

# **PRESENTATION TO PORTFOLIO COMMITTEE ON MINERAL RESOURCES AND ENERGY**

## **NRWDI 2020-2021 ANNUAL REPORT BRIEFING**

# PRESENTATION CONTENTS



- **Annual Performance Report.**
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# ANNUAL PERFORMANCE REPORT

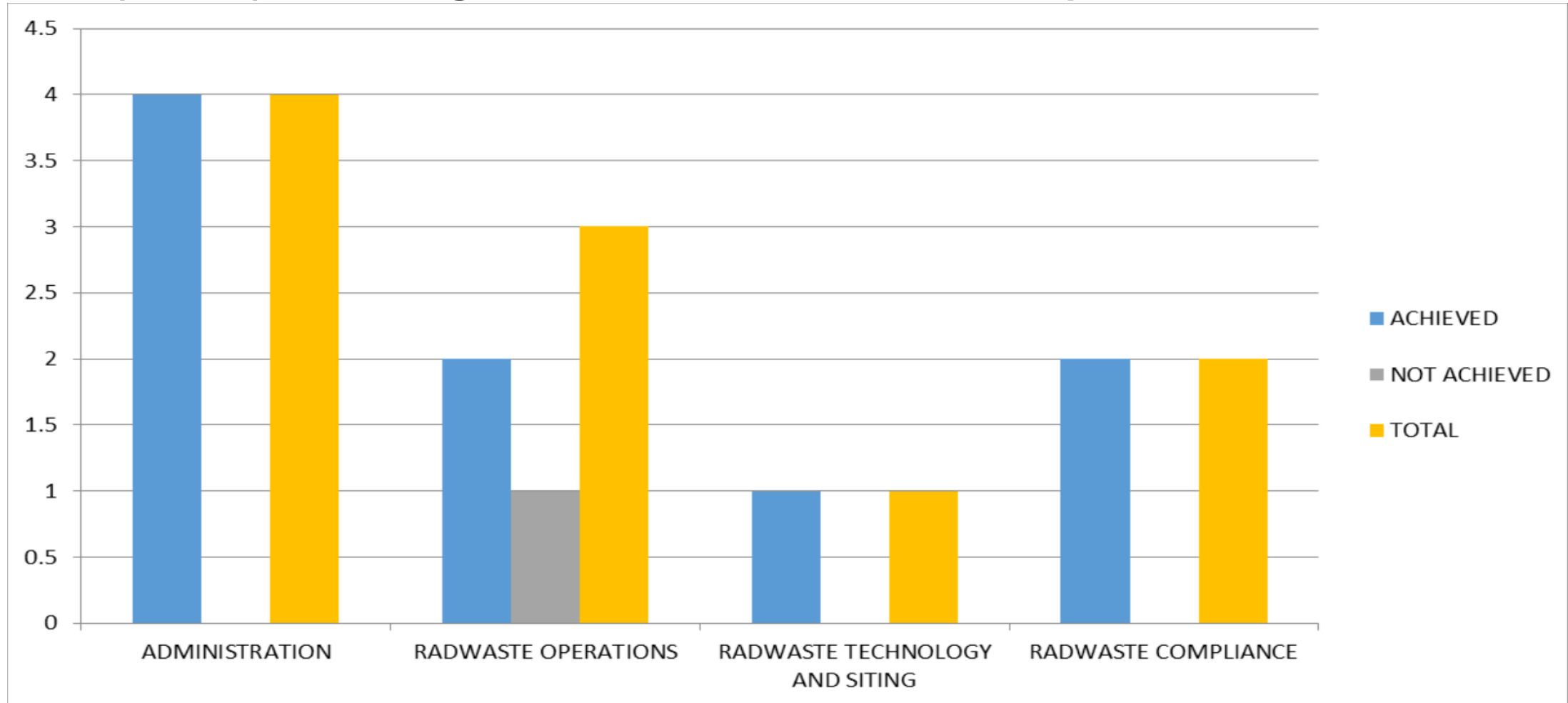
**NRWDI**  
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DISPOSAL INSTITUTE



# ANNUAL PERFORMANCE REPORT



- **90% (9 of 10) of the targets have been achieved for the period under review.**



