

Department of Labour - Vote 17
Notes to the Appropriation Statement for the year ended 31 March 2006

	2005/06 R'000	2004/05 R'000
4.2 Per economic classification:		
Current expenditure		
Compensation of employees	46 524	28 216
Goods and services	32 792	22 722
Interest and rent on land	-	-
Financial transactions in assets and liabilities	-	-
Unauthorised expenditure approved	-	-
Transfers and subsidies		
Provinces and municipalities	153	196
Departmental agencies and accounts	4 070	13 528
Universities and technikons	-	-
Public corporations and private enterprises	-	-
Foreign governments and international organisations	117	5 286
Non-profit institutions	62	74
Households	-	48
Payments for capital assets		
Buildings and other fixed structures	1 980	57 158
Machinery and equipment	695	5 699
Heritage assets	-	-
Biological assets	-	-
Software and other intangible assets	4	422
Land and sub soil assets	-	-

Department of Labour - Vote 17
Statement of Financial Performance for the year ended 31 March 2006

	<i>Note</i>	2005/06 R'000	2004/05 R'000
Revenue			
Annual appropriation	1	1 308 738	1 228 697
Statutory appropriation	2	4 883 330	4 725 396
Departmental revenue	3	4 811	4 465
Local and foreign aid assistance	4	11 000	10 000
Total revenue		6 207 879	5 968 558
Expenditure			
Current expenditure			
Compensation of employees	5	425 317	371 495
Goods and services	6	425 755	359 947
Financial transactions in assets and liabilities	7	11	522
Local and foreign aid assistance	4	7 240	24 270
Total current expenditure		858 323	756 234
Transfers and subsidies	8	5 241 972	5 049 835
Expenditure for capital assets			
Buildings and other fixed structures	9	5 493	36 847
Machinery and equipment	9	7 123	2 020
Software and other intangible assets	9	-	78
Total expenditure for capital assets		12 616	38 945
Total expenditure		6 112 911	5 845 014
Surplus/(Deficit)		94 968	123 544
Surplus/(Deficit) for the year		94 968	123 544
Reconciliation of Surplus/(Deficit) for the year			
Voted Funds	14	86 397	133 349
Departmental Revenue	15	4 811	4 465
Local and foreign aid assistance	4	3 760	(14 270)
Surplus/(Deficit) for the year		94 968	123 544

Department of Labour - Vote 17
Statement of Financial Position for the year ended 31 March 2006

	<i>Note</i>	2005/06 R'000	2004/05 R'000
Assets			
Current assets		97 415	153 999
Unauthorised expenditure	10	1 260	1 260
Cash and cash equivalents	11	31 196	39 381
Prepayments and advances	12	45 934	94 062
Receivables	13	19 025	16 450
Local and foreign aid assistance receivable	4	-	2 846
Total assets		97 415	153 999
Liabilities			
Current liabilities		89 304	146 024
Voted funds to be surrendered to the Revenue Fund	14	86 397	133 349
Departmental revenue to be surrendered to the Revenue Fund	15	571	198
Payables	16	1 422	12 477
Local and foreign aid assistance repayable	4	914	-
Total liabilities		89 304	146 024
Net assets		8 111	7 975
Represented by:			
Recoverable revenue		8 111	7 975
Total		8 111	7 975

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Statement of Changes in Net Assets for the year ended 31 March 2006

	<i>Note</i>	2005/06 R'000	2004/05 R'000
Recoverable revenue			
Opening balance		7 975	7 880
Transfers		136	95
Debts revised	13.3	101	-
Debts recovered (included in departmental revenue)		(207)	(1 154)
Debts raised		242	1 249
Closing balance		8 111	7 975
Total		8 111	7 975

Department of Labour - Vote 17
Cash Flow Statement for the year ended 31 March 2006

	<i>Note</i>	2005/06 R'000	2004/05 R'000
Cash flows from operating activities			
Receipts		6 207 837	5 968 326
Annual appropriated funds received	1.1	1 308 738	1 228 697
Statutory appropriated funds received		4 883 330	4 725 396
Departmental revenue received		4 769	4 233
Local and foreign aid assistance received	4	11 000	10 000
Net (increase)/decrease in working capital		34 498	(54 897)
Surrendered to Revenue Fund		(137 787)	(46 387)
Current payments		(858 323)	(796 409)
Transfers and subsidies paid		(5 241 972)	(5 049 835)
Net cash flow available from operating activities	17	4 253	20 798
Cash flows from investing activities			
Payments for capital assets		(12 616)	(38 945)
Proceeds from sale of capital assets	3.3	42	232
Net cash flows from investing activities		(12 574)	(38 713)
Cash flows from financing activities			
Increase/(decrease) in net assets		136	95
Net cash flows from financing activities		136	95
Net increase/(decrease) in cash and cash equivalents		(8 185)	(17 820)
Cash and cash equivalents at the beginning of the period		39 381	57 201
Cash and cash equivalents at end of period	18	31 196	39 381

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Notes to the Annual Financial Statements for the year ended 31 March 2006

1. Annual appropriation

1.1 Annual appropriation

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

	Final appropriation	Actual funds received	Funds not requested/ not received	Appropriation received 2004/05
	R'000	R'000	R'000	R'000
Administration	238 680	238 680	-	268 037
Service Delivery	570 665	570 665	-	487 797
Employment and Skills Development Services	141 133	141 133	-	135 972
Labour Policy and Labour Market Programmes	349 259	349 259	-	315 351
Social Insurance	9 001	9 001	-	21 540
Total	1 308 738	1 308 738	-	1 228 697

2. Statutory appropriation

	2005/06 R'000	2004/05 R'000
Sector Education and Training Authorities (SETAs)	3 906 664	3 780 317
National Skills Fund	976 666	945 079
	4 883 330	4 725 396

3. Departmental revenue to be surrendered to revenue fund

	<i>Notes</i>		
Sales of goods and services other than capital assets	3.1	3 145	2 741
Fines, penalties and forfeits		173	99
Interest, dividends and rent on land	3.2	-	239
Sales of capital assets	3.3	42	232
Financial transactions in assets and liabilities	3.4	1 451	1 154
Departmental revenue collected		4 811	4 465

3.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the Department	3 120	2 741
Sales of scrap, waste and other used current goods	25	-
Total	3 145	2 741

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Notes to the Annual Financial Statements for the year ended 31 March 2006

3.2 Interest, dividends and rent on land

	2005/06 R'000	2004/05 R'000
Interest	-	239
Total	<u>-</u>	<u>239</u>

3.3 Sale of capital assets

Other capital assets	42	232
Total	<u>42</u>	<u>232</u>

3.4 Financial transactions in assets and liabilities

Nature of loss recovered

Receivables	1 345	-
Other Receipts including Recoverable Revenue	106	1 154
Total	<u>1 451</u>	<u>1 154</u>

