


FINANCES


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Audit Outcomes

- The OHSC received an unqualified audit opinion from the Auditor-General
- Material findings, which were subsequently corrected, were made in the following areas:
 - Property, plant and equipment
 - Service bonus provision
 - Related party transactions
 - Loss on the transfer of functions
 - Process for the procurement of office space
 - Calculation of a performance target

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Revenue Collection

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Revenue	
Government grant	88,906,000
Interest received	194,489
Expenditure	
Compensation of employees	39,478,925
Board fees and related costs	1,429,669
Depreciation and amortisation	655,203
General expenses	21,048,831
Surplus for the year	26,487,862



Performance against allocated budget

Programme	Budget (R)	Actual Expenditure (R)	(Over)/Under Expenditure (R)
Office of the CEO	11,048,093	5,874,012	5,174,081
Corporate Services	25,611,190	23,380,802	2,230,388
Compliance Inspectorate	34,501,367	30,492,386	4,008,981
Complaints Management (and Ombud)	9,568,318	3,498,972	6,069,446
Health Standards Design, Analysis and Support	8,177,033	4,154,647	4,022,386



Explanation to the surplus

Compensation of employees

- The Board commenced with the process for the appointment of the CEO, and by year end, this process was not yet concluded.
- The Ombud was only appointed after year end.
- At the start of the financial year, the OHSC did not have full staff complement and the recruitment process continued throughout the financial year with some savings realized from the budget of the positions which were filled later in the year.

Operational expenses

- The communication and stakeholder relations strategy was finalised in the latter part of the financial year and will be implemented in the new financial year.
- The process for the procurement of the call centre will be finalised in the new financial year.
- Additional savings were realised in the administrative expenditure such as telephone costs, audit fees, computer maintenance as well as leasing of offices.