarding compliance with legal and regulatory requirements and concluded that the department did not fully comply with the enabling laws and regulations as well as its departmental policies and standard operating procedures,

especially in terms of quality of Annual Financial Statements and Procurement and Contract including Asset Management.

### **Evaluation of Annual Financial Statements**

Following the review by the Audit Committee of the draft annual financial statements for the year ended 31 March 2023 before the audit, the committee is of the view that, draft annual financial statements can be submitted to the AGSA for audit subject to all inputs from AC, Internal Audit and Provincial Treasury being factored in.

### **Evaluation of Annual Performance Report**

Following the review by the Audit Committee of the draft annual performance report for the year ended 31 March 2023 and after the audit, the committee is of the view that, draft annual performance report can be submitted to the AGSA for audit subject to all inputs from AC, Internal Audit and Provincial Treasury being factor in.

### **Consideration of the Final Audit report**

The Audit Committee considered Auditor-General South Africa's Report.

1. The Committee, in consultation with the Accounting Officer, agreed to the terms of the Auditor General South Africa's engagement letter, audit strategy and audit fees in respect of the 2022/2023 financial year.
2. The Committee also monitored the implementation of the action plans to address matters arising from the Management Report issued by the Auditor-General South Africa (AGSA) for the 2021/22 Financial Year.
3. The Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements and annual performance information report be accepted and read together with the report of the Auditor-General South Africa.
4. The Committee furthermore strongly recommends continuous interactions with the Audit Committee. AGSA and the management team to discuss and agree on the way forward on the implementation Action plan for an improved internal control environment, risk

management and governance processes within the Department, thereby addressing the Clean Administration environment of the Department.

### **Conclusion**

The Audit Committee wishes to acknowledge the commitment and support of Honourable MECs, AGSA, HOD, Management and Staff of the Department. The political and administrative leadership stability in the department played ultimate towards maintaining and retaining an unqualified audit opinion with findings.



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**SJ Masite, CIA, CMIIA, CFE, QIAL, CICP**  
**Chairperson of the Audit Committee**  
**Department of Agriculture & Rural Development**  
**31 July 2023**



### 13. BROAD BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE) COMPLIANCE PERFORMANCE INFORMATION

The Table below presents on the compliance to Broad Based Black Economic Empowerment (B-BBEE):

<b>Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1-8) with regards to the following:</b>		
<b>Criteria</b>	<b>Response Yes / No</b>	<b>Discussion</b>
Determine qualification criteria for the issuing of licenses, concessions, or other authorisation in respect of economic activity in terms any law?	No	The Department does issue abattoir certificates export
Developing and implementing a preferential procurement policy	No	The Preferential Procurement Policy Framework Act 2017 (PPPFA), and its regulation as amended and implemented
Determining qualification criteria for the sale of state-owned enterprises?	No	Not Applicable
Developing criteria for entering into partnerships with the private sector?	No	The model is not adopted by the Department
Determining criteria for the awarding of incentives, grants, and investment schemes in support of Board Based Black Economic Empowerment?	No	The Exempt Micro Enterprise (EME) and Qualifying Supplier Enterprises as given priority when specifications are developed.



**LIMPOPO**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
**AGRICULTURE AND RURAL DEVELOPMENT**

# PART D

## HUMAN RESOURCE MANAGEMENT

**ANNUAL REPORT  
2022/23 FINANCIAL YEAR**



## 1. INTRODUCTION

Through the provision of Human Resource Management and Development (HRMD) helps the Department to improve skills, knowledge and abilities of employees, through strategic leadership and Human Resource (HR) value chain services which leads to improved performance and productivity the Department. The Department considers employees as the most valuable assets who are the foremost contributors to the achievement of departmental priorities. HRMD provided strategic and administrative support to line functionaries in implementing HR practices. Service excellence within the Department depends on the wellbeing of the organisation and its people. Wellbeing is being promoted by creating a conducive working environment through provision of employee assistant programme, wellness programmes etc.

## 2. OVERVIEW OF HUMAN RESOURCES

To create a conducive, healthy, and safe working environment, the Department has successfully implemented proactive Employee Health and Wellness programmes: Psychosocial Therapeutic Services were provided by EAP Professionals to 119 employees and their immediate family members. Health and Wellness awareness campaigns on Human Immunodeficiency Virus (HIV), Tuberculosis (TB), Sexual Transmitted Infections (STIs), other communicable and non-communicable diseases were provided to 882 (M=376; F=506) employees. HIV Testing Services was provided and 235 M=71; F=164 tested for HIV, zero (0) tested positive. Total number of 186 (M=61; F=125) employees were screened for Non-communicable diseases such as High Blood Pressure, Diabetes, STIs, Cholesterol, the Body Mass Index.

The impact post COVID-19 pandemic had a negative impact on the mental wellness of employees. Spiritual Wellness Programmes were implemented in 14 workplaces and 729 (M= 226; F= 503) employees were reached. Mental Health awareness sessions were also provided and 1274 (M=464; F=810) employees attended. Organisational wellness capacity building sessions were conducted in the form of financial wellbeing programme and Substance Abuse and 437 (M=209; F=228) employees were reached. Retirement Planning sessions were conducted and 371 (M= 171; F=200) employees attended.

An Integrated Human Resource Plan was developed which is aligned to the departmental strategic planning documents. HR Planning aims to ensure that the Department has the right people with right skills and competencies at the right place and time. HR Planning is a culmination of engagements with various stakeholders who take part in the HR Planning/ Employment Equity Consultative Forum.

The Department has challenges with attraction and retention of scarce/critical skills and compliance to employment equity particularly on the achievement of 50% for Women and improving the 2.5% for People with Disabilities. The male employees constitute 53% of the workforce whilst female employees constitute 47% of the entire workforce. The youth constitute 6% whilst People with Disability (PWD) is 2.2% of the 1 848 employees. Interventions are always being made to conduct career exhibitions to make agriculture more appealing to the young generation. The attraction of youth into the sector is quite critical whereby bursaries are awarded to young people to follow career in agriculture integrated value chain. Gender and disability mainstreaming is also high on the agenda of the Department to promote inclusivity and smooth integration in the workplace.

The Department experienced a high staff-turnover amongst female employees, and this affected employment equity efforts. However, some departures cannot be avoided due to upward mobility for personal greener pastures, natural attrition, early and normal retirement. The Department should be able to retain designated groups, more especially females and people with disabilities. The Department had 31 SMS posts filled as at March 2023, with male employees being 18 and female employees being 13, translating into Males 58% and Female 42% respectively.

The Table below presents on the HR priorities for the year under review and the impact of thereof:

HR PRIORITY	IMPACT
Recruitment and staffing	Enhances services delivery efficiencies and effectiveness
Talent management	Skilled workforce to improve departmental performance and enhance service delivery.
Employment Equity	Ring-fenced recruitment of critical vacant funded posts to address the imbalances.
Employee Health and wellness	Optimal level of performance by reducing poor performance and absenteeism
Training and development	Capacitated workforce that will be able to apply and interpret policies, procedures, and legislation consistency coupled with a uniform manner

In terms of the approved Workplace Skills Plan (WSP) the 2022/23 target was 1000 training interventions across the four quarters. A total of 1 936 employees were trained. The over achievement was due to the funded training projects offered by the National School of Government (NSG) and Office of the Premier (OTP) reprioritisation.

Employees were trained on Firefighting, Climate Change, Herd Management, Citizen Centered Service Delivery, Climate Smart Agriculture: Crop Vegetable Management and Fruit Production, Pest Monitoring Surveillance, Arc Survey 123 Administration and Development, First AID Training, Customer Feedlot Management Training, Promotion of Access to Information Act (PAIA) and Protection of Personal Information Act (POPIA), Avoiding irregular, unauthorised, fruitless, and wasteful expenditure.

Senior Management Services (SMS) and Middle Management Services (MMS) capacity building programmes focused on Leveraging Economic Catalytic Projects for Growth, Emotional Intelligence and Self Mastery for Leadership, Public Leadership and Governance for Provincial Government, Infrastructure Planning and Project Management Provincial Government, Infrastructure Planning and Project Management for Provincial Government, Economic Planning, Development and Investment Promotion, Emotional Intelligence and Self Mastery for Leadership, Leadership Capacity Building for Digital Governance.



### 3. HUMAN RESOURCE OVERSIGHT STATISTICS

#### 3.1 Personnel related expenditure

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

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

*Table 3.1.1 Personnel expenditure by programme for the period 1 April 2022 and 31 March 2023*

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	321 183,00	222 398,00	0,00	0,00	69,20	522,00
Agricultural Economic Services	63 774,00	33 917,00	0,00	0,00	53,20	827,00
Agricultural Producer Support and Development	687 154,00	354 990,00	0,00	0,00	51,70	506,00
Research and Technology Development Services	77 091,00	58 200,00	0,00	0,00	75,50	549,00
Structured Agricultural Education and Training	132 289,00	75 043,00	0,00	0,00	56,70	406,00
Sustainable Resource Use and Management	130 064,00	89 110,00	0,00	0,00	68,50	271,00
Veterinary Services	220 409,00	153 827,00	0,00	0,00	69,80	380,00
<b>Total as on Financial Systems (BAS)</b>	<b>1 631 963,00</b>	<b>987 485,00</b>	<b>0,00</b>	<b>0,00</b>	<b>60,50</b>	<b>450,00</b>

*Table 3.1.2 Personnel costs by salary band for the period 1 April 2022 and 31 March 2023*

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
01 Lower skilled (Levels 1-2)	31 446,00	3,00	259 884,00	1 052 796,00
02 Skilled (Levels 3-5)	133 497,00	12,70	276 391,00	1 052 796,00
03 Highly skilled production (Levels 6-8)	388 025,00	36,90	536 687,00	1 052 796,00
04 Highly skilled supervision (Levels 9-12)	390 701,00	37,10	808 905,00	1 052 796,00
05 Senior management (Levels >= 13)	40 309,00	3,80	1 343 633,00	1 052 796,00
10 Contract (Levels 1-2)	62,00	0,00	0,00	1 052 796,00
11 Contract (Levels 3-5)	605,00	0,10	201 667,00	1 052 796,00
12 Contract (Levels 6-8)	9 524,00	0,90	238 100,00	1 052 796,00



Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
13 Contract (Levels 9-12)	4 951,00	0,50	990 200,00	1 052 796,00
14 Contract (Levels >= 13)	2 303,00	0,20	1 151 500,00	1 052 796,00
18 Contract Other	9 651,00	0,90	99 495,00	1 052 796,00
20 Abnormal Appointment	6 456,00	0,60	31 493,00	1 052 796,00
<b>TOTAL</b>	<b>1 017 529,00</b>	<b>96,70</b>	<b>463 990,00</b>	<b>1 052 796,00</b>

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2022 and 31 March 2023

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	183 076.00	79.00	202.00	0.10	7 290.00	3.10	13 597.00	5.90
Agricultural Economic Services	30 534.00	82.00	0.00	0.00	692.00	1.90	1 484.00	4.00
Agricultural Producer Support and Development	293 876.00	77.00	37.00	0.00	10 342.00	2.70	18 697.00	4.90
Rural Development Coordination	3 046.00	83.30	0.00	0.00	34.00	0.90	68.00	1.90
Structured Agricultural Education and Training	54 854.00	74.00	2 141.00	2.90	3 358.00	4.50	5 264.00	7.10
Sustainable Resource Use and Management	60 659.00	70.00	0.00	0.00	2 125.00	2.50	3 850.00	4.40
Research and Technology Development Services	47 592.00	78.70	1 379.00	2.30	1 298.00	2.10	2 512.00	4.20
Veterinary Services	131 715.00	74.20	670.00	0.40	6 444.00	3.60	10 108.00	5.70
<b>TOTAL</b>	<b>805 352.00</b>	<b>76.50</b>	<b>4 430.00</b>	<b>0.40</b>	<b>31 583.00</b>	<b>3.00</b>	<b>55 580.00</b>	<b>5.30</b>

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
01 Lower skilled (Levels 1-2)	21 151,00	67,10	766,00	2,40	2 618,00	8,30	4 631,00	14,70
02 Skilled (Levels 3-5)	94 637,00	70,40	1 802,00	1,30	9 099,00	6,80	12 611,00	9,40
03 Highly skilled production (Levels 6-8)	300 405,00	74,80	1 149,00	0,30	13 664,00	3,40	24 229,00	6,00
04 Highly skilled supervision (Levels 9-12)	327 028,00	79,80	714,00	0,20	5 660,00	1,40	13 532,00	3,30
05 Senior management (Levels >= 13)	35 499,00	85,20	0,00	0,00	542,00	1,30	577,00	1,40
10 Contract (Levels 1-2)	62,00	100,00	0,00	0,00	0,00	0,00	0,00	0,00
11 Contract (Levels 3-5)	605,00	100,00	0,00	0,00	0,00	0,00	0,00	0,00
12 Contract (Levels 6-8)	9 522,00	99,00	0,00	0,00	0,00	0,00	0,00	0,00
13 Contract (Levels 9-12)	4 667,00	87,50	0,00	0,00	0,00	0,00	0,00	0,00
14 Contract (Levels >= 13)	2 136,00	88,00	0,00	0,00	0,00	0,00	0,00	0,00
18 Contract Other	9 640,00	99,90	0,00	0,00	0,00	0,00	0,00	0,00
20 Abnormal Appointment	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>TOTAL</b>	<b>805 352,00</b>	<b>76,50</b>	<b>4 430,00</b>	<b>0,40</b>	<b>31 583,00</b>	<b>3,00</b>	<b>55 580,00</b>	<b>5,30</b>

### 3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

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

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

*Table 3.2.1 Employment and vacancies by programme as on 31 March 2023*

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration, Permanent	527.00	426.00	19.20	4.00
Agricultural Economics, Permanent	53.00	41.00	22.60	0.00
Farmer Support and Development, Permanent	944.00	701.00	25.70	103.00
Structured Agricultural Training, Permanent	249.00	185.00	25.70	0.00
Sustainable Resource Manage, Permanent	177.00	124.00	29.90	1.00
Technology Research and Development Service, Permanent	165.00	106.00	35.80	0.00
Veterinary Services, Permanent	533.00	405.00	24.00	35.00
<b>TOTAL</b>	<b>2 648.00</b>	<b>1 988.00</b>	<b>24.90</b>	<b>143.00</b>

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2023

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
01 Lower Skilled (Levels 1-2), Permanent	254,00	121,00	52,40	0,00
02 Skilled (Levels 3-5), Permanent	605,00	483,00	20,20	0,00
03 Highly Skilled Production (Levels 6-8), Permanent	1 008,00	723,00	28,30	0,00
04 Highly Skilled Supervision (Levels 9-12), Permanent	596,00	483,00	19,00	0,00
05 Senior Management (Levels >= 13), Permanent	37,00	30,00	18,90	0,00
09 Other, Permanent	98,00	98,00	0,00	97,00
11 Contract (Levels 3-5), Permanent	3,00	3,00	0,00	3,00
12 Contract (Levels 6-8), Permanent	40,00	40,00	0,00	40,00
13 Contract (Levels 9-12), Permanent	5,00	5,00	0,00	3,00
14 Contract (Levels >= 13), Permanent	2,00	2,00	0,00	0,00
<b>TOTAL</b>	<b>2 648,00</b>	<b>1 988,00</b>	<b>24,90</b>	<b>143,00</b>

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2023

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related, Permanent	42.00	27.00	35.70	0.00
Agricul Animal Oceanography Forestry & Other Scien, Permanent	146.00	133.00	8.90	0.00
Agriculture Related, Permanent	113.00	86.00	23.90	0.00
All Artisans in The Building Metal Machinery Etc., Permanent	25.00	21.00	16.00	0.00
Architects Town and Traffic Planners, Permanent	1.00	1.00	0.00	0.00
Artisan Project and Related Superintendents, Permanent	2.00	2.00	0.00	0.00
Auxiliary and Related Workers, Permanent	29.00	28.00	3.40	0.00
Basic Training, Permanent	1.00	0.00	100.00	0.00

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Biochemistry Pharmacol. Zoology and Life Scie.Techni, Permanent	197.00	163.00	17.30	33.00
Biologists Botanists Zoologists and Rel Professional, Permanent	1.00	0.00	100.00	0.00
Building and Other Property Caretakers, Permanent	14.00	8.00	42.90	2.00
Bus And Heavy Vehicle Drivers, Permanent	1.00	1.00	0.00	0.00
Cartographic Surveying and Related Technicians, Permanent	1.00	1.00	0.00	0.00
Cleaners In Offices Workshops Hospitals Etc., Permanent	137.00	94.00	31.40	0.00
Client Inform Clerks(SwitchbReceipt Inform Clerks), Permanent	33.00	24.00	27.30	0.00
Communication and Information Related, Permanent	4.00	4.00	0.00	0.00
Economists, Permanent	1.00	1.00	0.00	0.00
Engineering Sciences Related, Permanent	15.00	10.00	33.30	0.00
Engineers And Related Professionals, Permanent	18.00	10.00	44.40	1.00
Farm Hands and Labourers, Permanent	518.00	375.00	27.60	95.00
Farming Forestry Advisors and Farm Managers, Permanent	175.00	41.00	76.60	4.00
Finance And Economics Related, Permanent	52.00	40.00	23.10	0.00
Financial And Related Professionals, Permanent	44.00	28.00	36.40	0.00
Financial Clerks and Credit Controllers, Permanent	50.00	43.00	14.00	0.00
Food Services Aids and Waiters, Permanent	2.00	1.00	50.00	1.00
Forestry Labourers, Permanent	8.00	8.00	0.00	0.00
Geologists Geophysicists Hydrologists and Relat Prof, Permanent	2.00	2.00	0.00	0.00
Head Of Department/Chief Executive Officer, Permanent	2.00	2.00	0.00	0.00
Horticulturists Foresters Agricul. and Forestry Techn, Permanent	449.00	357.00	20.50	2.00
Household And Laundry Workers, Permanent	1.00	1.00	0.00	0.00
Human Resources and	43.00	38.00	11.60	0.00



Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
OrganisatDevelopmand Relate Prof, Permanent				
Human Resources Clerks, Permanent	44.00	34.00	22.70	0.00
Human Resources Related, Permanent	48.00	37.00	22.90	0.00
Information Technology Related, Permanent	9.00	7.00	22.20	0.00
Language Practitioners Interpreters and Other Commun, Permanent	7.00	4.00	42.90	0.00
Legal Related, Permanent	2.00	2.00	0.00	0.00
Librarians and Related Professionals, Permanent	3.00	3.00	0.00	0.00
Library Mail and Related Clerks, Permanent	32.00	26.00	18.80	0.00
Light Vehicle Drivers, Permanent	7.00	6.00	14.30	0.00
Logistical Support Personnel, Permanent	9.00	9.00	0.00	0.00
Material-Recording and Transport Clerks, Permanent	17.00	17.00	0.00	0.00
Messengers Porters And Deliverers, Permanent	71.00	62.00	12.70	1.00
Meteorologists Statistical and Related Technicians, Permanent	1.00	1.00	0.00	0.00
Middle Managers, Permanent	1.00	1.00	0.00	0.00
Motor Vehicle Drivers, Permanent	12.00	2.00	83.30	0.00
Motorised Farm and Forestry Plant Operators, Permanent	2.00	2.00	0.00	0.00
Nature Conservation and Oceanographical Rel.Techni, Permanent	1.00	1.00	0.00	0.00
Other Administratand Related Clerks and Organisers, Permanent	88.00	81.00	8.00	0.00
Other Administrative Policy and Related Officers, Permanent	23.00	22.00	4.30	0.00
Other Information Technology Personnel., Permanent	5.00	5.00	0.00	0.00
Other Occupations, Permanent	3.00	3.00	0.00	0.00
Physicists, Permanent	1.00	1.00	0.00	0.00
Risk Management and Security Services, Permanent	2.00	2.00	0.00	0.00
Secretaries and Other Keyboard	41.00	33.00	19.50	2.00

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Operating Clerks, Permanent				
Security Guards, Permanent	17.00	17.00	0.00	0.00
Security Officers, Permanent	4.00	3.00	25.00	0.00
Senior Managers, Permanent	33.00	28.00	15.20	0.00
Trade Labourers, Permanent	2.00	2.00	0.00	0.00
Veterinarians, Permanent	35.00	26.00	25.70	2.00
Veterinary Assistants, Permanent	1.00	1.00	0.00	0.00
<b>Total</b>	<b>2 648.00</b>	<b>1 988.00</b>	<b>24.90</b>	<b>143.00</b>

**Notes**

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

### 3.3 Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0,00	0,00	0,00	0,00	0,00
Salary Level 16	01	01	100	0,00	0,00
Salary Level 15	01	01	100	0,00	0,00
Salary Level 14	06	06	100	0,00	0,00
Salary Level 13	29	22	75,86	07,00	24.14%
Salary Level 13 (excess staff)	02	2	100	0,00	0,00
<b>Total</b>	<b>39</b>	<b>32</b>	<b>82.06</b>	<b>07,00</b>	<b>17,94</b>

Table 3.3.2 SMS post information as on 30 September 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0,00	0,00	0,00	0,00	0,00
Salary Level 16	01	01	100	0,00	0,00
Salary Level 15	01	01	100	0,00	0,00
Salary Level 14	06	06	100	0,00	0,00
Salary Level 13	29	21	72,41%	08,00	27.59%
Salary Level 13 (excess staff)	02	2	100	0,00	0,00
<b>Total</b>	<b>39</b>	<b>31</b>	<b>79,49</b>	<b>08,00</b>	<b>20,51</b>

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2022 and 31 March 2023

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0,00	0,00	0,00
Salary Level 16	0,00	0,00	0,00
Salary Level 15	0,00	0,00	0,00
Salary Level 14	0,00	0,00	0,00
Salary Level 13	0,00	0,00	04,00
<b>Total</b>	0,00	0,00	04,00

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months
<b>The Post of HOD Support and Engineering could not filled as there was no suitable candidate found. Currently the post of Engineering is awaiting approval for appointment and the post of HOD support awaiting interviews.</b>
<b>The Post of HRM was delayed due to the structural changes on the structure from Director HRS to Director HRM.</b>
<b>The post of Director Risk no suitable candidate was found.</b>

Reasons for vacancies not filled within twelve months
<b>The Post of HOD Support and Engineering could not filled as there was no suitable candidate found. Currently the post of Engineering is awaiting approval for appointment and the post of HOD support awaiting interviews.</b>
<b>The Post of HRM was delayed due to the structural changes on the structure from Director HRS to Director HRM.</b>
<b>The post of Director Risk no suitable candidate was found.</b>

**Notes**

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 20YY and 31 March 20ZZ

Reasons for vacancies not advertised within six months
NONE

## Reasons for vacancies not filled within six months

NONE

**Notes**

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant EA or head of Department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.