4. Local and foreign aid assistance

Foreign

Opening balance	(2 846)	11 424
Revenue	11 000	10 000
Current Expenditure	(7 240)	(24 270)
Closing balance	<u>914</u>	<u>(2 846)</u>

Analysis of balance

Local and foreign aid payable to RDP fund/donors	914	-
Closing balance	<u>(914)</u>	<u>2 846</u>

5. Compensation of employees

5.1 Salaries and wages

Basic salary	307 118	160 307
Performance award	6 028	49 692
Service based	28	28
Compensative/circumstantial	5 961	5 510
Other non-pensionable allowances	47 890	63 810
	<u>367 025</u>	<u>279 347</u>

5.2 Social contributions

Employer contributions

Pension	37 862	59 195
Medical	20 313	32 771
Bargaining council	101	149
Insurance	16	33
	<u>58 292</u>	<u>92 148</u>

Total compensation of employees

	<u>425 317</u>	<u>371 495</u>
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Average number of employees

	<u>3 347</u>	<u>3 097</u>
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Notes to the Annual Financial Statements for the year ended 31 March 2006

6. Goods and services

	<i>Notes</i>	2005/06 R'000	2004/05 R'000
Advertising		21 738	17 312
Attendance fees (including registration fees)		-	2
Bank charges and card fees		348	243
Bursaries (employees)		1 561	2 329
Communication		44 045	54 503
Computer services		98 767	34 515
Consultants, contractors and special services		22 049	21 262
Courier and delivery services		84	-
Tracing agents and debt collections		7	2
Drivers' licences and permits		55	36
Entertainment		1 009	748
External audit fees	6.1	16 217	11 592
Equipment less than R 5 000		5 584	8 358
Freight service		245	224
Inventory	6.2	20 711	40 994
Learnerships		5	2 086
Legal fees		1 109	1 293
Licence agency fees		4	7
Maintenance, repairs and running cost		38 828	4 985
Medical services		24	26
Operating leases		19 383	7 713
Photographic services		158	111
Plant flowers and other decorations		83	23
Printing and publications		3 918	952
Professional bodies and membership fees		38	28
Resettlement cost		2 696	2 815
Taking over of contractual obligations		-	5
Owned leasehold property expenditure		12 980	15 138
Translations and transcriptions		68	23
Transport provided as part of the departmental activities		157	90
Travel and subsistence	6.3	81 282	95 064
Venues and facilities		27 829	31 367
Protective, special clothing and uniforms		60	50
Training and staff development		4 713	6 051
		<u>425 755</u>	<u>359 947</u>
6.1 External audit fees			
Regulatory audits		15 470	11 038
Performance audits		747	554
Total external audit fees		<u>16 217</u>	<u>11 592</u>

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	<i>Notes</i>	2005/06 R'000	2004/05 R'000
6.2 Inventory			
Domestic consumables		1 493	1 493
Agricultural		1	7
Learning and teaching support material		5	88
Food and food supplies		1 116	655
Fuel, oil and gas		334	109
Other consumables		1 000	596
Parts and other maintenance material		661	800
Stationery and printing		16 085	37 234
Medical supplies		16	12
		<u>20 711</u>	<u>40 994</u>
6.3 Travel and subsistence			
Local		77 503	93 749
Foreign		3 779	1 315
Total travel and subsistence		<u>81 282</u>	<u>95 064</u>
7. Financial transactions in assets and liabilities			
Other material losses written off	7.1	-	407
Debts written off	7.2	11	114
Theft	7.3	-	1
		<u>11</u>	<u>522</u>
7.1 Other material losses			
Nature of losses			
Overalls and tools		-	4
Damaged GG Vehicles		-	403
		<u>-</u>	<u>407</u>
7.2 Debts written off			
Nature of debts written off			
Staff debts		11	114
		<u>11</u>	<u>114</u>
7.3 Details of theft			
Stolen petty cash		-	1
Total		<u>-</u>	<u>1</u>

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8. Transfers and subsidies

	Notes	2005/06 R'000	2004/05 R'000
Provinces and municipalities	<i>Annex 1A</i>	1 278	1 095
Departmental agencies and accounts	<i>Annex 1B</i>	5 226 172	5 035 186
Foreign governments and international organisations	<i>Annex 1C</i>	5 783	5 737
Non-profit institutions	<i>Annex 1D</i>	7 792	6 392
Households	<i>Annex 1E</i>	947	1 425
		<u>5 241 972</u>	<u>5 049 835</u>

9. Expenditure for capital assets

Buildings and other fixed structures	<i>Annex 3.1</i>	5 493	36 847
Machinery and equipment	<i>Annex 3.1</i>	7 123	2 020
Software and other intangible assets	<i>Annex 4</i>	-	78
Total		<u>12 616</u>	<u>38 945</u>

10. Unauthorised expenditure

Reconciliation of unauthorised expenditure

Opening balance		1 260	1 260
Unauthorised expenditure – current year		-	-
Unauthorised expenditure awaiting authorisation		<u>1 260</u>	<u>1 260</u>

11. Cash and cash equivalents

Consolidated Paymaster-General Account		30 843	39 067
Cash on hand		353	314
		<u>31 196</u>	<u>39 381</u>

12. Prepayments and advances

Description

Travel and subsistence		2 215	1 701
Prepayments		42 639	90 185
Advances paid to other entities		1 080	2 176
		<u>45 934</u>	<u>94 062</u>

13. Receivables

	Notes	Less than one year	One to three years	Older than three years	2005/06 R'000 Total	2004/05 R'000 Total
Staff debt	13.1	1 864	1 386	11 424	14 674	13 704
Other debtors	13.2	1 428	-	-	1 428	166
Claims recoverable	<i>Annex 5</i>	2 923	-	-	2 923	2 580
		<u>6 215</u>	<u>1 386</u>	<u>11 424</u>	<u>19 025</u>	<u>* 16 450</u>

Note: An amount of R10 595 disclosed as Potential Irrecoverable debt in Note 29.