**3.4 Job Evaluation**

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

*Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2022 and 31 March 2023*

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
01 Lower Skilled (Levels 1-2)	570,00	570,00	100,00	0,00	0,00	0,00	0,00
02 Skilled (Levels 3-5)	380,00	379,00	99,70	0,00	0,00	0,00	0,00
03 Highly Skilled Production (Levels 6-8)	896,00	896,00	100,00	0,00	0,00	0,00	0,00
04 Highly Skilled Supervision (Levels 9-12)	397,00	387,00	97,50	0,00	0,00	0,00	0,00
05 Senior Management Service Band A	29,00	26,00	89,70	0,00	0,00	0,00	0,00
06 Senior Management Service Band B	6,00	5,00	83,30	0,00	0,00	0,00	0,00
08 Senior Management Service Band D	1,00	1,00	100,00	0,00	0,00	0,00	0,00
09 Other	0,00	0,00	0,00	0,00	0,00	0,00	0,00
11 Contract (Levels 3-5)	0,00	0,00	0,00	0,00	0,00	0,00	0,00
12 Contract (Levels 6-8)	0,00	0,00	0,00	0,00	0,00	0,00	0,00
13 Contract (Levels 9-12)	0,00	0,00	0,00	0,00	0,00	0,00	0,00
14 Contract Band A	0,00	0,00	0,00	0,00	0,00	0,00	0,00
16 Contract Band C	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>TOTAL</b>	<b>2 279,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>



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

*Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 20YY and 31 March 20ZZ*

Gender	African	Asian	Coloured	White	Total
Female	0,00	0,00	0,00	0,00	0,00
Male	0,00	0,00	0,00	0,00	0,00
<b>Total</b>	0,00	0,00	0,00	0,00	0,00

Employees with a disability	
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

*Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2022 and 31 March 2023*

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	0,00	0,00	0,00	0,00
None	0,00	0,00	0,00	0,00
None	0,00	0,00	0,00	0,00
None	0,00	0,00	0,00	0,00
<b>Total number of employees whose salaries exceeded the level determined by job evaluation</b>				0,00
<b>Percentage of total employed</b>				0,00

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

*Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 and 31 March 2023*

Gender	African	Asian	Coloured	White	Total
Female	0,00	0,00	0,00	0,00	0,00
Male	0,00	0,00	0,00	0,00	0,00
<b>Total</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>

Employees with a disability	0,00	0,00	0,00	0,00	0,00
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#### Notes

- If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following:

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

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

*Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2022 and 31 March 2023*

Salary band	Number of employees at beginning of period-1 April 20YY	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
01 Lower Skilled (Levels 1-2) Permanent	151,00	0,00	6,00	4,00
02 Skilled (Levels 3-5) Permanent	513,00	2,00	53,00	10,30
03 Highly Skilled Production (Levels 6-8) Permanent	762,00	1,00	46,00	6,00
04 Highly Skilled Supervision (Levels 9-12) Permanent	487,00	9,00	27,00	5,50
05 Senior Management Service Band A Permanent	24,00	1,00	1,00	4,20
06 Senior Management Service Band B Permanent	6,00	0,00	0,00	0,00
08 Senior Management Service Band D Permanent	1,00	0,00	0,00	0,00
09 Other Permanent	118,00	0,00	21,00	17,80
10 Contract (Levels 1-2) Permanent	0,00	1,00	0,00	0,00

Salary band	Number of employees at beginning of period-1 April 20YY	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
10 Contract (Levels 1-2) Permanent	0,00	0,00	1,00	0,00
11 Contract (Levels 3-5) Permanent	2,00	5,00	4,00	200,00
12 Contract (Levels 6-8) Permanent	1,00	43,00	3,00	300,00
13 Contract (Levels 9-12) Permanent	5,00	6,00	6,00	120,00
14 Contract Band A Permanent	0,00	1,00	0,00	0,00
16 Contract Band C Permanent	1,00	0,00	0,00	0,00
<b>TOTAL</b>	<b>2 071,00</b>	<b>69,00</b>	<b>168,00</b>	<b>8,10</b>

*Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2022 and 31 March 2023*

Critical occupation	Number of employees at beginning of period-1 April 20YY	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Administrative Related Permanent	17,00	2,00	1,00	5,90
Agricul Animal Oceanography Forestry & Other Scien Permanent	136,00	0,00	6,00	4,40
Agriculture Related Permanent	79,00	0,00	0,00	0,00
All Artisans In The Building Metal Machinery Etc. Permanent	25,00	0,00	4,00	16,00
Architects Town And Traffic Planners Permanent	1,00	0,00	0,00	0,00
Artisan Project And Related Superintendents Permanent	4,00	0,00	2,00	50,00
Auxiliary And Related Workers Permanent	35,00	0,00	6,00	17,10
Biochemistry Pharmacol. Zoology & Life Scie. Techni Permanent	135,00	34,00	8,00	5,90
Building And Other Property Caretakers Permanent	9,00	0,00	1,00	11,10
Bus And Heavy Vehicle Drivers Permanent	1,00	0,00	0,00	0,00
Cartographic Surveying And Related Technicians Permanent	1,00	0,00	0,00	0,00
Cleaners In Offices Workshops Hospitals Etc. Permanent	90,00	0,00	8,00	8,90
Client Inform Clerks(Switch Receipt Inform Clerks) Permanent	26,00	0,00	2,00	7,70

Critical occupation	Number of employees at beginning of period-April 20YY	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Communication And Information Related Permanent	4,00	0,00	0,00	0,00
Economists Permanent	2,00	0,00	0,00	0,00
Engineering Sciences Related Permanent	10,00	0,00	0,00	0,00
Engineers And Related Professionals Permanent	13,00	2,00	6,00	46,20
Farm Hands And Labourers Permanent	426,00	0,00	46,00	10,80
Farming Forestry Advisors And Farm Managers Permanent	36,00	5,00	4,00	11,10
Finance And Economics Related Permanent	41,00	0,00	0,00	0,00
Financial And Related Professionals Permanent	26,00	0,00	2,00	7,70
Financial Clerks And Credit Controllers Permanent	45,00	0,00	1,00	2,20
Food Services Aids And Waiters Permanent	0,00	2,00	1,00	0,00
Forestry Labourers Permanent	9,00	0,00	1,00	11,10
Geologists Geophysicists Hydrologists &Relat Prof Permanent	2,00	0,00	0,00	0,00
Head Of Department/Chief Executive Officer Permanent	2,00	0,00	0,00	0,00
Horticulturists Foresters Agricul.& Forestry Techn Permanent	384,00	3,00	27,00	7,00
Household And Laundry Workers Permanent	1,00	0,00	0,00	0,00
Human Resources &OrganisatDevelopm& Relate Prof Permanent	46,00	1,00	7,00	15,20
Human Resources Clerks Permanent	37,00	0,00	1,00	2,70
Human Resources Related Permanent	30,00	3,00	0,00	0,00
Information Technology Related Permanent	7,00	0,00	0,00	0,00
Language Practitioners Interpreters & Other Commun Permanent	5,00	0,00	1,00	20,00
Legal Related Permanent	0,00	2,00	0,00	0,00
Librarians And Related Professionals	3,00	0,00	0,00	0,00

Critical occupation	Number of employees at beginning of period-April 20YY	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Permanent				
Library Mail And Related Clerks Permanent	27,00	1,00	2,00	7,40
Light Vehicle Drivers Permanent	8,00	0,00	1,00	12,50
Logistical Support Personnel Permanent	9,00	0,00	1,00	11,10
Material-Recording And Transport Clerks Permanent	18,00	0,00	0,00	0,00
Messengers Porters And Deliverers Permanent	66,00	2,00	6,00	9,10
Meteorologists Statistical & Related Technicians Permanent	1,00	0,00	0,00	0,00
Middle Managers Permanent	1,00	0,00	0,00	0,00
Motor Vehicle Drivers Permanent	2,00	0,00	0,00	0,00
Motorised Farm And Forestry Plant Operators Permanent	3,00	0,00	1,00	33,30
Nature Conservation And Oceanographical Rel. Techni Permanent	1,00	0,00	0,00	0,00
Other Administrat& Related Clerks And Organisers Permanent	93,00	5,00	10,00	10,80
Other Administrative Policy And Related Officers Permanent	25,00	0,00	2,00	8,00
Other Information Technology Personnel. Permanent	5,00	0,00	0,00	0,00
Other Occupations Permanent	1,00	0,00	0,00	0,00
Risk Management And Security Services Permanent	2,00	0,00	0,00	0,00
Secretaries & Other Keyboard Operating Clerks Permanent	38,00	3,00	4,00	10,50
Security Guards Permanent	25,00	0,00	3,00	12,00
Security Officers Permanent	3,00	0,00	0,00	0,00
Senior Managers Permanent	27,00	2,00	1,00	3,70
Trade Labourers Permanent	3,00	0,00	1,00	33,30
Veterinarians Permanent	24,00	2,00	1,00	4,20
Veterinary Assistants Permanent	1,00	0,00	0,00	0,00
<b>Total</b>	<b>2 071,00</b>	<b>69,00</b>	<b>168,00</b>	<b>8,10</b>



## Notes

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

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

*Table 3.5.3 Reasons why staff left the Department for the period 1 April 2022 and 31 March 2023*

Termination Type	Number	% of Total Resignations
Death	11,00	5,85
Resignation	40	21,28
Expiry of contract	14,00	7,45
Dismissal – operational changes	1,00	0,53
Dismissal – misconduct	0,00	0,00
Dismissal – inefficiency	0,00	0,00
Discharged due to ill-health	0,00	0,00
Retirement	115	61,17
Transfer to other Public Service Departments	07	3,72
Other	00	0,00
<b>Total</b>	<b>188</b>	<b>100,00</b>
<b>Total number of employees who left as a % of total employment</b>	<b>188</b>	<b>9,45</b>

*Table 3.5.4 Promotions by critical occupation for the period 1 April 2022 and 31 March 2023*

Occupation	Employees 1 April 20YY	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	17,00	0,00	0,00	13,00	76,50
Agricul Animal Oceanography Forestry & Other Scien	136,00	0,00	0,00	48,00	35,30
Agriculture Related	79,00	0,00	0,00	36,00	45,60

Occupation	Employees 1 April 20YY	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
All Artisans In The Building Metal Machinery Etc.	25,00	0,00	0,00	18,00	72,00
Architects Town And Traffic Planners	1,00	0,00	0,00	0,00	0,00
Artisan Project And Related Superintendents	4,00	0,00	0,00	3,00	75,00
Auxiliary And Related Workers	35,00	0,00	0,00	17,00	48,60
Biochemistry Pharmacol. Zoology & Life Scie. Techni	135,00	0,00	0,00	47,00	34,80
Building And Other Property Caretakers	9,00	0,00	0,00	5,00	55,60
Bus And Heavy Vehicle Drivers	1,00	0,00	0,00	1,00	100,00
Cartographic Surveying And Related Technicians	1,00	0,00	0,00	1,00	100,00
Cleaners In Offices Workshops Hospitals Etc.	90,00	0,00	0,00	55,00	61,10
Client Inform Clerks(SwitchbRecept Inform Clerks)	26,00	0,00	0,00	21,00	80,80
Communication And Information Related	4,00	0,00	0,00	2,00	50,00
Economists	2,00	0,00	0,00	0,00	0,00
Engineering Sciences Related	10,00	0,00	0,00	6,00	60,00
Engineers And Related Professionals	13,00	0,00	0,00	6,00	46,20
Farm Hands And Labourers	426,00	1,00	0,20	146,00	34,30
Farming Forestry Advisors And Farm Managers	36,00	0,00	0,00	15,00	41,70
Finance And Economics Related	41,00	1,00	2,40	21,00	51,20
Financial And Related Professionals	26,00	2,00	7,70	16,00	61,50

Occupation	Employees 1 April 20YY	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Financial Clerks And Credit Controllers	45,00	0,00	0,00	24,00	53,30
Forestry Labourers	9,00	0,00	0,00	7,00	77,80
Geologists Geophysicists Hydrologists & Relat Prof	2,00	0,00	0,00	2,00	100,00
Head Of Department/Chief Executive Officer	2,00	0,00	0,00	1,00	50,00
Horticulturists Foresters Agricul. & Forestry Techn	384,00	0,00	0,00	162,00	42,20
Household And Laundry Workers	1,00	0,00	0,00	0,00	0,00
Human Resources & Organisat Developm & Relate Prof	46,00	0,00	0,00	20,00	43,50
Human Resources Clerks	37,00	1,00	2,70	14,00	37,80
Human Resources Related	30,00	1,00	3,30	15,00	50,00
Information Technology Related	7,00	0,00	0,00	4,00	57,10
Language Practitioners Interpreters & Other Commun	5,00	0,00	0,00	1,00	20,00
Librarians And Related Professionals	3,00	0,00	0,00	0,00	0,00
Library Mail And Related Clerks	27,00	0,00	0,00	10,00	37,00
Light Vehicle Drivers	8,00	0,00	0,00	6,00	75,00
Logistical Support Personnel	9,00	0,00	0,00	2,00	22,20
Material-Recording And Transport Clerks	18,00	0,00	0,00	11,00	61,10
Messengers Porters And Deliverers	66,00	0,00	0,00	22,00	33,30
Meteorologists Statistical & Related Technicians	1,00	0,00	0,00	1,00	100,00
Middle Managers	1,00	0,00	0,00	0,00	0,00
Motor Vehicle Drivers	2,00	0,00	0,00	2,00	100,00

Occupation	Employees 1 April 20YY	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Motorised Farm And Forestry Plant Operators	3,00	0,00	0,00	2,00	66,70
Nature Conservation And Oceanographical Rel.Techni	1,00	0,00	0,00	0,00	0,00
Other Administrat& Related Clerks And Organisers	93,00	0,00	0,00	57,00	61,30
Other Administrative Policy And Related Officers	25,00	0,00	0,00	12,00	48,00
Other Information Technology Personnel.	5,00	0,00	0,00	3,00	60,00
Other Occupations	1,00	0,00	0,00	2,00	200,00
Risk Management And Security Services	2,00	0,00	0,00	1,00	50,00
Secretaries & Other Keyboard Operating Clerks	38,00	0,00	0,00	11,00	28,90
Security Guards	25,00	0,00	0,00	5,00	20,00
Security Officers	3,00	0,00	0,00	0,00	0,00
Senior Managers	27,00	0,00	0,00	18,00	66,70
Trade Labourers	3,00	0,00	0,00	0,00	0,00
Veterinarians	24,00	0,00	0,00	15,00	62,50
Veterinary Assistants	1,00	0,00	0,00	0,00	0,00
<b>TOTAL</b>	<b>2 071,00</b>	<b>6,00</b>	<b>0,30</b>	<b>907,00</b>	<b>43,80</b>

Table 3.5.5 Promotions by salary band for the period 1 April 2022 and 31 March 2023

Salary Band	Employees 1 April 20YY	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
01 Lower Skilled (Levels 1-2), Permanent	151,00	0,00	0,00	117,00	77,50
02 Skilled (Levels 3-5), Permanent	513,00	0,00	0,00	226,00	44,10
03 Highly Skilled Production (Levels 6-8), Permanent	762,00	2,00	0,30	342,00	44,90

Salary Band	Employees 1 April 20YY	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
04 Highly Skilled Supervision (Levels 9-12), Permanent	487,00	4,00	0,80	201,00	41,30
05 Senior Management (Levels >= 13), Permanent	31,00	0,00	0,00	20,00	64,50
09 Other, Permanent	118,00	0,00	0,00	0,00	0,00
11 Contract (Levels 3-5), Permanent	2,00	0,00	0,00	0,00	0,00
12 Contract (Levels 6-8), Permanent	1,00	0,00	0,00	0,00	0,00
13 Contract (Levels 9-12), Permanent	5,00	0,00	0,00	1,00	20,00
14 Contract (Levels >= 13), Permanent	1,00	0,00	0,00	0,00	0,00
<b>TOTAL</b>	<b>2 071,00</b>	<b>6,00</b>	<b>0,30</b>	<b>907,00</b>	<b>43,80</b>

### 3.6 Employment Equity

*Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2023*

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01- Senior Officials And Managers	19	0	0	0	12	0	0	1,00	32
02 - Professionals	194	0	1	8	229	0	2	4,00	438
03 - Technicians And Associate Professionals	334	0	0	5	306	0	1	4,00	650
04 - Clerks	100	0	0	0	158	0	0	0,00	258
05 - Service Shop And Market Sales Workers	18	0	0	0	4	0	0	0,00	22
07 - Craft And Related Trade Workers	19	0	0	0	4	0	0	0,00	23
08 - Plant And Machine Operators And Assemblers	11	0	0	0	0	0	0	0,00	11
09 - Labourers And Related Workers	313	0	0	0	240	0	0	0,00	553
99 - Unknown	1	0	0	0	0	0	0	0,00	1



Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
<b>Total</b>	1009	0	1	13	953	0	3	9,00	1988
<b>Employees with disabilities</b>	21,00	0,00	0,00	0,00	20,00	0,00	0,00	0,00	41

*Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2023*

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
02 Senior Management, Permanent	17,00	0,00	0,00	0,00	11,00	0,00	0,00	1,00	29,00
03 Professionally qualified and experienced specialists and mid-management, Permanent	235,00	0,00	1,00	9,00	230,00	0,00	2,00	6,00	483,00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	344,00	0,00	0,00	4,00	372,00	0,00	1,00	2,00	723,00
05 Semi-skilled and discretionary decision making, Permanent	301,00	0,00	0,00	0,00	182,00	0,00	0,00	0,00	483,00
06 Unskilled and defined decision making, Permanent	59,00	0,00	0,00	0,00	62,00	0,00	0,00	0,00	121,00
07 Not Available, Permanent	32,00	0,00	0,00	0,00	66,00	0,00	0,00	0,00	98,00
08 Contract (Top Management), Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
09 Contract (Senior Management), Permanent	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
10 Contract (Professionally Qualified), Permanent	5,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	5,00
11 Contract (Skilled)	13,00	0,00	0,00	0,00	27,00	0,00	0,00	0,00	40,00

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Technical), Permanent									
12 Contract (Semi-Skilled), Permanent	1,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	3,00
<b>TOTAL</b>	<b>1 009,00</b>	<b>0,00</b>	<b>1,00</b>	<b>13,00</b>	<b>953,00</b>	<b>0,00</b>	<b>3,00</b>	<b>9,00</b>	<b>1 988,00</b>

Table 3.6.3 Recruitment for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
02 Senior Management, Permanent	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
03 Professionally qualified and experienced specialists and mid-management, Permanent	6,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	9,00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
05 Semi-skilled and discretionary decision making, Permanent	0,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	2,00
09 Contract (Senior Management), Permanent	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
10 Contract (Professionally qualified), Permanent	6,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	6,00
11 Contract (Skilled technical), Permanent	14,00	0,00	0,00	0,00	29,00	0,00	0,00	0,00	43,00
12 Contract (Semi-skilled), Permanent	2,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	5,00
13 Contract (Unskilled), Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
<b>TOTAL</b>	<b>30,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>39,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>69,00</b>

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
<b>Employees with disabilities</b>	8,00	0,00	0,00	0,00	8,00	0,00	0,00	0,00	16

Table 3.6.4 Promotions for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
<i>Top Management</i>	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0
02 Senior Management, Permanent	11,00	0,00	0,00	0,00	8,00	0,00	0,00	1,00	20,00
03 Professionally qualified and experienced specialists and mid-management, Permanent	91,00	0,00	0,00	6,00	102,00	0,00	2,00	4,00	205,00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	160,00	0,00	0,00	1,00	181,00	0,00	0,00	2,00	344,00
05 Semi-skilled and discretionary decision making, Permanent	135,00	0,00	0,00	0,00	91,00	0,00	0,00	0,00	226,00
06 Unskilled and defined decision making, Permanent	57,00	0,00	0,00	0,00	60,00	0,00	0,00	0,00	117,00
10 Contract (Professionally qualified), Permanent	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
<b>TOTAL</b>	<b>455,00</b>	<b>0,00</b>	<b>0,00</b>	<b>7,00</b>	<b>442,00</b>	<b>0,00</b>	<b>2,00</b>	<b>7,00</b>	<b>913,00</b>
<b>Employees with disabilities</b>	8,00	0,00	0,00	0,00	8,00	0,00	0,00	0,00	16

Table 3.6.5 Terminations for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0
02 Senior Management, Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	0,00
03 Professionally qualified and experienced specialists and mid-management, Permanent	17,00	0,00	0,00	0,00	10,00	0,00	0,00	0,00	0,00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	30,00	0,00	0,00	0,00	16,00	0,00	0,00	0,00	0,00
05 Semi-skilled and discretionary decision making, Permanent	40,00	0,00	0,00	0,00	13,00	0,00	0,00	0,00	0,00
06 Unskilled and defined decision making, Permanent	3,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	0,00
07 Not Available, Permanent	5,00	0,00	0,00	0,00	16,00	0,00	0,00	0,00	
10 Contract (Professionally qualified), Permanent	3,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	
11 Contract (Skilled technical), Permanent	0,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	
12 Contract (Semi-skilled), Permanent	1,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	
13 Contract (Unskilled), Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	0,00
<b>TOTAL</b>	<b>99,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>69,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>Employees with Disabilities</b>	4,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

Table 3.6.6 Disciplinary action for the period 1 April 2022 to 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Suspension	1	0	0	0	3	0	0	0	4
Final written warning	1	0	0	0	1	0	0	0	2
Written warning	0	0	0	0	1	0	0	0	1
<b>TOTAL</b>	<b>02</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>07</b>

Table 3.6.7 Skills development for the period 1 April 2022 to 31 March 2023.ZZ

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	89	0	0	0	124	0	0	0	213
Professionals	73	0	0	0	87	0	0	0	160
Technicians and associate professionals	595	0	0	1	850	0	0	0	1445
Clerks	9	0	0	0	15	0	0	0	24
Service and sales workers	4	0	0	0	5	0	0	0	9
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	3	0	0	0	0	0	0	0	3
Elementary occupations	35	0	0	0	26	0	0	0	61
<b>Total</b>	<b>807</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1107</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1915</b>
<b>Employees with disabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

### 3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2022

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	0,00	0,00	0,00	0,00
Salary Level 16	0,00	0,00	0,00	0,00
Salary Level 15	1	1	1	100%
Salary Level 14	6	6	6	100%
Salary Level 13	25	25	25	100%
<b>Total</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>100%</b>



**Notes**

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 20ZZ.

*Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2023*

Reasons
NONE

**Notes**

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

*Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2023*

Reasons
NONE

**Notes**

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

**3.8 Performance Rewards**

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

*Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2022 to 31 March 2023*

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African	0,00	1921,00	0,00	0,00	0,00
Male	0,00	988,00	0,00	0,00	0,00
Female	0,00	933,00	0,00	0,00	0,00
Asian		4,00			
Male	0,00	1,00	0,00	0,00	0,00
Female	0,00	3,00	0,00	0,00	0,00
Coloured	0,00	0,00	0,00	0,00	0,00
Male	0,00	0,00	0,00	0,00	0,00
Female	0,00	0,00	0,00	0,00	0,00

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
White	0,00	22,00	0,00	0,00	0,00
Male	0,00	13,00	0,00	0,00	0,00
Female	0,00	9,00	0,00	0,00	0,00
Employees with a disability	0,00	41,00	0,00	0,00	0,00
<b>Total</b>	<b>0,00</b>	<b>1 988,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>

*Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2022 and 31 March 2023*

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
01 Lower Skilled (Levels 1-2)	0,00	121,00	0,00	0,00	0,00	0,00
02 Skilled (Levels 3-5)	0,00	483,00	0,00	0,00	0,00	0,00
03 Highly Skilled Production (Levels 6-8)	0,00	723,00	0,00	0,00	0,00	0,00
04 Highly Skilled Supervision (Levels 9-12)	0,00	483,00	0,00	0,00	0,00	0,00
09 Other	0,00	98,00	0,00	0,00	0,00	0,00
11 Contract (Levels 3-5)	0,00	3,00	0,00	0,00	0,00	0,00
SKILL12 Contract (Levels 6-8)	0,00	40,00	0,00	0,00	0,00	0,00
13 Contract (Levels 9-12)	0,00	5,00	0,00	0,00	0,00	0,00
<b>TOTAL</b>	<b>0,00</b>	<b>1 956,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2022 and 31 March 2023

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
FINANCIAL CLERKS AND CREDIT CONTROLLERS	0,00	43,00	0,00	0,00	0,00
HUMAN RESOURCES CLERKS	0,00	34,00	0,00	0,00	0,00
MOTORISED FARM AND FORESTRY PLANT OPERATORS	0,00	2,00	0,00	0,00	0,00
SECURITY OFFICERS	0,00	3,00	0,00	0,00	0,00
HOUSEHOLD AND LAUNDRY WORKERS	0,00	1,00	0,00	0,00	0,00
GEOLOGISTS GEOPHYSICISTS HYDROLOGISTS AND RELAT PROF	0,00	2,00	0,00	0,00	0,00
VETERINARIANS	0,00	26,00	0,00	0,00	0,00
HUMAN RESOURCES AND ORGANISAT DEVELOPM AND RELATE PROF	0,00	38,00	0,00	0,00	0,00
MESSENGERS PORTERS AND DELIVERERS	0,00	62,00	0,00	0,00	0,00
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.	0,00	21,00	0,00	0,00	0,00
RISK MANAGEMENT AND SECURITY SERVICES	0,00	2,00	0,00	0,00	0,00
BIOCHEMISTRY PHARMACOL. ZOOLOGY AND LIFE SCIE. TECHNI	0,00	163,00	0,00	0,00	0,00
LOGISTICAL SUPPORT PERSONNEL	0,00	9,00	0,00	0,00	0,00
FINANCE AND ECONOMICS RELATED	0,00	40,00	0,00	0,00	0,00
OTHER ADMINISTRAT AND RELATED CLERKS AND ORGANISERS	0,00	81,00	0,00	0,00	0,00
AUXILIARY AND RELATED WORKERS	0,00	28,00	0,00	0,00	0,00
OTHER OCCUPATIONS	0,00	3,00	0,00	0,00	0,00
LEGAL RELATED	0,00	2,00	0,00	0,00	0,00
NATURE CONSERVATION AND OCEANOGRAPHICAL REL. TECHNI	0,00	1,00	0,00	0,00	0,00
AGRICUL ANIMAL OCEANOGRAPHY	0,00	133,00	0,00	0,00	0,00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
FORESTRY AND OTHER SCIEN					
FINANCIAL AND RELATED PROFESSIONALS	0,00	28,00	0,00	0,00	0,00
BUILDING AND OTHER PROPERTY CARETAKERS	0,00	8,00	0,00	0,00	0,00
ARCHITECTS TOWN AND TRAFFIC PLANNERS	0,00	1,00	0,00	0,00	0,00
ADMINISTRATIVE RELATED	0,00	27,00	0,00	0,00	0,00
COMMUNICATION AND INFORMATION RELATED	0,00	4,00	0,00	0,00	0,00
SECRETARIES AND OTHER KEYBOARD OPERATING CLERKS	0,00	33,00	0,00	0,00	0,00
PHYSICISTS	0,00	1,00	0,00	0,00	0,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	0,00	94,00	0,00	0,00	0,00
LIBRARY MAIL AND RELATED CLERKS	0,00	26,00	0,00	0,00	0,00
METEOROLOGISTS STATISTICAL AND RELATED TECHNICIANS	0,00	1,00	0,00	0,00	0,00
HUMAN RESOURCES RELATED	0,00	37,00	0,00	0,00	0,00
FORESTRY LABOURERS	0,00	8,00	0,00	0,00	0,00
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	0,00	2,00	0,00	0,00	0,00
VETERINARY ASSISTANTS	0,00	1,00	0,00	0,00	0,00
TRADE LABOURERS	0,00	2,00	0,00	0,00	0,00
LANGUAGE PRACTITIONERS INTERPRETERS AND OTHER COMMUN	0,00	4,00	0,00	0,00	0,00
CARTOGRAPHIC SURVEYING AND RELATED TECHNICIANS	0,00	1,00	0,00	0,00	0,00
MATERIAL-RECORDING AND TRANSPORT CLERKS	0,00	17,00	0,00	0,00	0,00
FARM HANDS AND LABOURERS	0,00	375,00	0,00	0,00	0,00
OTHER ADMINISTRATIVE POLICY AND RELATED	0,00	22,00	0,00	0,00	0,00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
OFFICERS					
ARTISAN PROJECT AND RELATED SUPERINTENDENTS	0,00	2,00	0,00	0,00	0,00
BUS AND HEAVY VEHICLE DRIVERS	0,00	1,00	0,00	0,00	0,00
SENIOR MANAGERS	0,00	28,00	0,00	0,00	0,00
FARMING FORESTRY ADVISORS AND FARM MANAGERS	0,00	41,00	0,00	0,00	0,00
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS)	0,00	24,00	0,00	0,00	0,00
ECONOMISTS	0,00	1,00	0,00	0,00	0,00
ENGINEERS AND RELATED PROFESSIONALS	0,00	10,00	0,00	0,00	0,00
MIDDLE MANAGERS	0,00	1,00	0,00	0,00	0,00
OTHER INFORMATION TECHNOLOGY PERSONNEL.	0,00	5,00	0,00	0,00	0,00
LIGHT VEHICLE DRIVERS	0,00	6,00	0,00	0,00	0,00
ENGINEERING SCIENCES RELATED	0,00	10,00	0,00	0,00	0,00
MOTOR VEHICLE DRIVERS	0,00	2,00	0,00	0,00	0,00
SECURITY GUARDS	0,00	17,00	0,00	0,00	0,00
FOOD SERVICES AIDS AND WAITERS	0,00	1,00	0,00	0,00	0,00
HORTICULTURISTS FORESTERS AGRICUL.AND FORESTRY TECHN	0,00	357,00	0,00	0,00	0,00
LIBRARIANS AND RELATED PROFESSIONALS	0,00	3,00	0,00	0,00	0,00
INFORMATION TECHNOLOGY RELATED	0,00	7,00	0,00	0,00	0,00
AGRICULTURE RELATED	0,00	86,00	0,00	0,00	0,00
<b>TOTAL</b>	<b>0,00</b>	<b>1 988,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>

#### Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –



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



Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2022 and 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0,00	24,00	0,00	0,00	0,00	0,00
Band B	0,00	6,00	0,00	0,00	0,00	0,00
Band C	0,00	1,00	0,00	0,00	0,00	0,00
Band D	0,00	1,00	0,00	0,00	0,00	0,00
<b>Total</b>	<b>0,00</b>	<b>32,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>

### 3.9 Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2022 and 31 March 2023

Salary band	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled production (Lev. 6-8)	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled supervision (Lev. 9-12)	0,00	0,00	0,00	0,00	0,00	0,00
Contract (level 9-12)	0,00	0,00	0,00	0,00	0,00	0,00
Contract (level 13-16)	0,00	0,00	0,00	0,00	0,00	0,00
<b>Total</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2022 and 31 March 2023

Major occupation	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
None	0,00	0,00	0,00	0,00	0,00	0,00
<b>Total</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>

### 3.10 Leave utilisation

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

*Table 3.10.1 Sick leave for the period 1 January 2022 to 31 December 2022*

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 6-8)	6,00	100,00	1,00	0,10	6,00	7,00
Contract (Levels 9-12)	11,00	63,60	2,00	0,20	6,00	27,00
Contract Other	153,50	97,70	34,00	3,30	5,00	70,00
Highly skilled production (Levels 6-8)	3 195,00	88,10	409,00	39,40	8,00	5 434,00
Highly skilled supervision (Levels 9-12)	2 194,00	91,10	264,00	25,40	8,00	6 184,00
Lower skilled (Levels 1-2)	677,00	93,50	79,00	7,60	9,00	395,00
Senior management (Levels 13-16)	117,00	96,60	17,00	1,60	7,00	534,00
Skilled (Levels 3-5)	2 172,00	92,20	232,00	22,40	9,00	1 848,00
<b>TOTAL</b>	<b>8 525,50</b>	<b>90,60</b>	<b>1 038,00</b>	<b>100,00</b>	<b>8,00</b>	<b>14 499,00</b>

*Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2022 to 31 December 2023*

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	82,00	100,00	2,00	15,40	41,00	47,00
Skilled (Levels 3-5)	40,00	100,00	3,00	23,10	13,00	37,00
Highly skilled production (Levels 6-8)	246,00	100,00	1,00	7,70	246,00	286,00
Highly skilled supervision (Levels 9-12)	314,00	100,00	7,00	53,80	45,00	1 070,00
Senior management (Levels 13-16)	0,00	0,00	0,00	0,00	0,00	0,00
<b>Total</b>	<b>682,00</b>	<b>100,00</b>	<b>13,00</b>	<b>100,00</b>	<b>52,00</b>	<b>1 440,00</b>

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

*Table 3.10.3 Annual Leave for the period 1 January 2022 to 31 December 2023*

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 1-2)	5,00	5,00	1,00
Contract (Levels 13-16)	25,00	25,00	1,00
Contract (Levels 3-5)	50,00	17,00	3,00
Contract (Levels 6-8)	80,00	4,00	18,00
Contract (Levels 9-12)	94,00	19,00	5,00
Contract Other	1 752,92	10,00	172,00
Highly skilled production (Levels 6-8)	20 749,00	28,00	751,00
Highly skilled supervision (Levels 9-12)	14 167,00	29,00	496,00
Lower skilled (Levels 1-2)	3 054,00	23,00	133,00
Senior management (Levels 13-16)	686,00	22,00	31,00
Skilled (Levels 3-5)	12 668,00	27,00	474,00
<b>TOTAL</b>	<b>53 330,92</b>	<b>26,00</b>	<b>2 085,00</b>

Table 3.10.4 Capped leave for the period 1 January 2022 to 31 December 2023

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2023
Contract (Levels 1-2)	0,00	0,00	0,00	0,00
Contract (Levels 13-16)	0,00	0,00	0,00	0,00
Contract (Levels 3-5)	0,00	0,00	0,00	0,00
Contract (Levels 6-8)	0,00	0,00	0,00	0,00
Contract (Levels 9-12)	0,00	0,00	0,00	0,00
Contract Other	0,00	0,00	0,00	0,00
Highly skilled production (Levels 6-8)	13,00	7,00	134,00	2,00
Highly skilled supervision (Levels 9-12)	1,00	1,00	115,00	1,00
Lower skilled (Levels 1-2)	0,00	0,00	0,00	0,00
Senior management (Levels 13-16)	0,00	0,00	89,00	0,00
Skilled (Levels 3-5)	23,00	5,00	100,00	5,00
<b>TOTAL</b>	<b>37,00</b>	<b>5,00</b>	<b>114,00</b>	<b>8,00</b>



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

Table 3.10.5 Leave payouts for the period 1 April 2022 and 31 March 2023

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2022/23 due to non-utilisation of leave for the previous cycle	583,00	11,00	53 000,00
Capped leave payouts on termination of service for 2022/23	5 074,00	134,00	37 866,00
Current leave payout on termination of service for 2022/23	18 335,00	119,00	154 076,00
<b>Total</b>	<b>23 992,00</b>	<b>264,00</b>	<b>244 942,00</b>
Leave Payouts (Actual) Allowance Codes - 0060, 0168, 0625, 0422, 0567, 0698, 0699, 0701	<b>23 974,00</b>	<b>146,00</b>	

### 3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

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

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

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Ms Shivalana PN: Director: Human Resource Development
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		a) Head Office = 5 Employee Health and Wellness(EHW) Coordinators District =4 EHW Coordinators b) The allocated budget at EHW: Compensation = R 6 305,763.90 Goods and Services = R301 116.99 Households (Injuries on Duty) = R93735,07  Machinery & Equipment = R190, 900 Total Annual budget = R6 700,615.96
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		<b>The following Wellness Management interventions are implemented:</b> a) Psychosocial Individual Wellness b) Physical Wellness c) Organisational Wellness d) Work life balance
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the	Yes		<b>The Departmental EHW Advisory committee is as follows:</b> a). Kekana EM : Capricorn District



Question	Yes	No	Details, if yes
members of the committee and the stakeholder(s) that they represent.			b). Maboia HM: Sekhukhune District c). Mudau KS: Madzivhandila College d). Mabilo MI: Mopani District e). Mahlangu SI.: Waterberg District f). Raphunga FE : Vhembe District g). Moshidi M: Human Resource Management h) Phosa MF Facility and Security Management: i) Maruping TG: Management Accounting j). Sitholimela S: Food Security k). Nevhutalu SN : Organisational Development l). Mashele K: Employee Relations and Special Programmes m). Mmbi N: Tsoomo Research n). Sebei PJ: Mara Research Station o). Madisha-Mokgonyana AN: Legal Services p). Matlakala L: Organised Labour (PSA) q). Dikgale S: Organised labour (NEHAWU) r). Mashiloane ML: Tompi Seleka College s). Selemela MR : Natural Resource Management
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		The HIV, TB, STIs and Wellness Management policies were reviewed and approved to incorporate the provision of POPI Act. The policy make provision against unfair discrimination and the principle of confidentiality applies to all employees who discloses their status and are referred to be provided with counselling. Managers also participate in HIV Testing Services to encourage employees to know their HIV status.
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		a) The principles of confidentiality, privacy, non-discrimination, and gender equality are promoted. b) Care and support programmes for infected and affected employees is provided through Psychosocial Wellness interventions by EAP Professional c). Awareness and education on the rights of employees on HIV&AIDS. d). Training of Supervisors and Peer educators on HIV, TB & STIs Management.
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		Total number of employees pre-counselled and tested for HIV= 235 Results: Positive=0 (M=71, F= 164) ; Negative= 235 (M=71, F=164)

Question	Yes	No	Details, if yes
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		a) Annual Operational plan has indicators to monitor health promotion programme. b) Monthly, Quarterly and Annual review sessions are conducted to monitor the progress. c) Unstructured/Informal interviews are conducted during awareness sessions for evaluation purposes.

### 3.12 Labour Relations

*Table 3.12.1 Collective agreements for the period 1 April 2022 and 31 March 2023*

Subject matter	Date
NONE	NONE

#### Notes

- If there were no agreements, keep the heading and replace the table with the following:

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

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

*Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2022 and 31 March 2023*

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0%
Verbal warning	0	0%
Written warning	1	0,05%
Final written warning	2	0,10%
Suspended without pay	4	0,70%
Fine	0	0%
Demotion	0	0%
Dismissal	0	0%
Not guilty	4	0,20%
Case withdrawn	0	0%
<b>Total</b>	<b>11</b>	<b>0,55%</b>

#### Notes

- If there were no agreements, keep the heading and replace the table with the following:

Total number of Disciplinary hearings finalised	9
---	---

*Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 and 31 March 2023*

Type of misconduct	Number	% of total
Gross negligence	5	0,25%
Misrepresentation	3	0,15%
Dereliction of duty	5	0,25%
Negligence	2	0,10%
Insubordination	1	0,05%
Gross dishonesty	2	0,10%
<b>Total</b>	<b>18</b>	<b>0,90%</b>

*Table 3.12.4 Grievances logged for the period 1 April 2022 and 31 March 2023*

Grievances	Number	% of Total
Number of grievances resolved	19	0,95
Number of grievances not resolved	21	1,05
<b>Total number of grievances lodged</b>	<b>40</b>	<b>2,0</b>

*Table 3.12.5 Disputes logged with Councils for the period 1 April 2022 and 31 March 2023*

Disputes	Number	% of Total
Number of disputes upheld	2	1,10
Number of disputes dismissed	4	0,20
<b>Total number of disputes lodged</b>	<b>16</b>	<b>0,80</b>

Table 3.12.6 Strike actions for the period 1 April 2022 and 31 March 2023

Total number of persons working days lost	0,00
Total costs working days lost	0,00
Amount recovered as a result of no work no pay (R'000)	R0,00

Table 3.12.7 Precautionary suspensions for the period 1 April 2022 and 31 March 2023

Number of people suspended	0,00
Number of people who's suspension exceeded 30 days	0,00
Average number of days suspended	0,00
Cost of suspension(R'000)	R0,00

### 3.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 20YY	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female		0	121	0	121
	Male		0	104	0	104
Professionals	Female		0	75	0	75
	Male		0	50	0	50
Technicians and associate professionals	Female		0	250	0	250
	Male		0	185	0	185
Clerks	Female		0	50	0	50
	Male		0	40	0	40
Service and sales workers	Female		0	60	0	50
	Male		0	50	0	60
Skilled agriculture and fishery workers	Female		0	0	0	0
	Male		0	0	0	0
Craft and related trades workers	Female		0	0	0	0
	Male		0	0	0	0
Plant and machine operators and assemblers	Female		0	0	0	0
	Male		0	0	0	0
Elementary occupations	Female		0	10	0	10
	Male		0	5	0	5
Sub Total	Female		0	444	0	444

Occupational category	Gender	Number of employees as at 1 April 20YY	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
	Male		0	556	0	556
<b>Total</b>			0	1000	0	1000

Table 3.13.2 Training provided for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 20YY	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female		0	143	0	143
	Male		0	96	0	96
Professionals	Female		0	251	0	251
	Male		0	204	0	204
Technicians and associate professionals	Female		0	496	0	496
	Male		0	469	0	469
Clerks	Female		0	35	0	35
	Male		0	26	0	26
Service and sales workers	Female		0	12	0	12
	Male		0	26	0	26
Skilled agriculture and fishery workers	Female		0	4	0	4
	Male		0	3	0	3
Craft and related trades workers	Female		0	0	0	0
	Male		0	0	0	0
Plant and machine operators and assemblers	Female		0	0	0	0
	Male		0	20	0	20
Elementary occupations	Female		0	91	0	91
	Male		0	60	0	60
Sub Total	Female		0	1032	0	1032
	Male		0	904	0	904
<b>Total</b>			<b>0</b>	<b>1936</b>	<b>0</b>	<b>1936</b>



### 3.14 Injury on duty

The following tables provide basic information on injury on duty.

*Table 3.14.1 Injury on duty for the period 1 April 2022 and 31 March 2023*

Nature of injury on duty	Number	% of total
Required basic medical attention only	10	0,5
Temporary Total Disablement	0	0,00
Permanent Disablement	0	0,00
Fatal	0	0,00
Total	10	0,05

### 3.15 Utilisation of Consultants

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

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

*Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2022 and 31 March 2023*

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
None	None	None	None

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	None	None	None

*Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023*

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	None	None	None

*Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2022 and 31 March 2023*

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None	None	None	None

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	None	None	None

*Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023*

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	None	None	None

### 3.16 Severance Packages

*Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2022 and 31 March 2023*

Salary band	Number of applications received	Number of applications referred to the Minister of Public Service and Administration (MPSA)	Number of applications supported by MPSA	Number of packages approved by Department
Lower skilled (Levels 1-2)	0,00	0,00	0,00	0,00
Skilled Levels 3-5)	0,00	0,00	0,00	0,00
Highly skilled production (Levels 6-8)	0,00	0,00	0,00	0,00
Highly skilled supervision(Levels 9-12)	0,00	0,00	0,00	0,00
Senior management (Levels 13-16)	0,00	0,00	0,00	0,00
<b>Total</b>	0,00	0,00	0,00	0,00



**LIMPOPO**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
**AGRICULTURE AND RURAL DEVELOPMENT**

# PART E

## PUBLIC FINANCE MANAGEMENT ACT COMPLIANCE REPORT

ANNUAL REPORT  
2022/23 FINANCIAL YEAR



## 1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

## 1.1 Irregular expenditure

## a) Reconciliation of irregular expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	197 290	253 993
Add: Irregular expenditure confirmed	2 297	2 235
Less: Irregular expenditure condoned	0	58 547
Less: Irregular expenditure not condoned and removed	2 574	391
Less: Irregular expenditure recoverable	0	0
<b>Less: Irregular expenditure not recovered and written off</b>	<b>0</b>	<b>0</b>
Closing balance	197 013	197 290

An amount of R2574m was identified in 2018/2019 but reversed in 2022/2023 and the R229m7 has been identified in 2021/2022 but confirmed in 2022/2023.

## Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure that was under assessment in 2022/2023	0	0
Irregular expenditure that relates to 2022/2023 and identified in 2021/2023	2 297	0
Irregular expenditure for the current year	0	0
<b>Total</b>	<b>2 297</b>	<b>0</b>

## b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description <sup>1</sup>	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure under assessment	0	2 297
Irregular expenditure under determination	0	0
Irregular expenditure under investigation	0	75 526
<b>Total 2</b>	<b>0</b>	<b>77 823</b>

An irregular expenditure amounting to R1505m has been identified in 2022/2023 but assessment started in April 2023/2024

<sup>1</sup> Group similar items

<sup>2</sup> Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation)

**c) Details of current and previous year irregular expenditure condoned**

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure condoned	0	58 535
<b>Total</b>	<b>0</b>	<b>58 535</b>

*An irregular expenditure amounting to R58535m was condoned by Provincial Treasury IN 2021/2022*

**d) Details of current and previous year irregular expenditure removed - (not condoned)**

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure NOT condoned and removed	2574	391
<b>Total</b>	<b>2574</b>	<b>391</b>

*An irregular expenditure amounting to R2574m was identified in 2018/2019 but reversed in 2022/2023*

**e) Details of current and previous year irregular expenditure recovered**

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure recovered	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**f) Details of current and previous year irregular expenditure written off (irrecoverable)**

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure written off	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)**

Description	
Not applicable	
<b>Total</b>	



h) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	2022/2023	2021/2022
	R'000	R'000
Not applicable	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
An irregular expenditure amounting to R198 009 was referred to Labour Relations. The disciplinary hearing was held and completed. The outcome of the hearing is final written warning.
An irregular expenditure amounting to R119 571 was referred to Labour Relations and the outcome is that an official was not found guilty.