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Notes to the Annual Financial Statements for the year ended 31 March 2006

	Note	2005/06 R'000	2004/05 R'000		
13.1 Staff debt	29	<u>14 674</u>	<u>13 704</u>		
13.2 Other debtors					
Salary tax debt		65	48		
Clearing accounts		419	94		
Disallowance dishonoured cheques		17	24		
Irregular expenditure		927	-		
		<u>1 428</u>	<u>166</u>		
13.3 Debts revised					
Recoverable debts revised		101	-		
		<u>101</u>	<u>-</u>		
14. Voted funds to be surrendered to the revenue fund					
Opening balance		133 349	41 836		
Transfer from Statement of Financial Performance		86 397	133 349		
Paid during the year		<u>(133 349)</u>	<u>(41 836)</u>		
Closing balance		<u>86 397</u>	<u>133 349</u>		
15. Departmental revenue to be surrendered to the revenue fund					
Opening balance		198	284		
Transfer from Statement of Financial Performance		4 811	4 465		
Paid during the year		<u>(4 438)</u>	<u>(4 551)</u>		
Closing balance		<u>571</u>	<u>198</u>		
16. Payables – current					
Description					
	<i>Notes</i>	30 Days	30+ Days	2005/06 Total	2004/05 Total
Amounts owing to other entities	<i>Annex 6</i>	-	-	-	7 669
Advances received	<i>16.1</i>	-	-	-	3 482
Clearing accounts	<i>16.2</i>	834	-	834	502
Other payables	<i>16.3</i>	588	-	588	824
		<u>1 422</u>	<u>-</u>	<u>1 422</u>	<u>12 477</u>
16.1 Advances received					
Advances received from Compensation Fund				-	3 482
				<u>-</u>	<u>3 482</u>
16.2 Clearing accounts					
Arrear wages management control				214	293
Deduction control account				620	209
				<u>834</u>	<u>502</u>

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	2005/06 R'000	2004/05 R'000
16.3 Other payables		
Disallowances	556	824
Sheltered Employment	32	-
	<u>588</u>	<u>824</u>
17. Net cash flow available from operating activities		
Net surplus/(deficit) as per Statement of Financial Performance	94 968	123 544
(Increase)/decrease in receivables – current	(2 575)	(622)
(Increase)/decrease in prepayments and advances	48 128	(54 275)
Increase/(decrease) in payables – current	(11 055)	(40 175)
Proceeds from sale of capital assets	(42)	(232)
Surrenders to Revenue Fund	(137 787)	(46 387)
Expenditure on capital assets	12 616	38 945
Net cash flow generated by operating activities	<u>4 253</u>	<u>20 798</u>
18. Reconciliation of cash and cash equivalents for cash flow purposes		
Consolidated Paymaster-General account	30 843	39 067
Cash on hand	353	314
	<u>31 196</u>	<u>39 381</u>

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Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2006

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

		<i>Note</i>	2005/06 R'000	2004/05 R'000
19. Contingent liabilities				
Liable to	Nature			
Housing loan guarantees	Employees	<i>Annex 2A</i>	15 398	14 534
Claims against the Department		<i>Annex 2B</i>	6 595	5 354
Other departments		<i>Annex 6</i>	317	651
			<u>22 310</u>	<u>20 539</u>
20. Commitments				
Current expenditure				
Approved and contracted			34 940	21 231
Total commitments			<u>34 940</u>	<u>21 231</u>
21. Accruals				
Listed by economic classification			2005/06 R'000	2004/05 R'000
Current	30 Days	30+ Days	Total	Total
Goods and services	-	1 712	1 712	693
Machinery and equipment	-	-	-	1
	<u>-</u>	<u>1 712</u>	<u>1 712</u>	<u>694</u>
Listed by programme level				
Programme 1 – Administration			285	322
Programme 2 – Service Delivery			1 341	275
Programme 3 – ESDS			45	6
Programme 4 – LP and LMP			41	91
			<u>1 712</u>	<u>694</u>
22. Employee benefits/contingent liabilities				
Leave entitlement			10 326	8 911
Thirteenth cheque			13 185	11 087
Performance awards			562	-
Capped leave commitments			31 110	32 688
			<u>55 183</u>	<u>52 686</u>

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Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2006

23. Lease commitments

23.1 Operating leases	Land	Buildings and other fixed structures	Machinery and equipment	2005/06 Total	2004/05 Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	1 222	1 222	300
Later than 1 year and not later than 5 years	-	-	786	786	1 032
Total present value of lease liabilities	-	-	2 008	2 008	1 332
23.2 Finance leases					
Total value of finance leases	-	-	5 377	5 377	-

See Note 28 for information on PPP contract leases.

24. Receivables for departmental revenue	2005/06 R'000	2004/05 R'000
Sales of goods and services other than capital assets	119	93
Interest, dividends and rent on land	-	60
Financial transactions in assets and liabilities	452	45
	<u>571</u>	<u>198</u>

25. Irregular expenditure

25.1 Reconciliation of irregular expenditure

Irregular expenditure – current year	<u>927</u>	-
Irregular expenditure awaiting condonement	<u>927</u>	-
Analysis		
Current	<u>927</u>	-
	<u>927</u>	-

25.2 Irregular expenditure

Incident	Disciplinary steps taken/criminal proceedings		
Amount not approved by Subtender Committee	Investigation in process	927	-
		<u>927</u>	<u>-</u>

26. Related party transactions

No known related party transactions occurred during the year under review.

Revenue received/(paid)

Tax revenue/ User charges	-	-
Sales of goods and services other than capital assets	-	-
Fines, penalties and forfeits	-	-
Interest, dividends and rent on land	-	-
Sales of capital assets	-	-
Financial transactions in assets and liabilities	-	-
Transfers	-	-
Total	<u>-</u>	<u>-</u>

Movement of funds between Department and related party

Investment	-	-
Non-interest bearing loans to/ (from)	-	-
Interest bearing loans to/ (from)	-	-
Debtor balances	-	-
Creditor balances	-	-
Sales of assets	-	-
Guarantees provided	-	-
	<u>-</u>	<u>-</u>

Balances between Department and related party

Investment	-	-
Non-interest bearing loans to/ (from)	-	-
Interest bearing loans to/ (from)	-	-
Debtor balances	-	-
Creditor balances	-	-
Sales of assets	-	-
Guarantees provided	-	-
	<u>-</u>	<u>-</u>

27. Key management personnel

	No. of Individuals	2005/06 R'000	2004/05 R'000
Political office bearers	1	962	747
Officials			
Level 15 to 16	5	3 675	2 309
Level 14	8	3 857	2 762
		<u>8 494</u>	<u>5 818</u>

28. Public Private Partnership

A description of the arrangement

Subsequent to obtaining Treasury Approval III from National Treasury in terms of Treasury Regulation 16, the Department entered into a Public Private Partnership Agreement ("PPP Agreement") with Siemens Business Services (Proprietary) Limited ("private partner"), effective from 1 December 2002, to provide information technology related infrastructure, services and management support to the Department, the Unemployment Insurance Fund and the Compensation Fund ("the Funds") for a period of 10 years.

Significant terms of the arrangement that may affect the amount, timing and certainty of future cash flows

The Department pays a fixed fee ("unitary fee"), which is subject to escalation with CPIX annually on 1 April. Significant terms that may affect the amount, timing or certainty of future cash flows are summarised below.