*An application of the condonation for irregular expenditure for the R198009 and R119571 have started.*

1.2 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	446	23
Add: Fruitless and wasteful expenditure confirmed	73	430
Less: Fruitless and wasteful expenditure written off	11	0
Less: Fruitless and wasteful expenditure recoverable	0	7
<b>Closing balance</b>	<b>507</b>	<b>446</b>

*An amount of R11 000 was written off in 2022/2023 after a thorough investigation was conducted*

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2021/2022	0	0
Fruitless and wasteful expenditure that relates to 2021/2022 and identified in 2022/2023	5	0
Fruitless and wasteful expenditure for the current year	0	0
<b>Total</b>	<b>5</b>	<b>0</b>

**b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)**

Description <sup>3</sup>	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure under assessment	0	430
Fruitless and wasteful expenditure under determination	0	0
Fruitless and wasteful expenditure under investigation	0	0
<b>Total<sup>4</sup></b>	<b>0</b>	<b>430</b>

*An fruitless expenditure amounting to R447 has been identified in 2022/2023 but assessment started in April 2023/2024*

**c) Details of current and previous year fruitless and wasteful expenditure recovered**

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure recovered	5	7
<b>Total</b>	<b>5</b>	<b>7</b>

**d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off**

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure written off	11	0
<b>Total</b>	<b>11</b>	<b>0</b>

*An amount of R11 000 was written off in 2022/2023 after a thorough investigation was conducted*

**e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure**

Disciplinary steps taken	
Fruitless expenditure amounting to R281 000 has been referred to Labour Relations for disciplinary process. The disciplinary hearing was held and completed. The outcome of the hearing is 2 months leave without pay.	
<b>Total</b>	

<sup>3</sup>Group similar items

<sup>4</sup>Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination), and criminal conduct (investigation)

### 1.3 Unauthorised expenditure

#### a) Reconciliation of unauthorised expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	13	13
Add: unauthorised expenditure confirmed	0	0
Less: unauthorised expenditure approved with funding	0	0
Less: unauthorised expenditure approved without funding	0	0
Less: unauthorised expenditure recoverable	0	0
Less: unauthorised not recovered and written off <sup>5</sup>	0	0
<b>Closing balance</b>	<b>13</b>	<b>13</b>

*Unauthorised expenditure amounting to R13000 was disclosed in 2018/2019*

#### Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Unauthorised expenditure that was under assessment in 2022/2023	0	0
Unauthorised expenditure that relates to 2022/2023 and identified in 2021/2022	0	0
Unauthorised expenditure for the current year	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

#### b) Details of current and previous year unauthorised expenditure (under assessment, determination, and investigation)

Description <sup>6</sup>	2022/2023	2021/2022
	R'000	R'000
Unauthorised expenditure under assessment	0	0
Unauthorised expenditure under determination	0	0
Unauthorised expenditure under investigation	0	0
<b>Total<sup>7</sup></b>	<b>0</b>	<b>0</b>

<sup>5</sup>This amount may only be written off against available savings

<sup>6</sup>Group similar items

<sup>7</sup>Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)

**1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii)**

**a) Details of current and previous year material losses through criminal conduct**

Material losses through criminal conduct	2022/2023	2021/2022
	R'000	R'000
Theft	0	0
Other material losses	0	0
Less: Recovered	0	0
Less: Not recovered and written off	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**b) Details of other material losses**

Nature of other material losses	2022/2023	2021/2022
	R'000	R'000
<i>(Group major categories, but list material items)</i>	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**c) Other material losses recovered**

Nature of losses	2022/2023	2021/2022
	R'000	R'000
<i>(Group major categories, but list material items)</i>	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**d) Other material losses written off**

Nature of losses	2022/2023	2021/2022
	R'000	R'000
<i>(Group major categories, but list material items)</i>	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

## 2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	7 452	761 998
Invoices paid within 30 days or agreed period	7 435	761 021
Invoices paid after 30 days or agreed period	17	977
Invoices older than 30 days or agreed period ( <i>unpaid and without dispute</i> )	1	2
Invoices older than 30 days or agreed period ( <i>unpaid and in dispute</i> )	0	0

## 3. SUPPLY CHAIN MANAGEMENT

### 3.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
None				
<b>Total</b>				

### 3.2. Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
None						
<b>Total</b>						





**LIMPOPO**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
**AGRICULTURE AND RURAL DEVELOPMENT**

# PART F

## FINANCIAL INFORMATION

**ANNUAL REPORT  
2022/23 FINANCIAL YEAR**



## Report of the auditor-general to Limpopo Provincial Legislature on vote no. 4: Department of Agriculture and Rural Development

### **Report on the audit of the financial statements**

#### **Opinion**

1. I have audited the financial statements of the Department of Agriculture and Rural Development set out on pages 178 to 239, which comprise the appropriation statement, statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Agriculture and Rural Development as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2022 (DoRA).

#### **Basis for opinion**

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

#### **Emphasis of matters**

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

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**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**Restatement of corresponding figures**

7. As disclosed in note 42 to the financial statements, the corresponding figures for 31 March 2022 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2023.

**Underspending of the budget**

8. As disclosed in the appropriation statement, the department materially underspent the budget by R161 257 000 of which R121 422 000 is on the agriculture farmer support and development programme. The department underspent on the same programme in 2021/22 financial year with an amount of R98 786 000.

**Other matters**

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

**Unaudited supplementary schedules**

10. The supplementary information set out on pages 240 to 252 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly I do not express an opinion on them.

**1. National Treasury Instruction No. 4 of 2022/2023: PFMA Compliance and Reporting Framework.**

11. On 23 December 2022 National Treasury issued *Instruction Note No. 4: PFMA Compliance and Reporting Framework of 2022-23* in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA, which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Among the effects of this framework is that irregular and fruitless and wasteful expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note 30 to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of the department. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now required to be included as part of other information in the annual report of the department. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

Programme	Page numbers	Purpose
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**Responsibilities of the accounting officer for the financial statements**

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and DoRA; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

**Responsibilities of the auditor-general for the audit of the financial statements**

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

**Report on the audit of the annual performance report**

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
17. I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measures the department's performance on its primary mandated functions and that are of significant national, community or public interest.



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<b>Programme 3 - Agricultural producer support and development</b>	61 to 66	The purpose of the programme is to provide support to producers through agricultural development programmes. Enable and support transformation of the agriculture sector to actively contribute to economic growth, inclusion, equality, and the creation of decent work. Increase food production through producers' support and development initiatives.
<b>Programme 4 - Veterinary services</b>	67 to 71	The purpose of the programme is to provide veterinary services to clients to ensure healthy animals, sustainable and profitable animal production enterprises, safe trade in animals and products of animal origin and the wellbeing of animals and the public.

18. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, timebound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there are adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.



**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

21. I did not identify any material findings on the usefulness and reliability of the reported performance information for programme 4: agriculture producers support and development and programme 4: veterinary services

**Other matters**

22. I draw attention to the matters below.

**Achievement of planned targets**

23. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and under achievements..

**Material misstatements**

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Veterinary of programme. Management subsequently corrected all the misstatements and I did not include any material findings in this report

**Report on compliance with legislation**

25. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.

26. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

27. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

28. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

**Annual financial statements**

29. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1)(a) and (b) of the PFMA.

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2. Material misstatements in account balance identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified opinion.

**Procurement and contract management**

30. A bid invitation to tender for procurement of commodities designated for local content and production, did not stipulate the minimum threshold for local production and content as required by the 2017 procurement regulation 8(2).

**Asset management**

31. Proper control systems were not in place at the department to ensure the safeguarding and maintenance of assets, as required by treasury regulation 10.1.1(a). The department did not ensure that all movable assets were completely recorded.

**Other information in the annual report**

32. The accounting officer is responsible for the other information included in the annual report, which includes the audit committee's report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
33. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
34. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
35. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

**Internal control deficiencies**

36. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

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37. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and, the material findings on the annual performance report and the material findings on compliance with legislation included in this report
38. Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information
39. The management did not adequately implement controls over daily and monthly processing and reconciling of transactions

**Other reports**

40. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

**3. SIU Investigation Proclamation no R. 36 of 2019(GG 42577 dated 12 July 2019)**

41. There is an investigation into the mismanagement of the comprehensive agriculture support programme (CASP) grant, which is done at a national level. The investigation is still in progress

**4. Norjax situated in the Tzaneen local municipality**

42. An internal investigation was conducted by the risk management section in the department and the report was presented to the Financial Misconduct Board. An external investigation was recommended and a company was appointed by the provincial treasury to do the investigation. The investigation commenced on 17 May 2022.

*Auditor General*

Polokwane

31 July 2023



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APPROPRIATION STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

Programme	Appropriation per programme									
	2022/23					2021/22				
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000	
1. Administration	343 787	(59)	(14 366)	329 362	319 236	10 126	96,9%	324 203	321 392	
2. Sustainable Resource use and Management	124 947	-	9 817	134 764	132 250	2 514	98,1%	80 541	76 394	
3. Agriculture Producer Support and Development	818 055	-	(12 763)	805 292	684 195	121 097	85,0%	936 205	845 577	
4. Veterinary Services	224 091	-	12 113	236 204	221 182	15 022	93,6%	111 788	111 788	
5. Research and Technology Development Services	78 711	-	(191)	78 520	77 749	771	99,0%	54 898	54 898	
6. Agricultural Economic Services	60 133	-	4 090	64 223	64 101	122	99,8%	19 066	19 066	
7. Agricultural Education and Training	142 131	-	1 300	143 431	131 826	11 605	91,9%	115 991	114 791	
<b>Programme sub total</b>	<b>1 791 855</b>	<b>(59)</b>	<b>-</b>	<b>1 791 796</b>	<b>1 630 539</b>	<b>161 257</b>	<b>91,0%</b>	<b>1 642 692</b>	<b>1 543 906</b>	
Statutory Appropriation	2 037	59	-	2 096	2 096	-	100,0%	1 978	1 978	
MEMBERS REMUNERATION	2 037	59	-	2 096	2 096	-	100,0%	1 978	1 978	
<b>TOTAL</b>	<b>1 793 892</b>	<b>-</b>	<b>-</b>	<b>1 793 892</b>	<b>1 632 635</b>	<b>161 257</b>	<b>91,0%</b>	<b>1 644 670</b>	<b>1 545 884</b>	
Departmental receipts				11 385				11 599		
<b>Actual amounts per statement of financial performance (total revenue)</b>				<b>1 805 277</b>				<b>1 656 269</b>		
<b>Actual amounts per statement of financial performance (total expenditure)</b>					<b>1 632 635</b>				<b>1 545 884</b>	

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APPROPRIATION STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

Appropriation per economic classification	2022/23						2021/22		
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 558 552</b>	<b>(614)</b>	<b>-</b>	<b>1 557 938</b>	<b>1 456 213</b>	<b>101 725</b>	<b>93,5%</b>	<b>1 460 406</b>	<b>1 418 876</b>
Compensation of employees	1 067 995	-	-	1 067 995	987 436	80 559	92,5%	1 026 961	1 020 439
Salaries and wages	914 859	(497)	-	914 362	842 615	71 747	92,2%	878 540	872 018
Social contributions	153 136	497	-	153 633	144 821	8 812	94,3%	148 421	148 421
Goods and services	490 557	(614)	-	489 943	468 777	21 166	95,7%	433 445	398 433
Administrative fees	-	89	-	89	89	-	100,0%	12	12
Advertising	2 585	(983)	(114)	1 488	627	861	42,1%	638	554
Minor assets	4 793	(4 380)	(139)	274	23	251	8,4%	1 138	1 138
Audit costs: External	7 500	167	-	7 667	7 667	-	100,0%	6 867	6 867
Bursaries: Employees	-	-	-	-	-	-	-	6	6
Catering: Departmental activities	2 104	(156)	(41)	1 907	1 782	125	93,4%	722	722
Communication (G&S)	22 682	752	(209)	23 225	18 313	4 912	78,9%	19 557	19 557
Computer services	30 612	(273)	-	30 339	30 022	317	99,0%	28 131	28 131
Consultants: Business and advisory services	450	-	-	450	-	450	-	31	31
Infrastructure and planning services	980	(600)	-	380	380	-	100,0%	1 547	1 548
Laboratory services	606	(581)	-	25	25	-	100,0%	45	45
Legal services	450	492	-	942	942	-	100,0%	823	823
Contractors	3 566	(346)	(718)	2 502	2 064	438	82,5%	7 840	1 753
Agency and support / outsourced services	47 111	(9 119)	(1 008)	36 984	30 804	6 180	83,3%	47 991	38 756
Fleet services (including government motor transport)	13 082	(678)	-	12 404	11 367	1 037	91,6%	8 989	8 989
Inventory: Clothing material and accessories	-	685	-	685	685	-	100,0%	-	-
Inventory: Farming supplies	93 816	(6 905)	(276)	86 635	86 349	286	99,7%	94 130	84 152
Inventory: Food and food supplies	-	-	-	-	-	-	-	11	11
Inventory: Fuel, oil and gas	1 358	1 331	(130)	2 559	2 559	-	100,0%	322	322
Inventory: Materials and supplies	803	(473)	(118)	212	212	-	100,0%	16 498	15 361
Inventory: Medical supplies	5 636	(4 825)	(14)	797	793	4	99,5%	621	621
Inventory: Medicine	16 411	310	4 812	21 533	20 820	713	96,7%	7 547	7 547
Inventory: Other supplies	-	2 494	-	2 494	2 494	-	100,0%	-	-
Consumable supplies	14 067	4 890	(747)	18 210	17 793	417	97,7%	11 115	9 878
Consumable: Stationery, printing and office supplies	2 222	(27)	(535)	1 660	1 642	18	98,9%	720	720
Operating leases	28 456	2 935	(1 605)	29 786	29 628	158	99,5%	28 157	28 157
Property payments	131 516	(10 449)	(183)	120 884	119 277	1 607	98,7%	103 268	103 267
Transport provided: Departmental activity	2 450	(1 343)	(500)	607	457	150	75,3%	97	97



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Travel and subsistence	24 844	34 254	2 603	61 701	61 673	28	100,0%	33 218	30 449
Training and development	22 706	(11 686)	(1 177)	9 843	7 909	1 934	80,4%	4 964	4 350
Operating payments	3 825	2 417	(114)	6 128	5 884	244	96,0%	2 820	1 076
Venues and facilities	4 831	1 173	(287)	5 717	5 617	100	98,3%	5 338	3 293
Rental and hiring	1 095	221	500	1 816	880	936	48,5%	282	200
Interest and rent on land	-	-	-	-	-	-	-	-	4
Rent on land	-	-	-	-	-	-	-	-	4
<b>Transfers and subsidies</b>	<b>43 494</b>	-	<b>43 494</b>	<b>38 663</b>	<b>4 831</b>	<b>4 831</b>	<b>88,9%</b>	<b>47 508</b>	<b>43 273</b>
Provinces and municipalities	892	-	892	499	393	393	55,9%	734	542
Municipalities	892	-	892	499	393	393	55,9%	734	542
Municipal bank accounts	892	-	892	499	393	393	55,9%	734	542
Departmental agencies and accounts	-	-	-	-	-	-	-	4 043	-
Departmental agencies	-	-	-	-	-	-	-	4 043	-
Public corporations and private enterprises	13 130	(13 130)	-	-	-	-	-	-	-
Public corporations	13 130	(13 130)	-	-	-	-	-	-	-
Other transfers to public corporations	13 130	(13 130)	-	-	-	-	-	-	-
Households	29 472	13 130	-	42 602	38 164	4 438	89,6%	42 731	42 731
Social benefits	27 556	1 061	-	28 617	24 179	4 438	84,5%	41 414	41 414
Other transfers to households	1 916	12 069	-	13 985	13 985	-	100,0%	1 317	1 317
<b>Payments for capital assets</b>	<b>191 846</b>	-	<b>191 846</b>	<b>137 145</b>	<b>54 701</b>	<b>54 701</b>	<b>71,5%</b>	<b>136 644</b>	<b>83 623</b>
Buildings and other fixed structures	160 945	1 438	-	162 383	125 336	37 047	77,2%	126 193	78 377
Buildings	56 936	(6 630)	-	50 306	17 744	32 562	35,3%	66 063	21 844
Other fixed structures	104 009	8 068	-	112 077	107 592	4 485	96,0%	60 130	56 533
Machinery and equipment	29 389	(1 438)	-	27 951	11 809	16 142	42,2%	9 656	4 681
Transport equipment	4 750	2 340	-	7 090	6 390	700	90,1%	1 318	730
Other machinery and equipment	24 639	(3 778)	-	20 861	5 419	15 442	26,0%	8 338	3 951
Biological assets	1 512	-	-	1 512	-	1 512	-	795	565
<b>Payment for financial assets</b>	<b>-</b>	<b>614</b>	<b>-</b>	<b>614</b>	<b>614</b>	<b>-</b>	<b>100,0%</b>	<b>112</b>	<b>112</b>
<b>Total</b>	<b>1 793 892</b>	<b>-</b>	<b>-</b>	<b>1 793 892</b>	<b>1 632 635</b>	<b>161 257</b>	<b>91,0%</b>	<b>1 644 670</b>	<b>1 545 884</b>

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	2022/23					2021/22			
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>Programme 1: Administration</b>									
<b>Sub programme</b>									
1. OFFICE OF THE MEC	4 655	792	(1 200)	4 247	4 247	-	100,0%	2 133	2 133
2. SENIOR MANAGEMENT	6 287	420	-	6 707	6 707	-	100,0%	16 127	16 127
3. COMMUNICATION & LIAISON SERVICES	8 736	867	-	9 603	7 690	1 913	80,1%	8 102	8 102
4. CORPORATE SERVICES	210 452	628	(4 341)	206 739	198 608	8 131	96,1%	147 106	144 440
5. FINANCIAL MANAGEMENT	113 657	(2 766)	(8 825)	102 066	101 984	82	99,9%	150 735	150 590
<b>Total for sub programmes</b>	<b>343 787</b>	<b>(59)</b>	<b>(14 366)</b>	<b>329 362</b>	<b>319 236</b>	<b>10 126</b>	<b>96,9%</b>	<b>324 203</b>	<b>321 392</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>333 981</b>	<b>(175)</b>	<b>(14 388)</b>	<b>319 418</b>	<b>312 054</b>	<b>7 364</b>	<b>97,7%</b>	<b>308 791</b>	<b>308 791</b>
Compensation of employees	228 172	(59)	(7 767)	220 346	220 346	-	100,0%	219 731	219 731
Salaries and wages	195 415	(556)	(7 767)	187 092	187 092	-	100,0%	188 478	188 478
Social contributions	32 757	497	-	33 254	33 254	-	100,0%	31 253	31 253
Goods and services	105 809	(116)	(6 621)	99 072	91 708	7 364	92,6%	89 060	89 060
Advertising	1 160	(309)	(114)	737	80	657	10,9%	415	415
Audit costs: External	7 500	167	-	7 667	7 667	-	100,0%	6 867	6 867
Bursaries: Employees	-	-	-	-	-	-	-	6	6
Catering: Departmental activities	325	28	(41)	312	187	125	59,9%	7	7
Communication (G&S)	5 069	777	-	5 846	5 197	649	88,9%	5 557	5 557
Computer services	26 531	(799)	-	25 732	25 415	317	98,8%	25 073	25 073
Consultants: Business and advisory services	450	-	-	450	-	450	-	31	31
Legal services	450	492	-	942	942	-	100,0%	823	823
Contractors	940	264	(600)	604	604	-	100,0%	544	544
Agency and support / outsourced services	1 663	(557)	(673)	433	250	183	57,7%	6 190	6 190
Fleet services (including government motor transport)	10 604	243	-	10 847	10 847	-	100,0%	7 561	7 561
Inventory: Farming supplies	-	10	-	10	10	-	100,0%	22	22
Inventory: Fuel, oil and gas	20	59	(20)	59	59	-	100,0%	-	-
Inventory: Materials and supplies	60	30	(60)	30	30	-	100,0%	-	-
Inventory: Medical supplies	10	-	-	10	6	4	60,0%	-	-
Consumable supplies	2 085	(655)	(612)	818	608	210	74,3%	1 559	1 559
Consumable: Stationery, printing and office supplies	868	-	(416)	452	434	18	96,0%	51	51
Operating leases	24 087	(63)	(1 605)	22 419	22 261	158	99,3%	20 937	20 937
Property payments	11 898	(3 218)	(1 277)	7 403	5 796	1 607	78,3%	7 754	7 754
Transport provided: Departmental activity	500	-	(500)	-	-	-	-	-	-
Travel and subsistence	2 460	2 782	(56)	5 186	5 186	-	100,0%	3 131	3 131

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Training and development	3 500	-	3 500	1 644	1 856	47,0%	2 045	2 045
Operating payments	3 324	491	3 701	3 457	244	93,4%	379	379
Venues and facilities	1 360	142	(488)	914	100	90,1%	90	90
Rental and hiring	945	-	(45)	114	786	12,7%	18	18
<b>Transfers and subsidies</b>	<b>4 838</b>	<b>-</b>	<b>22</b>	<b>4 778</b>	<b>82</b>	<b>98,3%</b>	<b>11 237</b>	<b>11 092</b>
Provinces and municipalities	326	-	326	244	82	74,8%	311	166
Municipalities	326	-	326	244	82	74,8%	311	166
Municipal bank accounts	326	-	326	244	82	74,8%	311	166
Households	4 512	-	22	4 534	-	100,0%	10 926	10 926
Social benefits	2 596	1 061	22	3 679	-	100,0%	9 609	9 609
Other transfers to households	1 916	(1 061)	-	855	-	100,0%	1 317	1 317
<b>Payments for capital assets</b>	<b>4 968</b>	<b>-</b>	<b>4 968</b>	<b>2 288</b>	<b>2 680</b>	<b>46,1%</b>	<b>4 063</b>	<b>1 397</b>
Buildings and other fixed structures	-	1 438	-	1 438	-	100,0%	-	-
Buildings	-	1 438	-	1 438	-	100,0%	-	-
Machinery and equipment	4 968	(1 438)	-	850	2 680	24,1%	4 063	1 397
Transport equipment	-	-	-	-	-	-	730	730
Other machinery and equipment	4 968	(1 438)	-	850	2 680	24,1%	3 333	667
<b>Payment for financial assets</b>	<b>-</b>	<b>116</b>	<b>-</b>	<b>116</b>	<b>-</b>	<b>100,0%</b>	<b>112</b>	<b>112</b>
<b>Total</b>	<b>343 787</b>	<b>(59)</b>	<b>(14 366)</b>	<b>329 362</b>	<b>319 236</b>	<b>96,9%</b>	<b>324 203</b>	<b>321 392</b>

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	2022/23						2021/22		
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget	Final Budget R'000	Actual Expenditure R'000
<b>Programme 2: Sustainable Resource use and Management</b>									
<b>Sub programme</b>									
1. AGRICULTURAL ENGINEERING SERVICES	35 899	(1 892)	509	34 516	34 516	-	100,0%	7 958	7 958
2. LAND CARE	72 411	2 430	5 496	80 337	77 823	2 514	96,9%	49 711	46 905
3. DISASTER RISK REDUCTION	16 637	(538)	3 812	19 911	19 911	-	100,0%	22 872	21 531
<b>Total for sub programmes</b>	<b>124 947</b>	<b>-</b>	<b>9 817</b>	<b>134 764</b>	<b>132 250</b>	<b>2 514</b>	<b>98,1%</b>	<b>80 541</b>	<b>76 394</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>116 755</b>	<b>(182)</b>	<b>7 143</b>	<b>123 716</b>	<b>123 716</b>	<b>-</b>	<b>100,0%</b>	<b>60 911</b>	<b>59 434</b>
Compensation of employees	85 054	-	5 866	90 920	90 920	-	100,0%	35 859	35 859
Salaries and wages	73 875	-	3 635	77 510	77 510	-	100,0%	31 278	31 278
Social contributions	11 179	-	2 231	13 410	13 410	-	100,0%	4 581	4 581
Goods and services	31 701	(182)	1 277	32 796	32 796	-	100,0%	25 052	23 575
Advertising	75	(60)	-	15	15	-	100,0%	94	10
Minor assets	310	(310)	-	-	-	-	-	371	371
Catering: Departmental activities	1 244	(292)	-	952	952	-	100,0%	-	-
Communication (G&S)	-	-	-	-	-	-	-	774	774
Computer services	830	(807)	-	23	23	-	100,0%	179	179
Infrastructure and planning services	292	(292)	-	-	-	-	-	157	64
Contractors	15	(15)	-	-	-	-	-	9 898	9 898
Agency and support / outsourced services	17 654	1 926	-	19 580	19 580	-	100,0%	-	-
Fleet services (including government motor transport)	338	(338)	-	-	-	-	-	3 499	3 499
Inventory: Farming supplies	2 589	(1 546)	-	1 043	1 043	-	100,0%	-	-
Inventory: Fuel, oil and gas	30	686	-	716	716	-	100,0%	-	-
Inventory: Materials and supplies	532	(532)	-	-	-	-	-	313	313
Consumable supplies	4 925	(98)	-	4 827	4 827	-	100,0%	4 969	4 968
Property payments	-	-	-	-	-	-	-	958	958
Transport provided: Departmental activity	-	13	-	13	13	-	100,0%	-	-
Travel and subsistence	2 488	623	531	3 642	3 642	-	100,0%	2 840	1 639
Training and development	279	253	-	532	532	-	100,0%	846	845
Operating payments	-	518	-	518	518	-	100,0%	-	-
Venues and facilities	100	89	201	390	390	-	100,0%	15	-
Rental and hiring	-	-	545	545	545	-	100,0%	139	57
<b>Transfers and subsidies</b>	<b>1 000</b>	<b>-</b>	<b>2 674</b>	<b>3 674</b>	<b>3 674</b>	<b>-</b>	<b>100,0%</b>	<b>1 276</b>	<b>1 276</b>
Households	1 000	-	2 674	3 674	3 674	-	100,0%	1 276	1 276

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Social benefits	1 000	-	2 674	3 674	3 674	100,0%	1 276	1 276
<b>Payments for capital assets</b>	<b>7 192</b>	<b>-</b>	<b>-</b>	<b>7 192</b>	<b>4 678</b>	<b>65,0%</b>	<b>18 354</b>	<b>15 684</b>
Buildings and other fixed structures	4 180	-	-	4 180	3 903	93,4%	16 254	14 631
Other fixed structures	4 180	-	-	4 180	3 903	93,4%	16 254	14 631
Machinery and equipment	3 012	-	-	3 012	775	25,7%	2 100	1 053
Transport equipment	700	-	-	700	-	-	588	-
Other machinery and equipment	2 312	-	-	2 312	775	33,5%	1 512	1 053
<b>Payment for financial assets</b>	<b>-</b>	<b>182</b>	<b>-</b>	<b>182</b>	<b>182</b>	<b>100,0%</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>124 947</b>	<b>-</b>	<b>9 817</b>	<b>134 764</b>	<b>132 250</b>	<b>98,1%</b>	<b>80 541</b>	<b>76 394</b>



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	2022/23						2021/22		
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>Programme 3: Agriculture Producer Support and Development</b>									
<b>Sub programme</b>									
1. PRODUCER SUPPORT AND MANAGEMENT	226 607	5 116	-	231 723	209 752	21 971	90,5%	236 838	173 781
2. EXTENSION & ADVISORY SERVICES	501 256	(3 547)	(12 438)	485 271	396 999	88 272	81,8%	623 804	608 893
3. FOOD SECURITY	85 939	(1 007)	(325)	84 607	73 781	10 826	87,2%	70 503	59 276
4. RURAL DEVELOPMENT COORDINATION	4 253	(562)	-	3 691	3 663	28	99,2%	5 060	3 627
<b>Total for sub programmes</b>	<b>818 055</b>	<b>-</b>	<b>(12 763)</b>	<b>805 292</b>	<b>684 195</b>	<b>121 097</b>	<b>85,0%</b>	<b>936 205</b>	<b>845 577</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>661 800</b>	<b>(299)</b>	<b>(7 113)</b>	<b>654 388</b>	<b>560 149</b>	<b>94 239</b>	<b>85,6%</b>	<b>797 054</b>	<b>757 799</b>
Compensation of employees	440 020	-	(7 113)	432 907	352 470	80 437	81,4%	539 420	532 898
Salaries and wages	374 780	-	(1 727)	373 053	301 306	71 747	80,8%	459 632	453 110
Social contributions	65 240	-	(5 386)	59 854	51 164	8 690	85,5%	79 788	79 788
Goods and services	221 780	(299)	-	221 481	207 679	13 802	93,8%	257 634	224 897
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	750	(14)	-	736	532	204	72,3%	129	129
Minor assets	3 674	(3 410)	-	264	13	251	4,9%	1 138	1 138
Catering: Departmental activities	500	109	-	609	609	-	100,0%	320	320
Communication (G&S)	14 915	237	-	15 152	10 889	4 263	71,9%	12 691	12 691
Computer services	3 251	1 333	-	4 584	4 584	-	100,0%	2 284	2 284
Infrastructure and planning services	-	380	-	380	380	-	100,0%	1 295	1 295
Laboratory services	1 305	-	-	1 333	895	438	67,1%	6 111	915
Contractors	12 665	(6 373)	-	6 292	295	5 997	4,7%	21 762	12 527
Agency and support / outsourced services	1 950	(469)	-	1 481	444	1 037	30,0%	1 254	1 254
Fleet services (including government motor transport)	-	685	-	685	685	-	100,0%	-	-
Inventory: Clothing material and accessories	68 278	973	-	69 251	68 965	286	99,6%	88 015	78 037
Inventory: Farming supplies	-	-	-	-	-	-	-	11	11
Inventory: Food and food supplies	500	469	-	969	969	-	100,0%	22	22
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	16 004	14 867
Inventory: Materials and supplies	1 763	-	-	1 763	1 050	713	59,6%	881	881
Inventory: Medicine	-	2 476	-	2 476	2 476	-	100,0%	-	-
Inventory: Other supplies	1 935	996	-	2 931	2 724	207	92,9%	4 309	3 073
Consumable supplies	690	(116)	-	574	574	-	100,0%	444	444
Consumable: Stationery, printing and office supplies	4 369	2 998	-	7 367	7 367	-	100,0%	7 188	7 188
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	74 131	(8 288)	-	65 843	65 843	-	100,0%	63 168	63 168

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Transport provided: Departmental activity	1 950	(1 478)	472	322	150	68,2%	79	79
Travel and subsistence	8 006	20 231	28 237	28 209	28	99,9%	21 161	19 593
Training and development	17 627	(12 342)	5 285	5 207	78	98,5%	2 073	1 460
Operating payments	-	605	605	605	-	100,0%	1 916	172
Venues and facilities	3 371	450	3 821	3 821	-	100,0%	5 233	3 203
Rental and hiring	150	221	371	221	150	59,6%	101	101
Interest and rent on land	-	-	-	-	-	-	-	4
Rent on land	-	-	-	-	-	-	-	4
<b>Transfers and subsidies</b>	<b>19 365</b>	<b>(3 678)</b>	<b>15 687</b>	<b>11 143</b>	<b>4 544</b>	<b>71,0%</b>	<b>28 114</b>	<b>24 024</b>
Provinces and municipalities	419	-	419	218	201	52,0%	391	344
Municipalities	419	-	419	218	201	52,0%	391	344
Municipal bank accounts	419	-	419	218	201	52,0%	391	344
Departmental agencies and accounts	-	-	-	-	-	-	4 043	-
Departmental agencies	-	-	-	-	-	-	4 043	-
Households	18 946	-	15 268	10 925	4 343	71,6%	23 680	23 680
Social benefits	18 946	-	15 268	10 925	4 343	71,6%	23 680	23 680
<b>Payments for capital assets</b>	<b>136 890</b>	<b>(1 972)</b>	<b>134 918</b>	<b>112 604</b>	<b>22 314</b>	<b>83,5%</b>	<b>111 037</b>	<b>63 754</b>
Buildings and other fixed structures	121 285	-	119 318	103 771	15 547	87,0%	106 749	60 958
Buildings	26 406	(2 428)	23 978	8 547	15 431	35,6%	64 551	20 332
Other fixed structures	94 879	2 428	95 340	95 224	116	99,9%	42 198	40 626
Machinery and equipment	14 093	-	14 088	8 833	5 255	62,7%	3 493	2 231
Transport equipment	4 050	2 340	6 390	6 390	-	100,0%	-	-
Other machinery and equipment	10 043	(2 340)	7 698	2 443	5 255	31,7%	3 493	2 231
Biological assets	1 512	-	1 512	-	1 512	-	795	565
<b>Payment for financial assets</b>	<b>-</b>	<b>299</b>	<b>299</b>	<b>299</b>	<b>-</b>	<b>100,0%</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>818 055</b>	<b>(12 763)</b>	<b>805 292</b>	<b>684 195</b>	<b>121 097</b>	<b>85,0%</b>	<b>936 205</b>	<b>845 577</b>

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	2022/23					2021/22			
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>Programme 4: Veterinary Services</b>									
<b>Sub programme</b>									
1. ANIMAL HEALTH	203 338	572	10 240	214 150	199 128	15 022	93,0%	90 373	90 373
2. VETERINARY PUBLIC HEALTH	7 941	(292)	1 101	8 750	8 750	-	100,0%	9 680	9 680
3. VETERINARY DIAGNOSTICS SERVICES	12 812	(280)	772	13 304	13 304	-	100,0%	11 735	11 735
<b>Total for sub programmes</b>	<b>224 091</b>	<b>-</b>	<b>12 113</b>	<b>236 204</b>	<b>221 182</b>	<b>15 022</b>	<b>93,6%</b>	<b>111 788</b>	<b>111 788</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>205 037</b>	<b>-</b>	<b>11 228</b>	<b>216 265</b>	<b>216 265</b>	<b>-</b>	<b>100,0%</b>	<b>107 285</b>	<b>107 285</b>
Compensation of employees	149 478	-	4 480	153 958	153 958	-	100,0%	95 079	95 079
Salaries and wages	130 839	-	507	131 346	131 346	-	100,0%	81 724	81 724
Social contributions	18 639	-	3 973	22 612	22 612	-	100,0%	13 355	13 355
Goods and services	55 559	-	6 748	62 307	62 307	-	100,0%	12 206	12 206
Administrative fees	-	86	-	86	86	-	100,0%	-	-
Advertising	600	(600)	-	-	-	-	-	-	-
Minor assets	592	(592)	-	-	-	-	-	-	-
Catering: Departmental activities	35	(22)	-	13	13	-	100,0%	-	-
Communication (G&S)	1 120	(426)	-	694	694	-	100,0%	-	-
Infrastructure and planning services	530	(530)	-	-	-	-	-	-	-
Laboratory services	476	(476)	-	-	-	-	-	-	-
Contractors	521	(338)	-	183	183	-	100,0%	76	76
Agency and support / outsourced services	357	-	546	903	903	-	100,0%	-	-
Fleet services (including government motor transport)	30	(20)	-	10	10	-	100,0%	-	-
Inventory: Farming supplies	15 763	(7 978)	-	7 785	7 785	-	100,0%	-	-
Inventory: Fuel, oil and gas	110	287	-	397	397	-	100,0%	97	97
Inventory: Materials and supplies	-	29	-	29	29	-	100,0%	-	-
Inventory: Medical supplies	5 596	(4 825)	-	771	771	-	100,0%	620	620
Inventory: Medicine	14 290	551	4 875	19 716	19 716	-	100,0%	6 523	6 523
Consumable supplies	4 284	4 765	-	9 049	9 049	-	100,0%	37	37
Consumable: Stationery, printing and office supplies	74	143	-	217	217	-	100,0%	46	46
Transport provided: Departmental activity	-	122	-	122	122	-	100,0%	-	-
Travel and subsistence	11 000	8 724	1 327	21 051	21 051	-	100,0%	4 395	4 395
Training and development	-	526	-	526	526	-	100,0%	-	-
Operating payments	181	574	-	755	755	-	100,0%	412	412
<b>Transfers and subsidies</b>	<b>2 567</b>	<b>-</b>	<b>885</b>	<b>3 452</b>	<b>3 452</b>	<b>-</b>	<b>100,0%</b>	<b>4 503</b>	<b>4 503</b>

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Households	2 567	-	885	3 452	3 452	-	100,0%	4 503	4 503
Social benefits	2 567	-	885	3 452	3 452	-	100,0%	4 503	4 503
<b>Payments for capital assets</b>	<b>16 487</b>	<b>-</b>	<b>-</b>	<b>16 487</b>	<b>1 465</b>	<b>15 022</b>	<b>8,9%</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	10 000	-	-	10 000	308	9 692	3,1%	-	-
Buildings	8 500	-	-	8 500	-	8 500	-	-	-
Other fixed structures	1 500	-	-	1 500	308	1 192	20,5%	-	-
Machinery and equipment	6 487	-	-	6 487	1 157	5 330	17,8%	-	-
Other machinery and equipment	6 487	-	-	6 487	1 157	5 330	17,8%	-	-
<b>Total</b>	<b>224 091</b>	<b>-</b>	<b>12 113</b>	<b>236 204</b>	<b>221 182</b>	<b>15 022</b>	<b>93,6%</b>	<b>111 788</b>	<b>111 788</b>

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	2022/23						2021/22		
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>Programme 5: Research and Technology Development Services</b>									
<b>Sub programme</b>									
1. AGRICULTURAL RESEARCH	78 711	-	(191)	78 520	77 749	771	99,0%	54 898	54 898
2. TECHNOLOGY TRANSFER SERVICES	-	-	-	-	-	-	-	-	-
3. RESEARCH INFRASTRUCTURE SUPPORT SERVICES	-	-	-	-	-	-	-	-	-
<b>Total for sub programmes</b>	<b>78 711</b>	<b>-</b>	<b>(191)</b>	<b>78 520</b>	<b>77 749</b>	<b>771</b>	<b>99,0%</b>	<b>54 898</b>	<b>54 898</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>76 870</b>	<b>(2)</b>	<b>(293)</b>	<b>76 575</b>	<b>76 575</b>	<b>-</b>	<b>100,0%</b>	<b>53 852</b>	<b>53 054</b>
Compensation of employees	60 669	-	(2 305)	58 364	58 364	-	100,0%	41 725	41 725
Salaries and wages	51 099	-	(225)	50 874	50 874	-	100,0%	36 170	36 170
Social contributions	9 570	-	(2 080)	7 490	7 490	-	100,0%	5 555	5 555
Goods and services	16 201	(2)	2 012	18 211	18 211	-	100,0%	12 127	11 329
Administrative fees	-	3	-	3	3	-	100,0%	12	12
Minor assets	73	(68)	-	5	5	-	100,0%	-	-
Communication (G&S)	571	164	-	735	735	-	100,0%	508	508
Infrastructure and planning services	158	(158)	-	-	-	-	-	-	-
Laboratory services	100	(100)	-	-	-	-	-	-	-
Contractors	500	(285)	-	215	215	-	100,0%	848	50
Fleet services (including government motor transport)	160	(94)	-	66	66	-	100,0%	174	174
Inventory: Farming supplies	611	(293)	-	318	318	-	100,0%	1 850	1 850
Inventory: Fuel, oil and gas	500	(170)	-	330	330	-	100,0%	144	144
Inventory: Materials and supplies	-	0	-	-	-	-	-	9	9
Inventory: Medicine	260	(241)	-	19	19	-	100,0%	51	51
Consumable supplies	190	17	-	207	207	-	100,0%	24	24
Consumable: Stationery, printing and office supplies	100	(63)	-	37	37	-	100,0%	44	44
Property payments	12 978	-	1 094	14 072	14 072	-	100,0%	7 720	7 720
Transport provided: Departmental activity	-	-	-	-	-	-	-	18	18
Travel and subsistence	-	1 286	918	2 204	2 204	-	100,0%	722	722
Operating payments	-	-	-	-	-	-	-	3	3
<b>Transfers and subsidies</b>	<b>491</b>	<b>-</b>	<b>97</b>	<b>588</b>	<b>559</b>	<b>29</b>	<b>95,1%</b>	<b>568</b>	<b>568</b>
Provinces and municipalities	34	-	-	34	5	29	14,7%	-	-
Municipalities	34	-	-	34	5	29	14,7%	-	-
Municipal bank accounts	34	-	-	34	5	29	14,7%	-	-
Households	457	-	97	554	554	-	100,0%	568	568



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Social benefits	457	-	97	554	554	-	100,0%	568	568
<b>Payments for capital assets</b>	<b>1 350</b>	<b>-</b>	<b>5</b>	<b>1 355</b>	<b>613</b>	<b>742</b>	<b>45,2%</b>	<b>478</b>	<b>1 276</b>
Buildings and other fixed structures	1 350	-	-	1 350	608	742	45,0%	478	1 276
Buildings	1 300	(410)	-	890	148	742	16,6%	-	-
Other fixed structures	50	410	-	460	460	-	100,0%	478	1 276
Machinery and equipment	-	-	5	5	5	-	100,0%	-	-
Other machinery and equipment	-	-	5	5	5	-	100,0%	-	-
<b>Payment for financial assets</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>100,0%</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>78 711</b>	<b>-</b>	<b>(191)</b>	<b>78 520</b>	<b>77 749</b>	<b>771</b>	<b>99,0%</b>	<b>54 898</b>	<b>54 898</b>

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	2022/23						2021/22		
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget	Final Budget R'000	Actual Expenditure R'000
<b>Programme 6: Agricultural Economic Service</b>									
<b>Sub programme</b>									
1. PRODUCTION ECONOMICS AND MARKETING SUPPORT	28 221	1 495	2 821	32 537	32 476	61	99,8%	13 984	13 984
2. MACRO ECONOMICS SUPPORT	4 282	(878)	-	3 404	3 343	61	98,2%	5 082	5 082
3. AGRO-PROCESSING SUPPORT	27 630	(617)	1 269	28 282	28 282	-	100,0%	-	-
<b>Total for sub programmes</b>	<b>60 133</b>	<b>-</b>	<b>4 090</b>	<b>64 223</b>	<b>64 101</b>	<b>122</b>	<b>99,8%</b>	<b>19 066</b>	<b>19 066</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>41 773</b>	<b>-</b>	<b>2 123</b>	<b>43 896</b>	<b>43 774</b>	<b>122</b>	<b>99,7%</b>	<b>19 066</b>	<b>19 066</b>
Compensation of employees	32 003	-	2 821	34 824	34 702	122	99,6%	17 735	17 735
Salaries and wages	26 971	-	2 821	29 792	29 792	-	100,0%	15 556	15 556
Social contributions	5 032	-	-	5 032	4 910	122	97,6%	2 179	2 179
Goods and services	9 770	-	(698)	9 072	9 072	-	100,0%	1 331	1 331
Catering: Departmental activities	-	21	-	21	21	-	100,0%	-	-
Infrastructure and planning services	-	-	-	-	-	-	-	73	74
Laboratory services	30	(5)	-	25	25	-	100,0%	-	-
Agency and support / outsourced services	3 640	(2 556)	(698)	386	386	-	100,0%	-	-
Inventory: Farming supplies	5 600	1 944	-	7 544	7 544	-	100,0%	-	-
Property payments	-	-	-	-	-	-	-	642	641
Travel and subsistence	500	473	-	973	973	-	100,0%	616	616
Operating payments	-	123	-	123	123	-	100,0%	-	-
<b>Transfers and subsidies</b>	<b>13 130</b>	<b>-</b>	<b>-</b>	<b>13 130</b>	<b>13 130</b>	<b>-</b>	<b>100,0%</b>	<b>-</b>	<b>-</b>
Public corporations and private enterprises	13 130	(13 130)	-	-	-	-	-	-	-
Public corporations	13 130	(13 130)	-	-	-	-	-	-	-
Other transfers to public corporations	13 130	(13 130)	-	-	-	-	-	-	-
Households	-	13 130	-	13 130	13 130	-	100,0%	-	-
Other transfers to households	-	13 130	-	13 130	13 130	-	100,0%	-	-
<b>Payments for capital assets</b>	<b>5 230</b>	<b>-</b>	<b>1 967</b>	<b>7 197</b>	<b>7 197</b>	<b>-</b>	<b>100,0%</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	5 230	-	1 967	7 197	7 197	-	100,0%	-	-
Buildings	5 230	(5 230)	-	-	-	-	-	-	-
Other fixed structures	-	5 230	1 967	7 197	7 197	-	100,0%	-	-
<b>Total</b>	<b>60 133</b>	<b>-</b>	<b>4 090</b>	<b>64 223</b>	<b>64 101</b>	<b>122</b>	<b>99,8%</b>	<b>19 066</b>	<b>19 066</b>

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	2022/23						2021/22		
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>Programme 7: Agricultural Education and Training</b>									
<b>Sub programme</b>									
1. HIGHER EDUCATION AND TRAINING	140 631	-	2 594	143 225	131 620	11 605	91,9%	115 150	113 950
2. AGRICULTURE SKILLS DEVELOPMENT	1 500	-	(1 294)	206	206	-	100,0%	841	841
<b>Total for sub programmes</b>	<b>142 131</b>	<b>-</b>	<b>1 300</b>	<b>143 431</b>	<b>131 826</b>	<b>11 605</b>	<b>91,9%</b>	<b>115 991</b>	<b>114 791</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>120 299</b>	<b>(15)</b>	<b>1 300</b>	<b>121 584</b>	<b>121 584</b>	<b>-</b>	<b>100,0%</b>	<b>111 469</b>	<b>111 469</b>
Compensation of employees	70 562	-	4 018	74 580	74 580	-	100,0%	75 434	75 434
Salaries and wages	60 110	-	2 756	62 866	62 866	-	100,0%	63 991	63 991
Social contributions	10 452	-	1 262	11 714	11 714	-	100,0%	11 443	11 443
Goods and services	49 737	(15)	(2 718)	47 004	47 004	-	100,0%	36 035	36 035
Minor assets	144	-	(139)	5	5	-	100,0%	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	24	24
Communication (G&S)	1 007	-	(209)	798	798	-	100,0%	801	801
Contractors	285	-	(118)	167	167	-	100,0%	104	104
Agency and support / outsourced services	11 132	(1 559)	(183)	9 390	9 390	-	100,0%	10 141	10 141
Inventory: Farming supplies	975	(15)	(276)	684	684	-	100,0%	744	744
Inventory: Fuel, oil and gas	198	-	(110)	88	88	-	100,0%	59	59
Inventory: Materials and supplies	211	-	(58)	153	153	-	100,0%	172	172
Inventory: Medical supplies	30	-	(14)	16	16	-	100,0%	1	1
Inventory: Medicine	98	-	(63)	35	35	-	100,0%	92	92
Inventory: Other supplies	-	18	-	18	18	-	100,0%	-	-
Consumable supplies	648	(135)	(135)	378	378	-	100,0%	217	217
Consumable: Stationery, printing and office supplies	490	9	(119)	380	380	-	100,0%	135	135
Operating leases	-	-	-	-	-	-	-	32	32
Property payments	32 509	1 057	-	33 566	33 566	-	100,0%	23 026	23 026
Travel and subsistence	390	135	(117)	408	408	-	100,0%	353	353
Training and development	1 300	(123)	(1 177)	-	-	-	-	-	-
Operating payments	320	106	-	426	426	-	100,0%	110	110
Venues and facilities	-	492	-	492	492	-	100,0%	-	-
Rental and hiring	-	-	-	-	-	-	-	24	24
<b>Transfers and subsidies</b>	<b>2 103</b>	<b>-</b>	<b>-</b>	<b>2 103</b>	<b>1 927</b>	<b>176</b>	<b>91,6%</b>	<b>1 810</b>	<b>1 810</b>
Provinces and municipalities	113	-	-	113	32	81	28,3%	32	32
Municipalities	113	-	-	113	32	81	28,3%	32	32

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Municipal bank accounts	113	-	113	32	81	28,3%	32	32
Households	1 990	-	1 990	1 895	95	95,2%	1 778	1 778
Social benefits	1 990	-	1 990	1 895	95	95,2%	1 778	1 778
<b>Payments for capital assets</b>	<b>19 729</b>	-	<b>19 729</b>	<b>8 300</b>	<b>11 429</b>	<b>42,1%</b>	<b>2 712</b>	<b>1 512</b>
Buildings and other fixed structures	18 900	-	18 900	8 111	10 789	42,9%	2 712	1 512
Buildings	15 500	-	15 500	7 611	7 889	49,1%	1 512	1 512
Other fixed structures	3 400	-	3 400	500	2 900	14,7%	1 200	-
Machinery and equipment	829	-	829	189	640	22,8%	-	-
Transport equipment	-	-	-	-	-	-	-	-
Other machinery and equipment	829	-	829	189	640	22,8%	-	-
<b>Payment for financial assets</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>100,0%</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>142 131</b>	<b>-</b>	<b>1 300</b>	<b>143 431</b>	<b>11 605</b>	<b>91,9%</b>	<b>115 991</b>	<b>114 791</b>