- Service credits

The Department is entitled to deduct service credits from the unitary fee if and when the quality of service falls below the agreed service levels.

- Additional services

Provision is made for additional services to be obtained from a table of rates that is adjusted annually by CPIX and benchmarked at 3-yearly intervals. The private partner does not have an exclusive right to provide additional services, but does however, have a "first call" option.

- Variations

The contractual change management procedures make provision for the approval of changes in respect of the PPP Agreement via mutual agreement and payment will either be in the form of an agreed change in the unitary fee or a lump sum payment.

- Scalability

Provision is made for scalability of services within certain boundaries in terms of volume and usage. The unitary fee may be adjusted for the following categories if the actual number of users exceeds the stipulated breakpoints:

- Number of end-user devices
- Rural and urban spread of end-user devices
- Number of end-user devices with high license and maintenance cost.

- Excess profit regime

Any actual profits achieved by the private partner on the PPP Agreement above a stipulated percentage have to be deposited in the re-investment fund by the private partner.

- Foreign exchange rate mechanism

The PPP Agreement makes provision for sharing the risk of devaluation of the Rand over the PPP Agreement period. The Department's risk in the event that the Rand devaluates outside certain agreed parameters is capped and managed through a prescribed mechanism.

The nature and extent of the arrangement

a. Rights to use specified assets

The beneficial use of controls and risks in respect of legacy assets were transferred to the private partner in terms of the PPP Agreement.

Legacy assets means the system of integrated computer hardware, operating systems software, departmental data, software, computer network and computer peripherals and the like used by the Department prior to the effective date of the PPP Agreement.

b. Obligations to provide or rights to expect provision of services

In terms of the PPP Agreement, the services to be provided by the private partner are divided into three categories:

- **Initial services**
Immediately prior to the effective date of the PPP Agreement, the Department and the Funds provided their own information technology services. The initial services are continued by the private partner until such time as they are replaced by other services explained in the following paragraph.
- **Improvement services**
The private partner is required to develop a new information technology environment (hardware, network, operating systems, software applications and training) that is appropriate to support the business processes of the Department and the Funds.
- **Operational services**
The private partner is required to operate, maintain, support and refresh the information technology environment of the Department and the Funds at agreed service levels.

c. Obligations to acquire or build items of property, plant and equipment

The private partner has to acquire computer equipment to the extent necessary in order to deliver the improvement services and operational services at the agreed service levels.

d. Obligation to deliver or rights to receive specified assets at the end of the concession period

On early termination of the PPP Agreement the information technology environment shall transfer to the Department upon payment of the relevant termination compensation to the private partner as set out in the PPP Agreement.

On expiry of the PPP Agreement (10 years after effective date) the information technology environment shall transfer to the Department at no cost.

e. Renewal and termination options

The PPP Agreement provides the Department an option to renew the PPP Agreement for a further period of up to 10 years, provided that such renewal shall be on materially similar terms and conditions. The Department has to exercise this option in writing by no later than 12 months prior to the expiry date of the PPP Agreement.

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The Department may at expiry of the PPP Agreement, in its sole discretion, request support services for a 12-month period in order to facilitate transition to any new arrangement.

The PPP Agreement makes provision for the following termination options:

- Department event of default
- Private partner event of default
- Termination on force majeure
- Termination on corrupt gifts and fraud.

f. Other rights and obligations (e.g. major overhauls)

None, other than those underlying the improvement services and operational services.

g. Changes in the arrangement occurring during the period

None.

h. Reinvestment fund

The reinvestment fund is a separate bank account for purposes of administering and the separate safekeeping of excess profit, foreign exchange rate savings and service credits. The reinvestment fund may be used during the term of the PPP Agreement to fund:

- The Department's obligations in the event that the Rand devaluates outside certain agreed parameters.
- Additional services or variations
- A reduction in unitary fee
- Bank charges related to the reinvestment fund.

Any residual funds at the end of the PPP Agreement will be distributed to the party entitled to it, which is summarised below:

- Funds accumulated due to foreign exchange savings will be distributed to the Department
- Funds accumulated due to excess profits will be shared equally between the Department and the private partner
- Funds accumulated due to service credits will be shared between the Department and the private partner, depending on how the service credit originated.

As at 31 March 2006, the balance of the reinvestment fund was R16 417 549.94.

i. Expenditure for the financial year

The expenditure incurred over the past four years paid to the private partner in terms of the PPP Agreement is as follow:

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Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2006

Year ended	Unitary fee	Additional services	Total
31 March 2003	R40 833 333	Rnil	R40 833 333
31 March 2004	R125 463 046	R36 806 561	R162 269 607
31 March 2005	R136 962 744	R22 646 145	R159 608 889
31 March 2006	R160 210 820	R14 130 604	R174 341 424

The Department makes all payments to the private partner in respect of the unitary fee element in terms of the PPP Agreement. The unitary fee element of the PPP Agreement is divided equally between the Department, the Unemployment Insurance Fund and the Compensation Fund, as agreed to in writing between the entities. The Unemployment Insurance Fund and Compensation Fund pay their applicable portion of the unitary fee to the Department.

The cost of additional services is paid by the entity that requested the additional services. The Unemployment Insurance Fund and Compensation Fund pay their applicable portion of the cost of additional services directly to the private partner.

The table below provides a summary of payments made for the year ended 31 March 2006:

Payment type	Total payments to private partner R'000	Department of Labour portion R'000	Unemployment Insurance Fund portion R'000	Compensation Fund portion R'000
Unitary fee	160 211	53 403	53 404	53 404
Additional services	14 131	8 624	5 216	291
Total	174 342	62 027	58 620	53 695

The unitary fee payment to the private partner for the year ended 31 March 2006 includes a significant scalability adjustment in respect of the current and prior years.

The Department's portion of the payments to the private partner is disclosed, accounted and budgeted for as current expenditure (Goods and Services) in the Annual Financial Statements of the Department. This treatment is consistent with the treatment followed in the unqualified audited Annual Financial Statements of the Department for the years ended 31 March 2003 to 31 March 2005.

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Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2006

Disclosure

	2005/06 R'000	2004/05 R'000
Contract fee received	(106,808)	(91,308)
Unitary fee portion paid to the Department by the:		
Unemployment Insurance Fund	(53 404)	(45 654)
Compensation Fund	(53 404)	(45 654)
Contract fee paid	168 835	158 929
Fixed component (Note 1)	149 302	136 963
Variable component	-	-
Scalability adjustment in respect of previous years	10 909	-
Additional services	8 624	21 966
Current expenditure	7 172	8 352
Compensation of employees	-	-
Goods and services (excluding lease payments)	7 172	8 352
Operating lease	-	-
Finance lease	-	-
Interest	-	-
Capital/ (Liabilities)	-	-
Tangible rights	-	-
Intangible rights	-	-
Property	-	-
Plant and equipment (Note 2)	-	-
Loans	-	-
Other	-	-
Prepayments and advances	-	-
Pre-production obligations	-	-
Other obligations	-	-
Total	<u>69 199</u>	<u>75 973</u>

Note 1: The Department pays a fixed fee ("unitary fee"), which is subject to escalation with CPIX annually on 1 April.