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FOR THE YEAR ENDED 31 MARCH 2023

Direct charge	2022/23						2021/22		
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>MEMBERS REMUNERATION</b>	2 037	59	-	2 096	2 096	-	100,0%	1 978	1 978
<b>Economic classification</b>									
<b>Current payments</b>	2 037	59	-	2 096	2 096	-	100,0%	1 978	1 978
Compensation of employees	2 037	59	-	2 096	2 096	-	100,0%	1 978	1 978
Salaries and wages	1 770	59	-	1 829	1 829	-	100,0%	1 711	1 711
Social contributions	267	-	-	267	267	-	100,0%	267	267
<b>Total</b>	<b>2 037</b>	<b>59</b>	<b>-</b>	<b>2 096</b>	<b>2 096</b>	<b>-</b>	<b>100,0%</b>	<b>1 978</b>	<b>1 978</b>



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**NOTES TO THE APPROPRIATION STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

- 1 Detail of transfers and subsidies as per Appropriation Act (after Virement):**  
Detail of these transactions can be viewed in the note on Transfers and subsidies and Annexure 1 (A-H) to the Annual Financial Statements.
- 2 Detail of specifically and exclusively appropriated amounts voted (after Virement):**  
Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.
- 3 Detail on payments for financial assets**  
Detail of these transactions per programme can be viewed in the note to Payments for financial assets to the Annual Financial Statements.
- 4 Explanations of material variances from Amounts Voted (after virement):**

**4.1 Per programme**

Programme	Final Budget	Actual expenditure	variance	Variance as a % of Final Budget
	R'000	R'000		R'000
Administration	331 458	321 332	10 126	3%
Sustainable Resource use and Management	134 764	132 250	2 514	2%
Agriculture Producer Support and Development	805 292	684 195	121 097	15%
Veterinary Services	236 204	221 182	15 022	6%
Research and Technology Development Services	78 520	77 749	771	1%
Agricultural Economic Services	64 223	64 101	122	0%
Agricultural Education and Training	143 431	131 826	11 605	8%
<b>Total</b>	<b>1 793 892</b>	<b>1 632 635</b>	<b>161 257</b>	<b>9%</b>

**4.2 Per economic classification**

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000		R'000
<b>Current payments</b>	<b>1 557 938</b>	<b>1 456 213</b>	<b>101 725</b>	<b>7%</b>
Compensation of employees	1 067 995	987 436	80 559	8%
Goods and services	489 943	468 777	21 166	4%
<b>Transfers and subsidies</b>	<b>43 494</b>	<b>38 664</b>	<b>4 830</b>	<b>11%</b>
Provinces and municipalities	892	499	393	44%
Households	42 602	38 165	4 437	10%
<b>Payments for capital assets</b>	<b>191 846</b>	<b>137 144</b>	<b>54 702</b>	<b>28%</b>
Buildings and other fixed structures	162 383	125 335	37 047	23%
Machinery and equipment	27 951	11 809	16 142	58%
Biological assets	1512	-	1512	1
<b>Payments for financial assets</b>	<b>614</b>	<b>614</b>	<b>-</b>	<b>0%</b>
<b>Total</b>	<b>1 793 892</b>	<b>1 632 635</b>	<b>161 257</b>	<b>10%</b>

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NOTES TO THE APPROPRIATION STATEMENTS  
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**Variance Explanation**

- **Compensation of Employees** - Underspending attributable mainly due to the non-filling of vacant funded posts because of the delay in the approval of Department's request by Provincial Treasury
- **Goods and Services** - The underspending was derived mainly from exponential increase of production inputs (after the start of the Russian-Ukraine War) for Letsema Conditional Grant. (The price negotiations took long and as a result the Department's expenditure performance was affected).
- **Transfers and Subsidies** – Underspending was due to slow spending on non-employees bursaries due to delays in submission of invoices by institutions
- **Capital Assets** - Slow implication of the Procurement plans which include the following:
  - Slow implication of the Procurement plans which include the following:
    - Late appointment of service providers
    - Slow implementation of Turn-Key term contract for Infrastructure pro-jects
    - Non-delivery of the laptops for (Extension Recovery Plan) ERP and Veterinary services by the Service provider and Backup generator
  - Late implementation of projects/Programmes due to protracted procurement process which included non-response to bids.
  - Service provider constraints which include among other cash flow challenges
  - Late implementation of the Land care Business plan for all provinces resulting in the commencement of the Land care programme in the 2nd quarter

**4.3 Per conditional grant**

Conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
CASP	248 092	219 758	28 334	11%
Letsema	76 822	67 017	9 805	13%
Land Care	16 031	12 134	3 897	24%
EPWP	10 361	10 071	290	3%
<b>Total</b>	<b>351 306</b>	<b>308 980</b>	<b>42 326</b>	<b>3%</b>

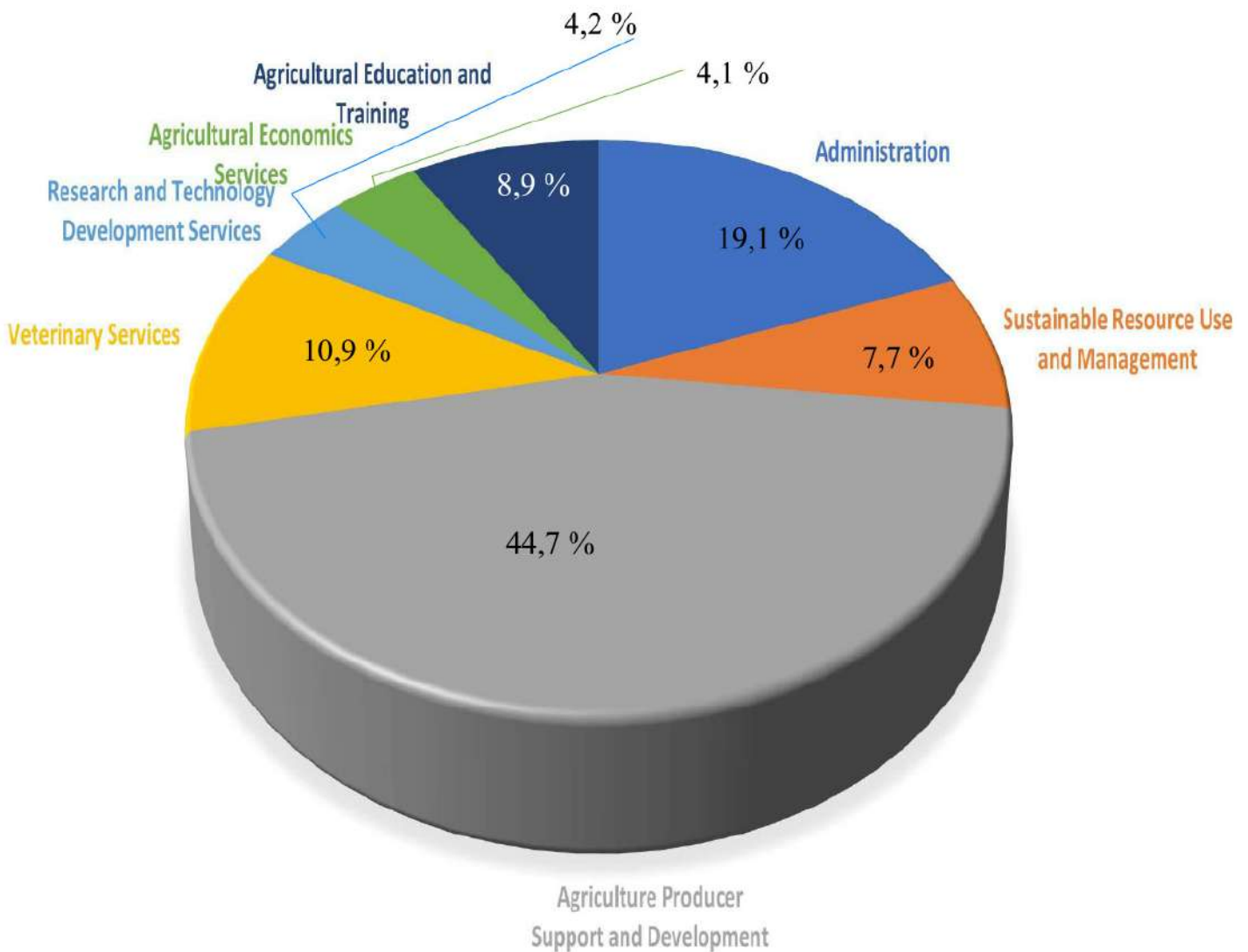
**The underspending was as results of:**

- **CASP** - The underspending was derived from:
  - Due to the non-filling of vacant funded posts because of the delay in the approval of Department's request by Provincial Treasury
    - Lack of capacity in Engineering Function
  - Slow implication of the Procurement plant which include the following:
    - Late appointment of service providers
    - Slow implementation of Turn-Key term contract
    - non-delivery of the laptops for (Extension Recovery Plan) ERP by the Service provider
  - Late implementation of projects/Programmes be procurement process which included non-response to bids.
  - Service provider constraints which include among other cash flow challenges
  - Exponential increase of production inputs (after the start of the Russian-Ukraine War)
- **Letsema** - The underspending is attributed to the following.
  - Exponential increase of production inputs (after the start of the Russian-Ukraine War). (The price negotiations took long and as a result the Department's expenditure performance was affected).

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- Late implementation of projects/Programmes because of procurement process which included non-response to bids.  
 •**Land Care** - The underspending is attributed to the late implementation of the Land care Business plan for all provinces resulting in the commencement of the Land care programme in the 2nd quarter  
 •**EPWP** - The underspending attributed to the late implementation of some of the projects



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STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2022/23 R'000	2021/22 R'000
<b>REVENUE</b>			
Annual appropriation	1	1 791 796	1 642 692
Statutory appropriation	2	2 096	1 978
Departmental revenue	3	11 385	11 599
<b>TOTAL REVENUE</b>		<b>1 805 277</b>	<b>1 656 269</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>		<b>1 456 213</b>	<b>1 418 876</b>
Compensation of employees	4	987 436	1 020 439
Goods and services	5	468 777	398 433
Interest and rent on land	6	-	4
<b>Transfers and subsidies</b>		<b>38 664</b>	<b>43 273</b>
Transfers and subsidies	8	38 664	43 273
<b>Expenditure for capital assets</b>		<b>137 144</b>	<b>83 623</b>
Tangible assets	9	137 144	83 623
<b>Payments for financial assets</b>		<b>614</b>	<b>112</b>
<b>TOTAL EXPENDITURE</b>		<b>1 632 635</b>	<b>1 545 884</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>172 642</b>	<b>110 385</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted Funds		161 257	98 786
Annual appropriation		118 931	4 027
Conditional grants		42 326	94 759
Departmental revenue and NRF Receipts	14	11 385	11 599
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>172 642</b>	<b>110 385</b>

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**STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2022/23 R'000	2021/22 R'000
<b>ASSETS</b>			
<b>Current Assets</b>			
		<b>173 955</b>	<b>107 881</b>
Cash and cash equivalents	10	162 864	100 433
Prepayments and advances	11	3 189	433
Receivables	12	7 902	7 015
<b>Non-Current Assets</b>			
		<b>454</b>	<b>281</b>
Receivables	12	454	281
<b>TOTAL ASSETS</b>		<b>174 409</b>	<b>108 162</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
		<b>168 959</b>	<b>103 901</b>
Voted funds to be surrendered to the Revenue Fund	13	161 257	98 783
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	3 549	3 624
Payables	15	4 153	1 494
<b>TOTAL LIABILITIES</b>		<b>168 959</b>	<b>103 901</b>
<b>NET ASSETS</b>		<b>5 450</b>	<b>4 261</b>
Represented by:			
Recoverable revenue		5 463	4 261
Unauthorised expenditure		(13)	-
<b>TOTAL</b>		<b>5 450</b>	<b>4 261</b>



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STATEMENT OF CHANGE IN NET ASSETS  
FOR THE YEAR ENDED 31 MARCH 2023

NET ASSETS	Note	2022/23 R'000	2021/22 R'000
<b>Recoverable revenue</b>			
Opening balance		4 274	4 274
Transfers		1 189	-
Irrecoverable amounts written off	7,1	(614)	(112)
Debts revised		(29)	(43)
Debts recovered (included in departmental receipts)		(264)	(642)
Debts raised		2 096	797
Closing balance		5 463	4 274
<b>Unauthorised expenditure</b>			
Opening balance		(13)	(13)
Closing balance		(13)	(13)
<b>TOTAL</b>		<b>5 450</b>	<b>4 261</b>

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**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2022/23 R'000	2021/22 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		1 805 277	1 654 767
Annual appropriated funds received	1,1	1 791 796	1 642 691
Statutory appropriated funds received	2	2 096	1 978
Departmental revenue received	3	11 281	10 042
Interest received	3,2	104	56
Net (increase)/ decrease in working capital		(984)	4 637
Surrendered to Revenue Fund		(110 243)	(34 950)
Current payments		(1 456 213)	(1 418 872)
Interest paid	6	-	(4)
Payments for financial assets		(614)	(112)
Transfers and subsidies paid		(38 664)	(43 273)
<b>Net cash flow available from operating activities</b>	<b>16</b>	<b>198 559</b>	<b>162 193</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	9	(137 144)	(83 623)
Proceeds from sale of capital assets	3,3	-	1 501
(Increase)/decrease in non-current receivables	12	(173)	(5 059)
<b>Net cash flows from investing activities</b>		<b>(137 317)</b>	<b>(87 181)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/ (decrease) in net assets		1 189	-
Net cash flows from financing activities		1 189	-
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<b>62 431</b>	<b>75 012</b>
Cash and cash equivalents at beginning of period		100 433	25 421
<b>Cash and cash equivalents at end of period</b>	<b>17</b>	<b>162 864</b>	<b>100 433</b>

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NOTES TO ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

**PART A: ACCOUNTING POLICIES**

**Summary of significant accounting policies**

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

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

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

<b>1</b>	<b>Basis of preparation</b> The financial statements have been prepared in accordance with the Modified Cash Standard.
<b>2</b>	<b>Going concern</b> The financial statements have been prepared on a going concern basis.
<b>3</b>	<b>Presentation currency</b> Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
<b>4</b>	<b>Rounding</b> Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
<b>5</b>	<b>Foreign currency translation</b> Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
<b>6</b>	<b>Comparative information</b>
<b>6.1</b>	<b>Prior period comparative information</b> Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
<b>6.2</b>	<b>Current year comparison with budget</b> A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
<b>7</b>	<b>Revenue</b>
<b>7.1</b>	<b>Appropriated funds</b>  Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e., statutory appropriation).  Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.  The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date

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	is recognised as a payable / receivable in the statement of financial position.
<b>7.2</b>	<p><b>Departmental revenue</b></p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
<b>7.3</b>	<p><b>Accrued departmental revenue</b></p> <p>Accruals in respect of departmental revenue are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> <li>• it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and</li> <li>• the amount of revenue can be measured reliably.</li> </ul> <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Write-offs are made according to the department's debt write-off policy.</p>
<b>8</b>	<b>Expenditure</b>
<b>8.1</b>	<b>Compensation of employees</b>
<b>8.1.1</b>	<p><b>Salaries and wages</b></p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
<b>8.1.2</b>	<p><b>Social contributions</b></p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
<b>8.2</b>	<p><b>Other expenditure</b></p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
<b>8.3</b>	<p><b>Accruals and payables not recognised</b></p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>
<b>8.4</b>	<b>Leases</b>
<b>8.4.1</b>	<p><b>Operating leases</b></p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
<b>8.4.2</b>	<p><b>Finance leases</b></p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p>

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	<p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> <li>• cost, being the fair value of the asset; or</li> <li>• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li> </ul>
<b>9</b>	<p><b>Cash and cash equivalents</b></p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
<b>10</b>	<p><b>Prepayments and advances</b></p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p>The prepayment and advances are expensed on monthly basis for rental of buildings.</p>
<b>11</b>	<p><b>Loans and receivables</b></p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p>
<b>12</b>	<p><b>Payables</b></p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
<b>13</b>	<p><b>Capital Assets</b></p>
<b>13.1</b>	<p><b>Immovable capital assets</b></p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
<b>13.2</b>	<p><b>Movable capital assets</b></p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p>



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	<p>Biological assets are subsequently carried at fair value.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
<b>13.3</b>	<p><b>Intangible assets</b></p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
<b>13.4</b>	<p><b>Project Costs: Work-in-progress</b></p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
<b>14</b>	<p><b>Provisions and Contingents</b></p>
<b>14.1</b>	<p><b>Provisions</b></p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits because of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
<b>14.2</b>	<p><b>Contingent liabilities</b></p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
<b>14.3</b>	<p><b>Contingent assets</b></p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises</p>

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	from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
<b>14.4</b>	<p><b>Capital commitments</b></p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>
<b>15</b>	<p><b>Unauthorised expenditure</b></p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> <li>• approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li> <li>• approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li> <li>• transferred to receivables for recovery.</li> </ul> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
<b>16</b>	<p><b>Fruitless and wasteful expenditure</b></p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>17</b>	<p><b>Irregular expenditure</b></p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>18</b>	<p><b>Changes in accounting estimates and errors</b></p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities, and net assets for the earliest period for which retrospective restatement is practicable.</p>
<b>19</b>	<p><b>Events after the reporting date</b></p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after</p>

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	the reporting date have been disclosed in the notes to the financial statements.
<b>20</b>	<p><b>Principal-Agent arrangements</b></p> <p>The department is party to a principal-agent arrangement for Infrastructure developments. In terms of the arrangement the department is the principal and is responsible for identification, prioritisation, and budget for these infrastructure developments. All related revenues, expenditures, assets, and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
<b>21</b>	<p><b>Recoverable revenue</b></p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
<b>22</b>	<p><b>Related party transactions</b></p> <p>Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.</p>
<b>23</b>	<p><b>Inventories</b></p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or were intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
<b>24</b>	<p><b>Employee benefits</b></p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>

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NOTES TO ANNUAL FINANCIAL STATEMENTS  
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**PART B: EXPLANATORY NOTES**

**1. Annual Appropriation**

**1.1. Annual Appropriation**

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for Provincial Departments:

Programmes	2022/23			2021/22		
	Final Budget R'000	Actual Funds Received R'000	Funds not requested/not received R'000	Final Budget R'000	Appropriation Received R'000	Funds not requested/not received R'000
ADMINISTRATION	329 362	329 362	-	324 203	324 203	-
SUSTAINABLE RESOURCE USE AND MANAGEMENT	134 764	134 764	-	80 541	80 541	-
AGRICULTURE PRODUCER SUPPORT AND DEVELOPMENT	805 292	805 292	-	936 205	936 204	1
VETERINARY SERVICES	236 204	236 204	-	111 788	111 788	-
RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES	78 520	78 520	-	54 898	54 898	-
AGRICULTURAL ECONOMICS SERVICES	64 223	64 223	-	19 066	19 066	-
AGRICULTURAL EDUCATION AND TRAINING	143 431	143 431	-	115 991	115 991	-
<b>Total</b>	<b>1 791 796</b>	<b>1 791 796</b>	<b>-</b>	<b>1 642 692</b>	<b>1 642 691</b>	<b>1</b>

**1,2 Conditional grants**

	Note	2022/23 R'000	2021/22 R'000
Total grants received	45	351 306	346 638
Provincial grants included in Total Grants received		-	14 754

*During financial year 2022/23 department did not receive provincial grant*

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**2 Statutory Appropriation**

	2022/23 R'000	2021/22 R'000
MEMBERS REMUNERATION	2 096	1 978
	<u>2 096</u>	<u>1 978</u>
Actual Statutory Appropriation received	<u>2 096</u>	<u>1 978</u>

*Department had two members of executive, Ms Ndalane NA and Mr Mokone TA. Due to statutory increase that was backdated from 1 April 2021 the allocation was increased from 2037 to 2096 as a result funds were shifted to accommodate the increase*

**3 Departmental Revenue**

	Note	2022/23 R'000	2021/22 R'000
Sales of goods and services other than capital assets	3,1	9 125	9 400
Interest, dividends and rent on land	3,2	113	56
Sales of capital assets	3,3	-	1 501
Transactions in financial assets and liabilities	3,4	2 147	642
<b>Total revenue collected</b>		<u>11 385</u>	<u>11 599</u>
<b>Departmental revenue collected</b>		<u>11 385</u>	<u>11 599</u>

*There has been increase in recoveries on prior year expenditure and contractual debt, revenue collected, and sales of capital assets decline is because the department did not have auction in the financial year 2022/23*

**3,1 Sales of goods and services other than capital assets**

	Note	2022/23 R'000	2021/22 R'000
Sales of goods and services produced by the department	3	9 117	9 396
Sales by market establishment		<u>9 117</u>	<u>9 396</u>
Sales of scrap, waste and other used current goods		<u>8</u>	<u>4</u>
<b>Total</b>		<u>9 125</u>	<u>9 400</u>



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3,2 Interest, dividends and rent on land

	Note	2022/23 R'000	2022/23 R'000
	3		
Interest		104	56
Rent on land		9	-
<b>Total</b>		<b>113</b>	<b>56</b>

3,3 Sales of capital assets

	Note	2022/23 R'000	2022/23 R'000
	3		
<b>Tangible capital assets</b>		-	<b>1 501</b>
Machinery and equipment		-	1 501
<b>Total</b>		<b>-</b>	<b>1 501</b>

No auction conducted during the financial year 2022/23

3,4 Transactions in financial assets and liabilities

	Note	2022/23 R'000	2022/23 R'000
	3		
Receivables		760	318
Other Receipts including Recoverable Revenue		1 387	324
<b>Total</b>		<b>2 147</b>	<b>642</b>

There has been increase in recoveries on prior year expenditure and contractual debt

3.5 Donations received in-kind (not included in the main note)

	Note	2022/23 R'000	2022/23 R'000
	3		
<b>List in-kind donations received</b>			
1X PHOTOCOPY MACHINE		-	125
10X CAMERA CANNON		-	142
4X PROJECTOR EPSON LCD		-	97
OFFICE FURNITURE		-	39
20X SCANNERS		201	-
55X LIABRARY BOOKS		26	-
NOZALA TRUST (BIOLOGICAL ASSETS)		57	-
NOZALA TRUST (MOVABLE ASSETS)		301	-
8X LENOVO LAPTOPS		98	-
1X CANNON PRINTERS		12	-
SERVICES RECEIVED		309	-
INVETORY AND CONSUMABLES RECEIVED		174	-
<b>Total</b>		<b>1 178</b>	<b>403</b>

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*The national department of agriculture and land reform donated scanners, van schaick bookshop donated library books, Nozala trust donated movable assets, biological assets, repair services and inventory/consumables and Agri seta donated office equipment to the department*

**4 Compensation of Employees**

	Note	2022/23 R'000	2022/23 R'000	<i>Delays in fillin</i>
<b>4,1 Salaries and wages</b>	3			
Basic salary		672 735	695 613	
Performance award		-	4 432	
Service Based		1 467	1 936	
Compensative/circumstantial		8 316	6 055	
Periodic payments		8	16	
Other non-pensionable allowances		160 089	163 965	
<b>Total</b>		<b>842 615</b>	<b>872 017</b>	
<b>4,2 Social Contributions</b>				
<b>Employer contributions</b>	<b>Note</b>	<b>2022/23 R'000</b>	<b>2021/22 R'000</b>	
Pension		85 227	88 229	
Medical		55 864	56 735	
UIF		64	-	
Bargaining council		243	234	
Insurance		3 423	3 224	
<b>Total</b>		<b>144 821</b>	<b>148 422</b>	
<b>Total compensation of employees</b>		<b>987 436</b>	<b>1 020 439</b>	
Average number of employees		1848	2108	

*Delays in filling 139 vacant posts resulted in decrease of compensation of employees expenditure*

**5 Goods and services**

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	Note	2022/23 R'000	2021/22 R'000
Administrative fees		89	12
Advertising		627	554
Minor assets	5,1	23	1 138
Bursaries (employees)		-	6
Catering		1 783	721
Communication		18 312	19 557
Computer services	5,2	30 022	28 133
Consultants: Business and advisory services		-	31
Infrastructure and planning services		380	1 547
Laboratory services		25	45
Legal services		942	823
Contractors		2 064	1 754
Agency and support / outsourced services		30 804	38 755
Audit cost – external	5,3	7 666	6 867
Fleet services		11 367	8 989
Inventories	5,4	113 911	108 011
Consumables	5,5	19 435	10 602
Operating leases		29 628	28 156
Property payments	5,6	119 276	103 269
Rental and hiring		880	200
Transport provided as part of the departmental activities		458	97
Travel and subsistence	5,7	61 673	30 448
Venues and facilities		5 616	3 293
Training and development		7 909	4 350
Other operating expenditure	5,8	5 887	1 075
<b>Total</b>		<b>468 777</b>	<b>398 433</b>

5,1 Minor assets

	Note	2022/23 R'000	2021/22 R'000
<b>Tangible capital assets</b>	5	<b>23</b>	<b>1 138</b>
Biological assets		-	1 138
Machinery and equipment		23	-
<b>Total</b>		<b>23</b>	<b>1 138</b>

5,2 Computer services

	Note	2022/23 R'000	2021/22 R'000
SITA computer services	5	30 022	28 133
<b>Total</b>		<b>30 022</b>	<b>28 133</b>

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**5,3 Audit cost – external**

	Note	2022/23 R'000	2021/22 R'000
	5		
Regularity audits		7 666	6 867
<b>Total</b>		<b>7 666</b>	<b>6 867</b>

**5,4 Inventory**

	Note	2022/23 R'000	2021/22 R'000
	5		
Clothing material and accessories		685	-
Farming supplies		88 843	84 152
Food and food supplies		-	11
Fuel, oil and gas		2 557	321
Materials and supplies		212	15 361
Medical supplies		793	2 485
Medicine		20 821	5 681
<b>Total</b>		<b>113 911</b>	<b>108 011</b>

**5,5 Consumables**

	Note	2022/23 R'000	2021/22 R'000
	5		
Consumable supplies		17 791	9 881
Uniform and clothing		12 689	8 168
Household supplies		2 536	1 068
IT consumables		2 192	560
Other consumables		374	85
Stationery, printing and office supplies		1 644	721
<b>Total</b>		<b>19 435</b>	<b>10 602</b>

*The increase is related to the increase in the procurement of diesel to cater for electricity cuts*

**5,6 Property payments**

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	Note	2022/23 R'000	2021/22 R'000
	5		
Municipal services		14 484	16 980
Property maintenance and repairs		7 401	59
Other		97 391	86 230
<b>Total</b>		<b>119 276</b>	<b>103 269</b>

Included in other is the expenditure for cleaning services, firefighting/protection services and safeguard&security. Furthermore, the increase in maintenance and repairs is because of the maintenance work done by the department in Bela Bela offices after the storm destroyed infrastructure

5,7 Travel and subsistence

	Note	2022/23 R'000	2021/22 R'000
	5		
Local		61 404	30 448
Foreign		269	-
<b>Total</b>		<b>61 673</b>	<b>30 448</b>

5,8 Other operating expenditure

	Note	2022/23 R'000	2021/22 R'000
	5		
Professional bodies, membership and subscription fees		2 924	361
Resettlement costs		1 974	97
Other		989	617
<b>Total</b>		<b>5 887</b>	<b>1 075</b>

5,9 Remuneration of members of a commission or committee of inquiry (Included in Consultants: Business and advisory services)

Name of Commission / Committee of inquiry	Note	2022/23 R'000	2021/22 R'000
	5		
Risk Management committee		3	-
<b>Total</b>		<b>3</b>	<b>-</b>

The Audit Committee is a shared service from Provincial Treasury and the chairperson of Risk Committee is public servant and he was paid travelling cost for the meeting held in 21 Feb 2023



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**6 Interest and Rent on Land**

	Note	2022/23 R'000	2021/22 R'000
Interest paid		-	4
Rent on land		-	-
<b>Total</b>		<u>-</u>	<u>4</u>

**7 Payments for financial assets**

	Note	2022/23 R'000	2021/22 R'000
Debts written off	7,1	<u>614</u>	<u>112</u>
<b>Total</b>		<u><b>614</b></u>	<u><b>112</b></u>

*These are debts that after taking necessary steps the department concluded it has become uneconomical to further pursue the debtors*

**7,1 Other debt written off**

	Note	2022/23 R'000	2021/22 R'000
Debt written off		<u>614</u>	<u>112</u>
<b>Total</b>		<u><b>614</b></u>	<u><b>112</b></u>
<b>Total debt written off</b>		<u><b>614</b></u>	<u><b>112</b></u>

*These are debts that after taking necessary steps the department concluded it has become uneconomical to further pursue the debtors*

**8 Transfers and Subsidies**

	Note	2022/23 R'000	2021/22 R'000
Provinces and municipalities		499	542
Public corporations and private enterprises	ANNEXURE 1A	13 130	-
Households	ANNEXURE 1B	<u>25 035</u>	<u>42 731</u>
<b>Total</b>		<u><b>38 664</b></u>	<u><b>43 273</b></u>

*The R13 130 million is transfers to Majeje Citrus and Zebediela (Pty) Ltd as per gazette No: 3297 of July 2022*

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8,1 Donations made in kind (not included in the main note)

	Note	2022/23 R'000	2021/22 R'000
<b>List in-kind donations made</b>	ANNEXURE 1D		
2 x Cattle		7	-
<b>Total</b>		<u>7</u>	<u>-</u>

The cattle were donated to the Sethe family through the department of Transport and community safety, for slaughter during the funeral of the nine (9) family member who died in a car crash

9 Expenditure for capital assets

	Note	2022/23 R'000	2021/22 R'000
<b>Tangible capital assets</b>		<b>137 144</b>	<b>83 623</b>
Buildings and other fixed structures	39	125 335	78 377
Machinery and equipment	39	11 809	4 681
Biological assets	39	-	565
<b>Total</b>		<u><b>137 144</b></u>	<u><b>83 623</b></u>

The department have during the financial year purchase the cell phone gadgets to the qualifying officials for office use resulting in finance lease increase

9.1 Analysis of funds utilised to acquire capital assets - 2022/23

	Voted Funds R'000	TOTAL R'000
<b>Tangible capital assets</b>	<b>137 144</b>	<b>137 144</b>
Buildings and other fixed structures	125 335	125 335
Machinery and equipment	11 809	11 809
<b>Total</b>	<u><b>137 144</b></u>	<u><b>137 144</b></u>

9.2 Analysis of funds utilised to acquire capital assets - 2021/22

	Voted Funds R'000	TOTAL R'000
<b>Tangible capital assets</b>	<b>83 623</b>	<b>83 623</b>
Buildings and other fixed structures	78 377	78 377
Machinery and equipment	4 681	4 681
Biological assets	565	565
<b>Total</b>	<u><b>83623</b></u>	<u><b>83623</b></u>

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## 9,3 Finance lease expenditure included in Expenditure for capital assets

	2022/23 R'000	2021/22 R'000
<b>Tangible capital assets</b>		
Machinery and equipment	3 293	1 724
<b>Total</b>	<b>3 293</b>	<b>1 724</b>

The department have during the financial year purchase the cell phone gadgets to the qualifying officials for office use resulting in finance lease increase

## 10 Cash and Cash Equivalents

	Note	2022/23 R'000	2021/22 R'000
Consolidated Paymaster General Account		162 864	100 433
<b>Total</b>		<b>162 864</b>	<b>100 433</b>

## 11 Prepayments and Advances

	Note	2022/23 R'000	2021/22 R'000
Prepayments (Not expensed)	11,1	3 189	433
<b>Total</b>		<b>3 189</b>	<b>433</b>
<b>Analysis of Total Prepayments and advances</b>			
Current Prepayments and advances		3 189	433
<b>Total</b>		<b>3 189</b>	<b>433</b>

Department has the contractual obligation to pay rentals in advance and in 2022/23 financial year department paid school of government funds in March 2023 for the training that was rescheduled April 2023 resulting in prepayment expenditure. Prepaid expenses are expensed on monthly basis

## 11,1 Prepayments (Not expensed)

	Note	Balance as at 1 April 2022 R'000	Less: Amount expensed in current year R'000	Add/Less: Other R'000	Add: Current Year prepayments R'000	Balance as at 31 March 2023 R'000
<b>Listed by economic classification</b>	11					
Goods and services		433	(433)		3 189	3 189
<b>Total</b>		<b>433</b>	<b>(433)</b>	<b>-</b>	<b>3 189</b>	<b>3 189</b>

Department has the contractual obligation to pay rentals in advance and in 2022/23 financial year department paid school of government funds in March 2023 for the training that was rescheduled April 2023 resulting in prepayment expenditure. Prepaid expenses are expensed on monthly basis.

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Prepayments (Not expensed)

	Note	Balance as at 1 April 2022 R'000	Less: Amount expensed in current year R'000	Add/Less: Other R'000	Add: Current Year prepayments R'000	Balance as at 31 March 2023 R'000
<b>Listed by economic classification</b>						
Goods and services		446	446	-	433	433
<b>Total</b>		<b>446</b>	<b>446</b>	<b>-</b>	<b>433</b>	<b>433</b>

12 Receivables

	Note	2022/23			2021/22		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Recoverable expenditure	12,1	3	-	3	1	-	1
Staff debt	12,2	968	454	1 422	1 860	281	2 141
Other receivables	12,3	6 931	-	6 931	5 154	-	5 154
<b>Total</b>		<b>7 902</b>	<b>454</b>	<b>8 356</b>	<b>7 015</b>	<b>281</b>	<b>7 296</b>

During the financial year 2021/22 the balance of R5 154 million was classified as non-current assets instead of current assets

12,1 Recoverable expenditure

	Note	2022/23 R'000	2021/22 R'000
Sal: ACB Recalls	12	(1)	-
Sal: TaxDebt: CA		4	1
<b>Total</b>		<b>3</b>	<b>1</b>

12,2 Staff debt

Note	2022/23 R'000	2021/22 R'000
14		

(Group major categories, but list material items)

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Staff debt	516	560
Damage and losses	59	82
Salary overpayment	788	1 428
Tax debt	59	71
<b>Total</b>	<b>1 422</b>	<b>2 141</b>

**12,3 Other receivables**

	Note	2022/23 R'000	2021/22 R'000
Suppliers	12	6 931	5 154
<b>Total</b>		<b>6 931</b>	<b>5 154</b>

**13 Voted Funds to be Surrendered to the Revenue Fund**

	Note	2022/23 R'000	2021/22 R'000
Opening balance		98 783	24 058
Prior period error	13,1		(2)
As restated		98 783	24 056
Transfer from statement of financial performance (as restated)		161 257	98 786
Voted funds not requested/not received	1,1	-	(1)
Paid during the year		(98 783)	(24 058)
<b>Closing balance</b>		<b>161 257</b>	<b>98 783</b>

*Correction of error caused by rounding that increased the voted funds to be surrendered*

**13,1 Prior period error**

	Note	2021/22 R'000
Relating to 2021/22		(2)
Funds to be surrendered		(2)
<b>Total</b>		<b>(2)</b>

*Correction of error caused by rounding that increased the voted funds to be surrendered*

**13,2 Reconciliation of unspent conditional grants**

	Note	2022/23 R'000	2021/22 R'000
Total conditional grants received	1,2	351 306	346 638
Total conditional grants spent		(308 980)	(251 880)



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Unspent conditional grants to be surrendered	42 326	94 758
Less: Paid to the Provincial Revenue Fund by Provincial department	-	(94 758)
Approved for rollover	-	(19 886)
Not approved for rollover	-	(74 872)
<b>Due by the Provincial Revenue Fund</b>	<b>13</b>	<b>-</b>
	<u>42 326</u>	<u>-</u>

*The under spending is the result of non-filling of funded vacant posts due to delay of approval by provincial treasury, exponential increase of production inputs, late implementation of the land care business plan for all province and late implementation in some of the projects.*

14 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2022/23 R'000	2021/22 R'000
Opening balance		3 624	2 915
Prior period error			2
As restated	14,1	3 624	2 917
Transfer from Statement of Financial Performance (as restated)		11 385	11 599
Paid during the year		(11 460)	(10 892)
<b>Closing balance</b>		<b>3 549</b>	<b>3 624</b>

*Correction of error caused by rounding that decreased revenue to be paid over*

14.1 Prior period error

	Note	2021/22 R'000
	13	
Relating to 2021/22		2
Revenue paid over		2
<b>Total</b>		<b>2</b>

*Correction of error caused by rounding that decreased revenue to be paid over*

15 Payables - current

	Note	2022/23 R'000	2021/22 R'000
Other payables	15	4 153	1 494
<b>Total</b>		<b>4 153</b>	<b>1 494</b>

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## 15,1 Other payables

	Note	2022/23 R'000	2021/22 R'000
	15		
SAL: Income Tax		110	14
Payable: ADV National (Agri-Seta)		4 043	1 480
<b>Total</b>		<b>4 153</b>	<b>1 494</b>

## 16 Net cash flow available from operating activities

	Note	2022/23 R'000	2021/22 R'000
Net surplus/(deficit) as per Statement of Financial Performance		172 642	110 385
Add back noncash/cash movements not deemed operating activities		25 917	51 808
(Increase)/decrease in receivables		(887)	5 584
(Increase)/decrease in prepayments and advances		(2 756)	13
Increase/(decrease) in payables – current		2 659	(960)
Proceeds from sale of capital assets			(1 501)
Expenditure on capital assets		137 144	83 623
Surrenders to Revenue Fund		(110 243)	(34 950)
Voted funds not requested/not received			(1)
<b>Net cash flow generated by operating activities</b>		<b>198 559</b>	<b>162 193</b>

## 17 Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2022/23 R'000	2021/22 R'000
Consolidated Paymaster General account		162 864	100 433
<b>Total</b>		<b>162 864</b>	<b>100 433</b>

## 18 Contingent liabilities and contingent assets

## 18,1 Contingent liabilities

Liable to	Nature	Note	2022/23 R'000	2021/22 R'000
Housing loan guarantees	Employees	Annex 2A	168	168
Claims against the department		Annex 2B	3 476	4 601
<b>Total</b>			<b>3 644</b>	<b>4 769</b>

The amount of R1 380 million has been removed, as per state attorney's advice that the matters have remained dormant

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*The R168 000 disclosed is the balance carried forward, the previous year's 2017/18 and 2018/19 two officials applied for the 10% financial assistance towards their mortgage bonds respectively*

19 Capital commitments

	Note	2022/23 R'000	2021/22 R'000
Buildings and other fixed structures		14 940	17 379
Machinery and equipment		24 790	36 539
<b>Total</b>		<b>39 730</b>	<b>53 918</b>

20 Accruals and payables not recognised

20,1 Accruals

Listed by economic classification	30 days	30+ days	2022/23	2021/22
	R'000	R'000	Total R'000	Total R'000
Goods and services	7 784	153	7 937	5 375
Transfers and subsidies	76		76	-
Other	2 616		2 616	1 544
<b>Total</b>	<b>10 476</b>	<b>153</b>	<b>10 629</b>	<b>6 919</b>

Listed by programme level	Note	2022/23	2021/22
		R'000	R'000
Programme 01 Administration		3 017	3 014
Programme 02 Sustainable Resource Use and Management		580	401
Programme 03 Agriculture Producer Support and Development		5 008	2 167
Programme 04 Veterinary Services		728	406
Programme 05 Research and Technology Development Services		299	119
Programme 06 Agricultural Economic Services		191	-
Programme 07 Agricultural Education and Training		806	812
<b>Total</b>		<b>10 629</b>	<b>6 919</b>

*The material increase of payable is because of the official overtime and T&S claims due to FMD outbreak*

20,2 Payables not recognised

Listed by economic classification	30 days	30+ days	2022/23	2021/22
	R'000	R'000	Total R'000	Total R'000
Goods and services	5 079	142	5 221	2 075
Other	128		128	60
<b>Total</b>	<b>5 207</b>	<b>142</b>	<b>5 349</b>	<b>2 135</b>

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<b>Listed by programme level</b>	<b>Note</b>	<b>2022/23 R'000</b>	<b>2021/22 R'000</b>
Programme 01 Administration		493	-
Programme 02 Sustainable Resource Use and Management		1 963	148
Programme 03 Agriculture Producer Support and Development		2 784	670
Programme 04 Veterinary Services		96	1 003
Programme 05 Research and Technology Development Services		8	256
Programme 06 Agricultural Economic Services		1	-
Programme 07 Agricultural Education and Training		4	58
<b>Total</b>		<b>5 349</b>	<b>2 135</b>

**Included in the above totals  
are the following:**

	<b>Note</b>	<b>2022/23 R'000</b>	<b>2021/22 R'000</b>
Confirmed balances with departments	Annex 4	-	27
<b>Total</b>		<b>-</b>	<b>27</b>

**21 Employee benefits**

	<b>Note</b>	<b>2022/23 R'000</b>	<b>2021/22 R'000</b>
Leave entitlement		59 187	62 039
Service bonus		28 190	28 900
Performance awards		17 414	4 981
Capped leave		120 266	132 237
Other		5 431	1 275
<b>Total</b>		<b>230 488</b>	<b>229 432</b>

*Other: Long service awards. Leave entitlement is after taking into consideration negative amounts for employees who utilized their leave days more than they accrued, the department will recover amount equivalent to the days utilized from employees if they terminate employment services before accrual of these leave days. Performance awards is the amount of pay progression of department which is 2% of wage bill of 2023/24 compensation of employee's budget.*

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22 Lease commitments  
Operating leases

	2022/23	
	Buildings and other fixed structures R'000	Total R'000
Not later than 1 year	950	950
Later than 1 year and not later than 5 years	1 308	1 308
Later than five years	7 087	7 087
<b>Total lease commitments</b>	<b>9 345</b>	<b>9 345</b>

	2021/22	
	Buildings and other fixed structures R'000	Total R'000
Not later than 1 year	1 756	1 756
Later than 1 year and not later than 5 years	2 132	2 132
Later than five years	7 462	7 462
<b>Total lease commitments</b>	<b>11 350</b>	<b>11 350</b>

Currently the department has 3 active lease agreement and the other 15 lease have expired and are on month-to-month lease agreement

22,2 Finance leases

	2022/23	
	Machinery and Equipment R'000	Total R'000
Not later than 1 year	3 841	3 841
Later than 1 year and not later than 5 years	666	666
Later than five years	-	-
<b>Total lease commitments</b>	<b>4 507</b>	<b>4 507</b>

	2021/22	
	Machinery and Equipment R'000	Total R'000
Not later than 1 year	1 481	1 481
Later than 1 year and not later than 5 years	1 672	1 672
Later than five years	-	-



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<b>Total lease commitments</b>	<b>3 153</b>	<b>3 153</b>
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The department has finance lease for machinery and equipment with Mmela investment group, Sizwe IT group and Bytes documents solution. Furthermore, the department is participating in RT15/21 mobile communication contract

**23 Accrued departmental revenue**

	2022/23 R'000	2021/22 R'000
Sales of goods and services other than capital assets	20 202	16 361
Other		1 556
<b>Total</b>	<b>20 202</b>	<b>17 917</b>

**23,1 Analysis of accrued departmental revenue**

	2022/23 R'000	2021/22 R'000
Opening balance	17 917	12 165
Less: Amounts received	(6 784)	(6 863)
Add: Amounts recorded	11 624	11 059
Less: Amounts written-off/reversed as irrecoverable	(999)	-
Less: Amounts transferred to receivables for recovery	(1 556)	-
Other (Specify)		1 556
<b>Closing balance</b>	<b>20 202</b>	<b>17 917</b>

The amount of R999 thousand has been written off from student debt book as a result of the AGRISETA bursary loss and an amount of R1 556 million has been transferred to departmental debt book for recovery

**23,2 Accrued department revenue written off****Nature of losses**

	2022/23 R'000	2021/22 R'000
Agri-seta loss	999	-
<b>Closing balance</b>	<b>999</b>	<b>-</b>

**24 Unauthorised, Irregular and Fruitless and wasteful expenditure**

	2022/23 R'000	2021/22 R'000
Irregular expenditure		4 532
Fruitless and wasteful expenditure	73	5
<b>Total</b>	<b>73</b>	<b>4 537</b>

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25 Related party transactions

<b>In kind goods and services provided/received</b>	<b>Note</b>	<b>2022/23 R'000</b>	<b>2021/22 R'000</b>
List in kind goods and services between department and related party			
Provincial Treasury - Audit Committee service		613	583
Provincial Treasury - Internal Audit Service		3 434	3 275
<b>Total</b>		<b>4 047</b>	<b>3 858</b>

*Provincial Treasury provide shared services in respect to Audit Committee and Internal Audit service and all other provincial departments are related to each other because they are governed by same legislature*

26 Key management personnel

	<b>2022/23 R'000</b>	<b>2021/22 R'000</b>
Political office bearers (provide detail below)	2 096	1 978
Officials:		-
Level 15-16	1 906	1 851
Level 14	8 524	8 865
		-
Family members of key management personnel	553	521
<b>Total</b>	<b>13 079</b>	<b>13 215</b>

*The expenditure of R2 096 million of political bearers is the increase of R59 000 thousand backdated from financial year 2021/22*

27 Impairment (Other than receivables, accrued departmental revenue, loans and investments)

	<b>Note</b>	<b>2022/23 R'000</b>	<b>2021/22 R'000</b>
Doubtful debt		-	336
<b>Total</b>		<b>-</b>	<b>336</b>

28 Provisions

	<b>Note</b>	<b>2022/23 R'000</b>	<b>2021/22 R'000</b>
Retention		6 404	3 834
Acting Allowances			19
Role play allowances		21	-
<b>Total</b>		<b>6 425</b>	<b>3 853</b>

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*The retention is made of the defect's liability period on both building and equipment, on equipment there could be possibility of malfunction of booster pumps and on buildings cracks on the building may result in withholding the retention amount. The department appointed officials from social development who were eligible for the payment of PNPA (role-play allowances), social development was requested to pay the official the amount and then claim back from the department however as at 31 March 2023 claims were not yet received.*

**28,1 Reconciliation of movement in provisions - Current year**

	Retention R'000	Acting Allowances R'000	Role play allowances R'000	Total provisions R'000
Opening balance	3 834	19		3 853
Increase in provision	5 212		21	5 233
	-	2		-
Settlement of provision	642	19		661
Unused amount reversed				-
Reimbursement expected from third party				-
Change in provision due to change in estimation of inputs				-
<b>Closing balance</b>	<b>6 404</b>	<b>-</b>	<b>21</b>	<b>6 425</b>

**Reconciliation of movement in provisions - Prior year**

	Retention R'000	Acting Allowance R'000	Total provisions R'000
Opening balance	9 547	19	9 566
Increase in provision	-	-	-
	-	5	-
Settlement of provision	713	-	713
Unused amount reversed	-	-	-
Reimbursement expected from third party	-	-	-
Change in provision due to change in estimation of inputs	-	-	-
<b>Closing balance</b>	<b>3 834</b>	<b>19</b>	<b>3 853</b>

*The retention is made of the defect's liability period on both building and equipment, on equipment there could be possibility of malfunction of booster pumps and on buildings cracks on the building may result in withholding the retention amount. The department appointed officials from social development who were eligible for the payment of PNPA (role-play allowances), social development was requested to pay the official the amount and then claim back from the department however as at 31 March 2023 claims were not yet received.*

**29 Movable Tangible Capital Assets**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023  
2022/23**

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>273 320</b>	<b>9 128</b>	<b>2 519</b>	<b>279 929</b>
Transport assets	78 927	6 390		85 317
Computer equipment	76 619	124		76 743
Furniture and office equipment	17 786	201	50	17 937
Other machinery and equipment	99 988	2 413	2 469	99 932
<b>BIOLOGICAL ASSETS</b>	<b>232</b>	<b>57</b>	<b>114</b>	<b>175</b>
Biological assets	232	57	114	175

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TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	273 552	9 185	2 633	280 104
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Finance Lease amounting to R3 293 thousand not included on the Asset Register. Noncash additions for Furniture amount to R201 thousand transferred from DAFF and R287 thousand for Other Machinery donated by Nozala Trust. Noncash additions from Computer Equipment amounts to R14 thousand donated by Nozala Trust and R110 thousand donated by Agri-seta. Noncash additions from biological assets amounts to R57 thousand donated by Nozala Trust. Disposal asset to the value of R2 519 million was transferred to farmers. Disposal of Biological assets resulted in terms of Death.