Note 2: Refer additional disclosure note below.

Additional disclosure

There is currently no accepted international or South African guidance in respect of the accounting for public private partnership agreements/service concession arrangements. Although certain aspects and disclosures relating to some service concession arrangements

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Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2006

are already addressed by existing standards, some aspects of service concessions are not addressed. In the absence of guidance, the disclosures required in terms of AC 429 (SIC29) and GRAP 13 are disclosed to provide additional disclosure.

Until such time as guidance on the accounting treatment is available, the following disclosures are made (on guidance from the Office of the Accountant-General) that indicate the potential effect on the Annual Financial Statements of the Department, should the Public Private Partnership Agreement be treated as a finance lease, which is consistent with the disclosure for the 31 March 2005 financial year.

Annexure 3 of the Annual Financial Statements

Annexure 3 of the Annual Financial Statements: would require the following additions in respect of the PPP Agreement:

Physical asset movement schedule as at 31 March 2006

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Machinery and equipment				
Computer equipment				
- Legacy assets Note 1	-	-	-	-
- Other assets Note 2	86 648	16 180	-	102 828

Physical asset movement schedule as at 31 March 2005

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Machinery and equipment				
Computer equipment				
- Legacy assets Note 1	-	-	-	-
- Other assets Note 2	17 549	69 099	-	86 648

Note 1: Legacy assets means computer hardware used by the Department prior to the effective date of the PPP Agreement, the beneficial use of, control and risks in respect of which was transferred to the private partner. Due to the fact that the Annual Financial Statements have been prepared on a modified cash basis of accounting, all legacy assets were expensed in the Statement of Financial Performance when the final authorisation for payment was effected, thus prior to December 2002. The opening balance is therefore R nil.

Note 2: Other assets means the progressive refurbishment and additions made by the private partner to the legacy assets during the provision of the services, including those additions in respect of additional services. Other assets are stated at cost (being the cost price to the private partner, inclusive of VAT).

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Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2006

Note 23 of the Annual Financial Statements – lease commitments

Note 23 of the Annual Financial Statements would require the following additions in respect of the PPP Agreement.

23.1 Operating leases:

Public Private Partnership Agreement in respect of information technology:

	Building and other fixed structures R'000	Machinery and equipment R'000	Total 2005/06 R'000	Total 2004/05 R'000
For the current financial year	-	135 625	135 625	126 986
Not later than 1 year	-	111 689	111 689	95 737
Later than 1 year and not later than 3 years	-	258 600	258 600	321 178
Later than 3 years	-	436 620	436 620	386 292

23.2 Financial leases:

Public Private Partnership Agreement in respect of information technology:

	Building and other fixed structures R'000	Machinery and equipment R'000	Total 2005/06 R'000	Total 2004/05 R'000
For the current financial year	-	38 717	38 717	32 623
Present value of lease liabilities (deemed entered into as at year end)	-	36 128	36 128	54 221

The above disclosures (in respect of Note 23.1 and 23.2) are based on the following information and calculations:

Year ends	Months in period	Unitary fee	Addition service fee	Total payment to private partner	Capital expenditure by private partner	"Deemed" lease payments	Interest element of "deemed" lease payment	"Deemed" operating lease payments
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
1 Dec'02 to 31 Mar'03	4	40 833	-	40 833	-	-	-	40 833
1 Apr'03 to 31 Mar'04	12	125 463	36 807	162 270	17 549	6 607	1 222	155 663
1 Apr'04 to 31 Mar'05	12	136 963	22 646	159 609	69 099	32 623	5 583	126 986
1 Apr'05 to 31 Mar'06	12	160 211	14 131	174 342	16 180	38 717	4 442	135 625
1 Apr'06 to 31 Mar'07	12	152 592	-	152 592	23 350	40 903	3 445	111 689
1 Apr'07 to 31 Mar'08	12	152 592	-	152 592	14 458	20 331	2 295	132 261
1 Apr'08 to 31 Mar'09	12	152 592	-	152 592	31 904	26 253	3 236	126 339
1 Apr'09 to 31 Mar'10	12	152 592	-	152 592	29 171	28 445	3 670	124 147
1 Apr'10 to 31 Mar'11	12	152 592	-	152 592	24 759	33 355	3 482	119 237
1 Apr'11 to 31 Mar'12	12	152 592	-	152 592	24 895	37 358	2 912	115 234
1 Apr'12 to 31 Mar'13	8	101 728	-	101 728	5 961	23 726	705	78 002
Total	120	1 480 750	73 584	1 554 334	257 326	288 318	30 992	1 266 016

The unitary fee payment to the private partner for the year ended 31 March 2006 includes a significant scalability adjustment in respect of the current and prior years.

The unitary fee for years subsequent to 31 March 2006 has not been adjusted for inflation after 31 March 2006 and has been assumed to be the planned expenditure as reflected in the current financial model. However, the PPP Agreement makes provision for an annual increase in the unitary fee by inflation. The additional service fee for subsequent years has been stated as R nil, as there are currently no future commitments regarding additional services.

Capital expenditure is based on the actual cost, including VAT, incurred by the private partner up to 31 March 2006 and on planned expenditure by the private partner for all subsequent years.

“Deemed” lease payments have been calculated based on the capital expenditure, the weighted average government borrowing rate (being 8,1%), a lease period of the shorter of three years (being an assumed average economic life for computer hardware) or the remaining period of the PPP Agreement, monthly lease payments in arrears and assuming that all capital expenditure in a year is incurred on the first day of the financial year.

“Deemed” operating lease payments have been calculated as the unitary fee plus the additional service fee less the calculated “deemed” lease payments.

Department of Labour - Vote 17

Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2006

The table below provides reconciliation between Department's portion in respect of the PPP Agreement and the total payments made to the private partner:

	Total 2005/06 R'000	Total 2004/05 R'000
Total "Deemed" operating lease payments (additional disclosure in respect of note 23.1)	135 625	126 986
Allocated to the Department	23 310	34 998
Allocated to the Unemployment Insurance Fund	58 620	45 994
Allocated to the Compensation Fund	53 695	45 994
"Deemed" finance lease payments by the Department (additional disclosure in respect of note 23.2)	38 717	32 623
Total payments to the private partner	174 342	159 609
Payments allocated to the Department as per the Statement of Financial Performance		
"Deemed" finance lease payments	38 717	32 623
"Deemed" operating lease payments	23 310	34 998
Total payments by the Department (included in note 6)	62 027	67 621

29. Provisions

	2005/06 R'000	2004/05 R'000
Potential irrecoverable debts		
Staff and ex-employees	10 595	-
	10 595	-

Note: Included in Note 13.1: Receivables

30. Skills Development Levies

The unappropriated Skills Development Levies at the National Revenue Fund consisting of:

- Employer contributions which could not be allocated to a specific SETA, or resulting from SARS contributions received without, or with incorrect, reference numbers, which could be Skills Development Levies, Value Added Tax, or Pay As You Earn.