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	91	1 482

The 91 assets under investigation relates to assets not verified during the second verification program for the 2022\_2023 financial year

29,1 Movement for 2021/22

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Prior period error R'000	2021/22		Closing balance R'000
			Additions R'000	Disposals R'000	
<b>MACHINERY AND EQUIPMENT</b>	<b>284 578</b>	<b>52</b>	<b>3 471</b>	<b>14 781</b>	<b>273 320</b>
Transport assets	80 821		730	2 624	78 927
Computer equipment	79 757		475	3 613	76 619
Furniture and office equipment	21 576		-	3 790	17 786
Other machinery and equipment	102 424	52	2 266	4 754	99 988
<b>BIOLOGICAL ASSETS</b>	<b>257</b>	<b>-</b>	<b>565</b>	<b>590</b>	<b>232</b>
Biological assets	257		565	590	232
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>284 835</b>	<b>52</b>	<b>4 036</b>	<b>15 371</b>	<b>273 552</b>

29,1 Prior period error

	Note	2021/22 R'000
Nature of prior period error		
Asset not included in the asset register in 2021/22		52

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**NOTES TO ANNUAL FINANCIAL STATEMENTS  
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Total

52

correction of understated assets
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**29,2 Minor assets****MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

	2022/23		
	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000
Opening balance	43 672	4 531	48 203
Value adjustments		1 030	1 030
Additions	50	340	390
Disposals	6	823	829
<b>TOTAL MINOR CAPITAL ASSETS</b>	<b>43 716</b>	<b>5 078</b>	<b>48 794</b>

	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000
	Number of R1 minor assets	2 872	
Number of minor assets at cost	29 735	2 170	31 905
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>32 607</b>	<b>2 170</b>	<b>34 777</b>

**Minor Capital Assets under investigation**

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	250	376
Biological assets	39	82

The 250 assets under investigation relates to assets that could not be verified during the second verification program for the 2022\_2023 financial year. Biological Assets under investigation of 39 have been reported to Loss Control. Noncash additions of R26 thousand, Books donated Van Schaik Book Shop. Disposal R6 thousand minor assets relate to assets removed from Asset Register due to fictitious barcodes and asset disposed to farmers. Disposal of Biological assets resulted in terms of Death, Donation, Missing and Resale of animals. addition of R340 thousand relates to animals born during financial year and value adjustment amount of R1030 million relates to treasury tariff adjustment for 2022/23 financial year

**Minor assets****MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022**

2022/23



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	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	45 557	5 482	51 039
Additions	39	1 503	1 542
Disposals	1 924	2 454	4 378
<b>TOTAL MINOR CAPITAL ASSETS</b>	<b>43 672</b>	<b>4 531</b>	<b>48 203</b>

	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	2 872	-	2 872
Number of minor assets at cost	29 671	1 987	31 658
<b>TOTAL NUMBER OF MINOR CAPITAL ASSETS</b>	<b>32 543</b>	<b>1 987</b>	<b>34 530</b>

29,3 Prior period error

	Note	2021/22 R'000
Relating to 2021/22		38
2021/22 Biological assets not included in the assets register		38
<b>Total</b>		<b>38</b>

*correction of biological assets that was not included on asset register in financial year 2021/22*

29,4 Movable tangible capital assets written off

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2022

	2021/22	
	Machinery and equipment R'000	Total R'000
Assets written off	4 570	4 570
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>4 570</b>	<b>4 570</b>

30 Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23	
	Opening balance R'000	Closing balance R'000
SOFTWARE	4 147	4 147
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>4 147</b>	<b>4 147</b>

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**30.1 Intangible Capital Assets****MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

	2021/22	
	Opening balance R'000	Closing balance R'000
SOFTWARE	4 147	4 147
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>4 147</b>	<b>4 147</b>

**31 Immovable Tangible Capital Assets****MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

	2022/23			
	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>494 711</b>	<b>55 995</b>	<b>41 764</b>	<b>508 942</b>
Dwellings	43 108			43 108
Non-residential buildings	147 085	2 793		149 878
Other fixed structures	304 518	53 202	41 764	315 956
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>494 711</b>	<b>55 995</b>	<b>41 764</b>	<b>508 942</b>

*Additions R55 995 million for 55 projects which are completed and disposals of 35 projects to the value of R41 764 million which have been handed over to beneficiaries during financial year 2022/23*

**31.1 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022**

	2021/22				
	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>331 218</b>	<b>4 885</b>	<b>220 720</b>	<b>62 112</b>	<b>494 711</b>
Dwellings	43 108		-	-	43 108
Non-residential buildings	113 815		33 270	-	147 085
Other fixed structures	174 295	4 885	187 450	62 112	304 518
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>331 218</b>	<b>4 885</b>	<b>220 720</b>	<b>62 112</b>	<b>494 711</b>

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31,2 Prior period error

	Note	2021/22 R'000
Nature of prior period error		
Completed Projects for prior year		4 885
		<u>4 885</u>
<b>Total</b>		<b><u>4 885</u></b>

*Prior period error relates to previously completed project and assets transferred to public works*

Immovable tangible capital assets: Capital  
Work-in-progress  
CAPITAL WORK-IN-PROGRESS AS AT 31  
MARCH 2023

31,3

	Note	Opening Balance 1 April 2022	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2023
Buildings and other fixed structures	Annexure 6	R'000 60 929	R'000 125 336	R'000 55 995	R'000 130 270
<b>TOTAL</b>		<b><u>60 929</u></b>	<b><u>125 336</u></b>	<b><u>55 995</u></b>	<b><u>130 270</u></b>

CAPITAL WORK-IN-PROGRESS AS AT 31  
MARCH 2022

	Note	Opening Balance	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2022
Buildings and other fixed structures	Annexure 6	R'000 215 206	R'000 (11 934)	R'000 78 377	R'000 220 720	R'000 60 929
<b>TOTAL</b>		<b><u>215 206</u></b>	<b><u>(11 934)</u></b>	<b><u>78 377</u></b>	<b><u>220 720</u></b>	<b><u>60 929</u></b>

*The prior period error relates to projects which were completed in the previous years and also projects that was only for the supply to the farmers that was incorrectly capitalized, and also movable assets incorrectly accounted for in WIP*

32 Principal-agent arrangements

32,1 Department acting as the principal

2022/23      2021/22

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	R'000	R'000
Department of Public Works, Roads & Infrastructure	-	-
<b>Total</b>	-	-

The department is having service delivery agreement with the Department of Public Works, Roads and Infrastructure as an agent in construction of the departmental infrastructures. The Department of Agriculture and Rural Development has to identify, prioritize capital projects and budget for this infrastructure development including the cost of the alternative implementing agents and communicate with Department of Public Works, Roads and Infrastructure. The Department of Public Works, Roads and Infrastructure appointed the Development Bank of South Africa as implementing agent and the department incurred the expenditure in 2021/22 financial year an amount of R6, 419 million and during the current year R12 415 million.

**33 Prior period errors**

**33,1 Correction of prior period errors**

		2021/22 Amount bef error correction R'000	Prior period error R'000	Restated amount R'000
<b>Expenditure: (e.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)</b>				
Misclassification of Legal Services expenditure	25	823	(823)	-
Overstating of opening balance - building and other fixed structure	31	72 863	(11 934)	60 929
Understating of opening balance - building and other fixed structure	31	299 633	4 885	304 518
<b>Net effect</b>		<b>373 319</b>	<b>(7 872)</b>	<b>365 447</b>

Goods and Services (Legal services) the department receives legal services (State Attorney) from Department of Justice and was misclassified as related party transaction. The error was caused by the project completed in the prior year and the projects that was only for the supply to the farmer that was incorrectly capitalized. and movable assets accounted for in WIP

		Amount bef error correction R'000	Prior period error R'000	Restated amount R'000
<b>Assets: (e.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)</b>				
Inventories - correction of opening balance	34	26	1	27
Correction of misclassification - non-Current asset	12	5 435	(5 154)	281
Correction of misclassification - Current asset	12	1 861	5 154	7 015
understating of biological asset	29,1	4 493	38	4 531
understating of other machinery and equipment	29	99 936	52	99 988
<b>Net effect</b>		<b>111 751</b>	<b>91</b>	<b>111 842</b>

Inventories error caused by rounding. Other receivables were incorrectly classified as non-current asset instead of current assets. Other machinery and equipment were understated

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	Note	Amount bef error correction R'000	Prior period error R'000	Restated amount R'000
<b>Liabilities: (e.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)</b>				
Voted funds to be surrendered	13	98 785	(2)	98 783
Revenue to be paid	14	3 622	2	3 624
Capital Commitments	19	59 086	(5 168)	53 918
Retention	28	4 160	(326)	3 834
<b>Net effect</b>		<b>165 653</b>	<b>(5 494)</b>	<b>160 159</b>

*Error is caused by rounding that resulted in voted funds to be surrendered increasing and revenue to be paid to Provincial Treasury decreasing. Capital commitments and Retention were incorrectly calculated that resulted in overstatement*



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## 34 INVENTORIES

## 34,1 Inventories for the year ended 31 March 2023

2022/23

	Note	Inv:Farming:Other Mat Suppliers R'000	Inv:Fuel,Oil and Gas Suppliers R'000	Inv: Medicine:Medical Suppliers R'000	Total R'000
Opening balance	Annexure 5	1 046	-	27	1 073
Add: Additions/Purchases - Cash		89 740	2 557	21 614	113 911
Add: Additions - Non-cash		90			90
(Less): Issues		(88 393)	(2 557)	(21 618)	(112 568)
Add/(Less): Received current, not paid (Paid current year, received prior year)		(346)			(346)
<b>Closing balance</b>		<b>2 137</b>	<b>-</b>	<b>23</b>	<b>2 160</b>

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Inventories for the year ended 31 March 2022

Note	2021/22					Total R'000
	Inv: Food and Food Supplies R'000	Inv:Farming:Other Mat Suppliers R'000	Inv:Fuel,Oil and Gas Suppliers R'000	Inv: Medicine:Medical Suppliers R'000		
Annexure 5						
Opening balance	-	5 184	29	-	5 213	
Add/(Less): Adjustments to prior year balances	-	-	-	1	-	
Add: Additions/Purchases - Cash	11	99 513	321	8 166	108 011	
(Less): Issues	(11)	(97 658)	(282)	(9 023)	(106 974)	
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	(1 378)	-	(112)	(1 490)	
Add/(Less): Adjustments	-	(4 615)	(68)	995	(3 688)	
<b>Closing balance</b>	-	<b>1 046</b>	-	<b>27</b>	<b>1 072</b>	

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35 STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	2022/23						2021/22	
	GRANT ALLOCATION			SPENT			Division of Revenue Act	Amount spent by department
	Division of Revenue Act/Provincial Grants	Roll Overs	Total Available	Amount received by department	Amount spent by department	Under / (overspending)		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
CASP	237 816	10 276	248 092	248 092	219 758	28 334	236 066	159 876
Letsema	75 333	1 489	76 822	76 822	67 017	9 805	73 709	61 996
Land Care	13 303	2 728	16 031	16 031	12 134	3 897	15 096	9 938
EPWP	10 361		10 361	10 361	10 071	290	7 013	6 732
Provincial Disaster Grant			-	-			14 754	13 338
<b>Total</b>	<b>336 813</b>	<b>14 493</b>	<b>351 306</b>	<b>351 306</b>	<b>308 980</b>	<b>42 326</b>	<b>346 638</b>	<b>251 880</b>

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

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Name of municipality	2022/23				2021/22			
	GRANT ALLOCATION		TRANSFER		DoRA and other transfers		2021/22	
	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Municipal rates and taxes	892	-	892	499	-	-	542	542
<b>Total</b>	<b>892</b>	<b>-</b>	<b>892</b>	<b>499</b>	<b>-</b>	<b>-</b>	<b>542</b>	<b>542</b>

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**37 BROAD BASED BLACK ECONOMIC EMPOWERMENT  
PERFORMANCE**

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

**38 COVID 19 RESPONSE EXPENDITURE**

	Note	2022/23 R'000	2021/22 R'000
	ANNEXURE 7		
Goods and services		5 573	6 566
<b>Total</b>		<b>5 573</b>	<b>6 566</b>

*Delays in appointment of COVID-19 EPWP workers due Provincial Treasury Circular no.7 of 2022 to change mode payment from Sundry BAS payment to PERSAL*



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ANNEXURE 1A  
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE  
ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2021/22		
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Capital	Current	Final Budget	Actual Transfer	
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
<b>Public corporations</b>											
Transfers	15 130	-	(2 000)	13 130	13 130	100%	-	-	-	-	
Limburg Citrus	2 000		(2 000)	-							
Majeje Citrus	6 430			6 430	6 430	100%					
Zebediela Citrus	6 700			6 700	6 700	100%					
<b>Total: Public corporations</b>	<b>15 130</b>	<b>-</b>	<b>(2 000)</b>	<b>13 130</b>	<b>13 130</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	



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ANNEXURE 1B  
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	2022/23					2021/22	
	TRANSFER ALLOCATION			EXPENDITURE		Final Budget R'000	Actual Transfer R'000
HOUSEHOLDS	Adjusted Budget R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred	
<b>Transfers</b>							
INJURY ON DUTY	160			160	72	45%	92
LEAVE GRATUITY	2 816		24 580	27 396	24 108	88%	41 322
FARMER SUPPORT HOUSEHOLD CASH			366	366	352	96%	2
BURSARY FOR NON-EMPLOYEES	1 550			1 550	503	32%	1 315
<b>Total</b>	<b>4 526</b>	<b>-</b>	<b>24 946</b>	<b>29 472</b>	<b>25 035</b>	<b>85%</b>	<b>42 731</b>

NOTES TO ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

ANNEXURE 1C  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2022/23 R'000	2021/22 R'000
<b>Received in kind</b>			
AGRI-SETA	1X PHOTOCOPIY MACHINE		125
AGRI-SETA	10X CAMERA CANNON		142
AGRI-SETA	4X PROJECTOR EPSON LCD		97
NOZALA TRUST	OFFICE FURNITURE		39
NATIONAL DEPARTMENT OF AGRICULTURE	20X SCANNERS	201	
VAN SCHAIK BOOKSHOP	55X LIABRARY BOOKS	26	
NOZALA TRUST	BIOLOGICAL ASSETS	57	
NOZALA TRUST	MOVABLE ASSETS	301	
AGRI-SETA	8X LENOVO LAPTOPS	98	
AGRI-SETA	1X CANNON PRINTER	12	
NOZALA TRUST	SERVICES RECEIVED	309	
NOZALA TRUST	INVETORY	174	
<b>Total</b>		<b>1 178</b>	<b>403</b>

NOTES TO ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

ANNEXURE 1D  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP

(Group major categories but list material items including name of organisation)

	2022/23 R'000	2021/22 R'000
<b>Made in kind</b>		
Department of Transport and community safety - 2x Cattle	7	-
<b>TOTAL</b>	<b>7</b>	<b>-</b>



LIMPOPO DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT  
VOTE 04

NOTES TO ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

Grant type	APRIL	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	TOTAL
	2022	2022	2022	2022	2022	2022	2022	2022	2022	2023	2023	2023	R'000
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
CASP	2 638	12 530	10 834	9 286	21 973	28 472	15 450	27 852	25 231	19 987	22 446	23 059	219 758
Letsema	362	1 065	(223)	6 496	3 509	1 493	8 007	10 542	7 199	2 883	10 609	15 075	67 017
Land Care	-	166	1 107	1 122	777	781	559	1 559	845	745	1 168	3 305	12 134
EPWP	-	79	426	781	2 563	1 472	2 143	1 090	239	188	216	874	10 071
<b>Total</b>	<b>3 000</b>	<b>13 840</b>	<b>12 144</b>	<b>17 685</b>	<b>28 822</b>	<b>32 218</b>	<b>26 159</b>	<b>41 043</b>	<b>33 514</b>	<b>23 803</b>	<b>34 439</b>	<b>42 313</b>	<b>308 980</b>

ANNEXURE 2A  
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2023 - LOCAL

LIMPOPO DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT  
VOTE 04NOTES TO ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

Guarantor Institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2022	Guarantees drawdowns during the year	Guaranteed repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2023	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2023
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
NP DEVELOPMENT CORP	Housing	168	168	-	-	-	168	-	-
<b>Total</b>		<b>168</b>	<b>168</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>168</b>	<b>-</b>	<b>-</b>

ANNEXURE 2B  
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023



NOTES TO ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

Nature of liability	Opening	Liabilities	Liabilities paid/	Liabilities	Closing balance
	balance 1 April	incurred during	cancelled/	recoverable	
	2022	the year	reduced during	(Provide details	31 March 2023
	R'000	R'000	the year	hereunder)	R'000
<b>Claims against the department</b>					
Claim for payment for service rendered	380		380		-
Damages on orchards & Vegetation	1 000		1 000		-
Claim for payment for service rendered	2 426				2 426
Claim for payment for service rendered	497				497
Claim for loss of profit	235				235
Claim incurred iro motor vehicle	63				63
Damages for killed cattle		255			255
<b>Total</b>	<b>4 601</b>	<b>255</b>	<b>1 380</b>	<b>-</b>	<b>3 476</b>

ANNEXURE 3  
CLAIMS RECOVERABLE

LIMPOPO DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT  
VOTE 04

NOTES TO ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2022/23*
	31/03/2023 R'000	31/03/2022 R'000	31/03/2023 R'000	31/03/2022 R'000	31/03/2023 R'000	31/03/2022 R'000	
<b>Departments</b>							Receipt date up to six (6) working days after year end Amount R'000
Mpumalanga Dept. Agriculture and Rural Development, Land and Environmental Affairs				33	-	33	
Limpopo Dept. Public works, Road and Infrastructure				17	-	17	
Gauteng Dept. Agriculture and Rural Development			43		43		
<b>Total</b>	-	-	<b>43</b>	<b>50</b>	<b>43</b>	<b>50</b>	

LIMPOPO DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT  
VOTE 04

NOTES TO ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2022/23*	
	31/03/2023 R'000	31/03/2022 R'000	31/03/2023 R'000	31/03/2022 R'000	31/03/2023 R'000	31/03/2022 R'000	Payment date up to six (6) working days before year end	Amount R'000
<b>Departments</b>								
Current		27				27		
Provincial Department of Education								
<b>Total</b>	-	<b>27</b>	-	-	-	<b>27</b>		-

ANNEXURE 5  
INVENTORIES

NOTES TO ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

	Inv:Farming:Other Mat Suppliers R'000	Inv:Fuel,Oil and Gas Suppliers R'000	Inv: Medicine:Medical Suppliers R'000	TOTAL R'000
<b>Inventories for the year ended 31 March 2023</b>				
Opening balance	1 046	-	27	1 073
Add: Additions/Purchases - Cash	89 740	2 557	21 614	113 911
Add: Additions - Non-cash	90			90
(Less): Issues	(88 393)	(2 557)	(21 618)	(112 568)
Add/(Less): Received current, not paid (Paid current year, received prior year)	(346)			(346)
<b>Closing balance</b>	<b>2 137</b>	<b>-</b>	<b>23</b>	<b>2 160</b>

	Inv: Food and Food Supplies R'000	Inv:Farming:Other Mat Suppliers R'000	Inv:Fuel,Oil and Gas Suppliers R'000	Inv: Medicine:Medical Suppliers R'000	TOTAL R'000
<b>Inventories for the year ended 31 March 2022</b>					



LIMPOPO DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT  
VOTE 04NOTES TO ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

## ANNEXURE 6

## Movement in Capital Work-in-Progress

## MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>60 929</b>	<b>125 336</b>	<b>(55 995)</b>	<b>130 270</b>
Dwellings	12 570			12 570
Non-residential buildings	30 830		(2 793)	28 037
Other fixed structures	17 529	125 336	(53 202)	89 663
<b>TOTAL</b>	<b>60 929</b>	<b>125 336</b>	<b>(55 995)</b>	<b>130 270</b>

## MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Prior period errors	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>215 206</b>	<b>(11 934)</b>	-	-	<b>60 929</b>
Dwellings	12 570				12 570
Non-residential buildings	30 830				30 830
Other fixed structures	171 806	(11 934)	78 377	(220 720)	17 529
<b>TOTAL</b>	<b>215 206</b>	<b>(11 934)</b>	-	-	<b>60 929</b>



NOTES TO ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

**ANNEXURE 7**  
**COVID 19 RESPONSE EXPENDITURE**  
Per quarter and in total

Expenditure per economic classification	2022/23				2021/22
	Q1 R'000	Q2 R'000	Q3 R'000	Q4 R'000	TOTAL R'000
<b>Goods services</b>	730	118	1 746	2 979	6 566
Please list all the applicable SCOA level 4 items:					
EmplContr: UIF	-	-	17	24	41
Agency&Support/Outsourced Service	730	118	1 594	2 487	4 929
Cons Supplies	-	-	135	468	603
<b>TOTAL COVID RESPONSE EXPENDITURE</b>	<b>730</b>	<b>118</b>	<b>1 746</b>	<b>2 979</b>	<b>6 566</b>

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Old Parliamentary Building:  
Giyani,  
Tel: 015 812 3210

**WATERBERG DISTRICT**  
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NTK Building, Modimolle,  
Corner Thabo Mbeki &  
Limpopo Street:  
Tel: 015 491 4973

**CAPRICORN DISTRICT**  
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Lebowakgomo Zone A  
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