As at 31 March 2006 the account had an accumulated balance of R 4 934 484.89. This money is currently in the National Revenue Fund and has not been accounted for in the Financial Statements of the Department or the National Skills Fund. Once the nature of these monies are established to be Skills Development Levies, the funds will be transferred as follows, in accordance with current statutory regulations:

- 20% to the National Skills Fund
- 80% to the SETAs.

The Department is currently engaged in a process with the South African Revenue Service to establish the nature of the monies in this account.

Department of Labour - Vote 17
Annexure to the Annual Financial Statements for the year ended 31 March 2006

Annexure 1A
Statement of unconditional grants and transfers to municipalities

Name of municipality	Grant allocation				Transfer		Spent			2004/05
	Amount	Roll overs	Adjustments	Total available	Actual transfer	% of Available funds transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Karoo District Municipality	5	-	-	5	3	60.0%	3	3	100.0%	3
Motheo District Municipality	53	-	-	53	51	96.2%	51	51	100.0%	51
Waterberg District Municipality	11	-	-	11	8	72.7%	8	8	100.0%	8
Nkangala District Council	47	-	-	47	45	95.7%	45	45	100.0%	45
Ehlanzeni District Municipality	18	-	-	18	15	83.3%	15	15	100.0%	15
Central Karoo District Municipality	6	-	-	6	3	50.0%	3	3	100.0%	3
Frances Baard District Municipality	31	-	-	31	28	90.3%	28	28	100.0%	28
Ukhahlamba District Municipality	9	-	-	9	6	66.7%	6	6	100.0%	6
Capricorn District Municipality	54	-	-	54	51	94.4%	51	51	100.0%	51
Chris Hani District Municipality	11	-	-	11	8	72.7%	8	8	100.0%	8
Greater East Rand Metro	112	-	-	112	101	90.2%	101	101	100.0%	102
Gert Sibande District Municipality	24	-	-	24	21	87.5%	21	21	100.0%	21
Bophirma District Council	8	-	-	8	5	62.5%	5	5	100.0%	5
Lower-Orange District Council	7	-	-	7	4	57.1%	4	4	100.0%	4
Tshwane Metropolitan Municipality	390	-	-	390	375	96.2%	375	375	100.0%	376
Bojanala Platinum District Municipality	16	-	-	16	13	81.3%	13	13	100.0%	13
Greater JHB Metro Council	92	-	-	92	90	97.8%	90	90	100.0%	91
West Coast District Municipality	6	-	-	6	3	50.0%	3	3	100.0%	3
Namakwa District Municipality	7	-	-	7	4	57.1%	4	4	100.0%	4
Nothern Freestate District Council	11	-	-	11	8	72.7%	8	8	100.0%	8
Sedibeng District Municipality	15	-	-	15	12	80.0%	12	12	100.0%	12
Southern District Council	15	-	-	15	12	80.0%	12	12	100.0%	12
Cape Metropolitan Council	57	-	-	57	54	94.7%	54	54	100.0%	55
West Rand District Municipality	16	-	-	16	13	81.3%	13	13	100.0%	14
East Freestate District Council	12	-	-	12	9	75.0%	9	9	100.0%	9
Lejwelephutswa District Municipality	11	-	-	11	8	72.7%	8	8	100.0%	8
Amatole District Municipality	66	-	-	66	63	95.5%	63	63	100.0%	64
Eden District Municipality	18	-	-	18	15	83.3%	15	15	100.0%	16
Ethekwini Municipality	83	-	-	83	78	94.0%	78	78	100.0%	79
Umgungundlovu District Municipality	21	-	-	21	18	85.7%	18	18	100.0%	19
Ugu District Municipality	10	-	-	10	7	70.0%	7	7	100.0%	7
Uthungulu District Municipality	10	-	-	10	7	70.0%	7	7	100.0%	7
Umsinyathi District Municipality	9	-	-	9	6	66.7%	6	6	100.0%	6
Indlovu Regional Council	5	-	-	5	2	40.0%	2	2	100.0%	2
Kgalagadi District Municipality	7	-	-	7	4	57.1%	4	4	100.0%	4
Cape Winelands District Municipality	9	-	-	9	6	66.7%	6	6	100.0%	6
Uthukela Regional Council South	10	-	-	10	7	70.0%	7	7	100.0%	7
Zululand District Municipality	13	-	-	13	10	76.9%	10	10	100.0%	11
Alfred NZO District Municipality	8	-	-	8	5	62.5%	5	5	100.0%	5
Kei District Council	11	-	-	11	8	72.7%	8	8	100.0%	8
Central District Municipality	40	-	-	40	37	92.5%	37	37	100.0%	38
Ilembe District Municipality	6	-	-	6	3	50.0%	3	3	100.0%	3
Nelson Mandela Metropol Municipality	39	-	-	39	39	100.0%	39	39	100.0%	40
Vhembe District Municipality	13	-	-	13	10	76.9%	10	10	100.0%	11
Sekhukhune Cross Bound D M	5	-	-	5	2	40.0%	2	2	100.0%	2
Fines and Penalties Municipality Agency	4	-	-	4	1	25.0%	1	1	100.0%	1
Total	1 431	-	-	1 431	1 278		1 278	1 278		1 291

Department of Labour - Vote 17
Annexure to the Annual Financial Statements for the year ended 31 March 2006

Annexure 1B
Statement of transfers to departmental agencies and accounts

Department/ Agency/ Account	Transfer allocation				Transfer		2004/05
Adjusted	Adjusted appropriation act	Roll overs	Adjustments	Total available	Actual transfer	% of Available funds transferred	Appropriation act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Compensation Fund	9 000	-	-	9 000	4 931	54.8%	14 540
Unemployment Insurance Fund	1	-	-	1	-	100.0%	7 000
Commission for Conciliation Mediation and Arbitration	208 576	-	-	208 576	208 576	100.0%	174 612
National Productivity Institute	23 934	-	-	23 934	23 934	100.0%	23 247
National Skills Fund	40 251	-	-	40 251	40 251	100.0%	37 973
Strengthen Civil Soc Lab Reb Trans {Development Institute for Training, Support and Education for Labour (DITSELA)}	8 912	-	-	8 912	8 912	100.0%	11 408
National Economic Development and Labour Council (NEDLAC)	11 551	-	-	11 551	11 551	100.0%	9 146
Subsidised work centres for people with disabilities	44 687	-	-	44 687	44 687	100.0%	45 392
Statutory							
Sector Education and Training Authorities	3 906 664	-	-	3 906 664	3 906 664	100.0%	3 780 317
National Skills Fund	976 666	-	-	976 666	976 666	100.0%	945 079
	5 230 242	-	-	5 230 242	5 226 172		5 048 714

Department of Labour - Vote 17
Annexure to the Annual Financial Statements for the year ended 31 March 2006

Annexure 1C
Statement of transfers to foreign government and international organisations

Foreign government/ international organisation	Transfer allocation				Expenditure		2004/05
	Adjusted appropriation act	Roll overs	Adjustments	Total available	Actual transfer	% of Available funds transferred	Appropriation act
	R'000	R'000	R'000	R'000	R'000	%	R'000
International Labour Organisation	5 476	-	-	5 476	5 360	97.9%	8 500
Arlac	424	-	-	424	423	99.8%	2 523
Total	5 900	-	-	5 900	5 783		11 023

Annexure 1D
Statement of transfers to non-profit organisations

Non-profit organisations	Transfer allocation				Expenditure		2004/05
	Adjusted appropriation act	Roll overs	Adjustments	Total available	Actual transfer	% of Available funds transferred	Appropriation act
	R'000	R'000	R'000	R'000	R'000	%	R'000
SA National Council for the Blind	214	-	-	214	212	99.1%	202
Deaf Federation of South Africa	140	-	-	140	83	59.3%	132
National Council for the Physically Disabled	172	-	-	172	169	98.3%	162
Subsidised workshops for the blind	6 328	-	-	6 328	6 328	100.0%	5 970
South African Youth Council	1 000	-	-	1 000	1 000	100.0%	-
Total	7 854	-	-	7 854	7 792		6 466

Department of Labour - Vote 17
Annexure to the Annual Financial Statements for the year ended 31 March 2006

Annexure 1E
Statement of transfers to households

Households	Transfer allocation				Expenditure		2004/05
Transfers	Adjusted appropriation act	Roll overs	Adjustments	Total available	Actual transfer	% of Available funds transferred	Appropriation act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Resignation packages	947	-	-	947	947	100.0%	1 473
Total	947	-	-	947	947		1 473

Annexure 1F
Statement of local and foreign aid assistance received for the year ended 31 March 2006

Name of donor	Purpose	Opening balance R'000	Revenue R'000	Expenditure R'000	Closing balance R'000
Received in cash					
Netherlands		914	-	-	914
European Union		(3 760)	11 000	7 240	-
Total		(2 846)	11 000	7 240	914

Department of Labour - Vote 17
Annexure to the Annual Financial Statements for the year ended 31 March 2006

Annexure 2A

Statement of financial guarantees issued as at 31 March 2006-local

Guarantor Institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 01/04/2005	Adjustment to the opening balance	Guarantees issued during the year	Guarantees released/paid/cancelled/reduced during the year	Guaranteed interest outstanding as at 31 March 2006	Closing balance
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank of SA Limited	Housing loan guarantees	2 003	2 003	213	313	336	-	2 193
Nedbank Limited (Former Cape of Good Hope)	Housing loan guarantees	15	15	-	-	-	-	15
Nedbank Limited	Housing loan guarantees	1 532	1 532	116	275	132	-	1 791
Firstrand Bank Limited: FNB	Housing loan guarantees	2 300	2 300	264	163	488	-	2 239
Nedbank LTD incorporating BOE	Housing loan guarantees	51	51	22	-	20	-	53
ABSA	Housing loan guarantees	4 597	4 597	680	315	1 216	-	4 376
Company Unique Finance (PTY)	Housing loan guarantees	123	123	89	-	-	-	212
Old Mutual Finance Limited	Housing loan guarantees	158	158	36	-	54	-	140
Peoples Bank (Former FBC Fidelity Bank)	Housing loan guarantees	378	378	78	-	-	-	456
Nedbank LTD Incorp. NBS (former Peoples Bank NBS)	Housing loan guarantees	622	622	212	-	75	-	759
Firstrand Bank Limited (FNB - Saambou)	Housing loan guarantees	789	789	185	160	83	-	1 051
Old Mutual Bank Division of Nedbank (former Perm)	Housing loan guarantees	1 568	1 568	286	76	236	-	1 694
Future Bank Corporation Limited	Housing loan guarantees	14	14	-	-	-	-	14
GBS Mutual Bank	Housing loan guarantees	16	16	-	-	16	-	-
Ithala Limited	Housing loan guarantees	41	41	-	28	26	-	43
Free State Development Corporation	Housing loan guarantees	101	101	-	17	-	-	118
VBS Mutual Bank	Housing loan guarantees	91	91	-	-	-	-	91
Mpumalanga Housing Unibank	Housing loan guarantees	43	43	-	-	-	-	43
Albaraka Bank	Housing loan guarantees	11	11	-	-	-	-	11
ABSA Bank (former Unibank)	Housing loan guarantees	13	-	13	-	-	-	13
BOE Bank Limited	Housing loan guarantees	47	47	-	-	28	-	19
SA Homeloans (PTY) LTD	Housing loan guarantees	34	34	-	-	-	-	34
Green Start Home Loans (PTY) LTD	Housing loan guarantees	33	-	-	33	-	-	33
Grand total of housing		14 580	14 534	2 194	1 380	2 710	-	15 398

Department of Labour - Vote 17
Annexure to the Annual Financial Statements for the year ended 31 March 2006

Annexure 2B
Statement of contingent liabilities as at 31 March 2006

Nature of liability	Opening balance 01/04/2005 R'000	Liabilities incurred during the year R'000	Liabilities paid R'000	Liabilities cancelled/red uced during the year R'000	Liabilities recoverable (provide details hereunder) R'000	Closing balance 31/03/2006 R'000
Claims against the Department						
Industry Training Board (446/07/99/MT)	476	-	-	-	-	476
W Kruger (11/10/2002/MT)	8	-	-	-	-	8
Casino National Training (794/09/00/MT)	385	-	-	-	-	385
JJ Liebenberg (12/2/1/33MT)	142	-	45	97	-	-
Casa Tascana Lodge CC(12/8/1/DP)	6	-	8	(2)	-	-
Venwood Baker (12/5/2003/GM)	4 319	-	-	-	-	4 319
NC Payi (12/6/31/MS)	17	-	-	17	-	-
CJ De Vries (12/5/1/18/LM)	1	-	-	-	-	1
AN Makhado (12/2/1/180/MT)	-	11	-	-	-	11
SAPS M Sedgwick (12/9/4/3/GM)	-	2	-	-	-	2
Glowing Sunset Trading (12/5/1/133/LM)	-	1	-	-	-	1
Specfire (Pty) Ltd (12/2/1/139/VZ)	-	23	-	-	-	23
Local News Network (Pty) Ltd (12/2/1/55/ZB)	-	4	-	-	-	4
AA Meyer (12/3/142/ZB)	-	47	-	-	-	47
Simages Int. Consulting (12/3/208/MT)	-	1 318	-	-	-	1 318
Total	5 354	1 406	53	112	-	6 595

Department of Labour - Vote 17
Annexure to the Annual Financial Statements for the year ended 31 March 2006

Annexure 3
Capital tangible asset movement schedule for the year ended 31 March 2006

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Building and other fixed structures	-	5 493	-	5 493
Dwellings	-	-	-	-
Non-residential buildings	-	-	-	-
Other fixed structures	-	5 493	-	5 493
Heritage assets	-	-	-	-
Machinery and equipment	35 134	28 356	(79)	63 411
Transport assets	1 794	8 689	(42)	10 441
Specialised military assets	-	-	-	-
Computer equipment	15 860	181	(16)	16 025
Furniture and office equipment	5 788	2 428	(21)	8 195
Other machinery and equipment	11 692	17 058	-	28 750
Total capital assets	35 134	33 849	(79)	68 904

Annexure 3.1
Additions movement schedule for the year ended 31 March 2006

	Cash R'000	In-Kind R'000	Total R'000
Building and other fixed structures	5 493	-	5 493
Dwellings	-	-	-
Non-residential buildings	-	-	-
Other fixed structures	5 493	-	5 493
Heritage assets	-	-	-
Machinery and equipment	7 123	-	7 123
Transport assets	-	-	-
Specialised military assets	-	-	-
Computer equipment	3 207	-	3 207
Furniture and office equipment	1 537	-	1 537
Other machinery and equipment	2 379	-	2 379
Total capital assets	12 616	-	12 616

Department of Labour - Vote 17
Annexure to the Annual Financial Statements for the year ended 31 March 2006

Annexure 3.2
Disposal schedule for the year ended 31 March 2006

	Cost R'000	Cash R'000	
Building and other fixed structures			
Dwellings	-	-	-
Non-residential buildings	-	-	-
Other fixed structures	-	-	-
Heritage assets	-	-	-
Machinery and equipment	-	42	42
Transport assets	-	42	42
Specialised military assets	-	-	-
Computer equipment	-	-	-
Furniture and office equipment	-	-	-
Other machinery and equipment	-	-	-
Total capital assets	-	42	42

Annexure 3.3
Capital tangible asset movement schedule for the year ended 31 March 2005

	Additions R'000	Disposals R'000	Total movement R'000
Building and other fixed structures	36 847	-	36 847
Dwellings	-	-	-
Non-residential buildings	-	-	-
Other fixed structures	36 847	-	36 847
Heritage assets	-	-	-
Machinery and equipment	2 020	-	2 020
Transport assets	104	-	104
Specialised military assets	-	-	-
Computer equipment	-	-	-
Furniture and office equipment	-	-	-
Other machinery and equipment	1 916	-	1 916
Total capital assets	38 867	-	38 867

Department of Labour - Vote 17
Annexure to the Annual Financial Statements for the year ended 31 March 2006

Annexure 4

Capital intangible asset cost movement schedule for the year ended 31 March 2006

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Computer Software	78	-	-	78
Total	78	-	-	78

Annexure 4.1

Capital intangible asset movement schedule for the year ended 31 March 2005

	Additions R'000	Disposals R'000	Total Movement R'000
Building and other fixed structures			
Computer Software	78		78
Total	78	-	78

Department of Labour - Vote 17
Annexure to the Annual Financial Statements for the year ended 31 March 2006

Annexure 5
Inter-government receivables

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation Fund	1 863	343	-	-	1 863	343
National Treasury	-	20	-	-	-	20
Department of Agriculture	38	40	-	-	38	40
Department of Correctional Services	-	6	-	-	-	6
Department of Education	23	50	-	-	23	50
Department of Foreign Affairs	515	577	-	-	515	577
Department of Health	74	62	-	-	74	62
Department of Home Affairs	-	13	-	-	-	13
Department of Justice	35	34	-	-	35	34
Department of Traditional and Local Government Affairs	13	13	-	-	13	13
Department of Water Affairs and Forestry	-	18	-	-	-	18
Firewall CC (Sita Account)	-	3	-	-	-	3
Government Pension Fund	1	1	-	-	1	1
KwaZulu-Natal Provincial Government	33	33	-	-	33	33
Limpopo Provincial Government	55	55	-	-	55	55
Office of the Premier	9	9	-	-	9	9
Presidence: Republic of South Africa	24	24	-	-	24	24
Provincial Office Eastern Cape	4	4	-	-	4	4
South African Police Service	-	7	-	-	-	7
Transport	-	4	-	-	-	4
Department of Public Works	108	123	-	-	108	123
Department of Social Development	-	38	-	-	-	38
Provincial and Local Government	-	14	-	-	-	14
Province of KwaZulu-Natal Health	7	7	-	-	7	7
Environmental Affairs and Tourism	-	5	-	-	-	5
Department of Housing	-	29	-	-	-	29
Department of Land Affairs	-	11	-	-	-	11
Department of Minerals and Energy	-	1	-	-	-	1
Public Service Commission	-	15	-	-	-	15
National Prosecuting Authority	42	7	-	-	42	7
Department of Defence	-	39	-	-	-	39
Unemployment Insurance Fund	18	944	-	-	18	944
Statistics SA	4	-	-	-	4	-
Department of Welfare and Population Development	29	-	-	-	29	-
Mpumalanga Provincial Legislature	18	-	-	-	18	-
Subtotal	2 913	2 549	-	-	2 913	2 549
Other government entities						
Bargaining councils	10	31	-	-	10	31
Subtotal	10	31	-	-	10	31
Total	2 923	2 580	-	-	2 923	2 580

Department of Labour - Vote 17
Annexure to the Annual Financial Statements for the year ended 31 March 2006

Annexure 6
Inter-government payables

Government entity	Confirmed balance		Unconfirmed balance		Total	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
Current						
Justice	-	-	317	651	317	651
Total	-	-	317	651	317	651
Other government entities						
Current						
Public Works (Unemployment Insurance Fund)	-	5 211	-	-	-	5 211
Public Works (CF)	-	2 400	-	-	-	2 400
Bargaining councils	-	5	-	-	-	5
Telkom	-	53	-	-	-	53
Total	-	7 669	-	-	-	7 669