# ACTUAL PERFORMANCE AGAINST TARGETS

Output Indicators	Planned Target 2020/21	Actual Target 2020/21	Reason for Variance
Percentage implementation of 5 - year finance strategic plan	80% implementation of year 1 plan of finance strategic plan	Target Achieved  80% implementation of year 1 plan of finance strategic plan	None
Percentage implementation of 5- year human capital strategic plan	80% implementation of year 1 plan of human capital strategic plan	Target Achieved  80% implementation of year 1 plan of human capital strategic plan	None
Unqualified audit report	Unqualified audit report for 2020/21	Target Achieved  Clean audit report for 2021/21 received	None

# ACTUAL PERFORMANCE AGAINST TARGETS

Output Indicators	Planned Target 2020/21	Actual Target 2020/21	Reason for Variance
Percentage compliance rate for annual SHEQ audit for disposal facilities on Vaalputs site	80% compliance rate for annual SHEQ audit for disposal facilities on Vaalputs site	Target Not Achieved	The SHEQ audit could not be conducted due to COVID-19 pandemic.
Number of Public Safety Information Forum (PSIF) meetings held with communities surrounding Vaalputs	2 Public Safety Information Forum (PSIF) meetings held with communities surrounding Vaalputs	Target Achieved  The two in person VPSIF meetings with communities surrounding Vaalputs were postponed due to the COVID-19 pandemic lockdown. As an alternative to the VPSIF meetings, the information that was supposed to be shared at VPSIF meetings, was distributed to stakeholders and placed on the NRWDI website.	None
Percentage acceptance rate for the disposal of waste packages received from waste generators for disposal	95% acceptance rate for the disposal of waste packages received from waste generators for disposal	Target Achieved  100% acceptance rate for the disposal of waste packages received from waste generators for disposal.	Pre-Waste Disposal shipment inspections executed to ensure 100% compliance with the waste acceptance criteria for disposal.

# ACTUAL PERFORMANCE AGAINST TARGETS

Output Indicators	Planned Target 2020/21	Actual Target 2020/21	Reason for Variance
Percentage of CISF project plan implemented	20% of CISF project plan implemented	Target Achieved  20% of CISF project plan implemented	None

Prefeasibility Study concluded for the off-site Centralised Interim Storage Facility for Koeberg Nuclear Power Plant's Spent Nuclear Fuel.

# ACTUAL PERFORMANCE AGAINST TARGETS

Output Indicators	Planned Target 2020/21	Actual Target 2020/21	Reason for Variance
Percentage implementation of the Radiation Protection Program for Vaalputs	80% of the annual project plan for implementation of the Radiation Protection Program executed	Target Achieved  80% of the annual project plan for implementation of the Radiation Protection Program executed	None
Percentage implementation of a Quality Management System for NRWDI that is ISO 9001 compliant	80% of the annual project plan for implementation of an ISO 9001 compliant Quality Management System executed	Target Achieved  80% of the annual project plan for implementation of an ISO 9001 compliant Quality Management System executed	None
Percentage implementation of an ISO compliant SHE Management System for NRWDI	80% of the annual project plan for implementation of an ISO compliant SHE Management System executed	Target Achieved  80% of the annual project plan for implementation of an ISO compliant SHE Management System executed	None



# AUDITOR-GENERAL'S REPORT

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# AUDITOR-GENERAL'S REPORT

- **AUDIT OUTCOME**

- NRWDI received a clean audit for the 2020-2021 financial year.

- **ANNUAL FINANCIAL STATEMENTS**

- The financial statements present fairly, in all material respects, the financial position of the National Radioactive Waste Disposal Institute as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

- **EMPHASIS OF MATTER.**

- Matter of emphasis did not modify the audit opinion. This paragraph according to the auditors is a “good emphasis” and was included to bring to the attention of the users that the condonation matter with National Treasury was still under consideration.

# AUDITOR-GENERAL'S REPORT

- **ANNUAL PERFORMANCE INFORMATION**
  - No material findings on the usefulness and reliability of the reported performance information for the selected Programme “Programme 2 – Radioactive waste disposal operations.
- **COMPLIANCE WITH LEGISLATION**
  - No material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the Public Audit Act.

# FINANCIAL REPORT





# STATEMENT OF FINANCIAL POSITION



	Note(s)	2021 R	2020 R
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	4	2,642,619	1,985,130
Intangible assets	5	849,385	958,823
		3,492,004	2,943,953
<b>Current Assets</b>			
Receivables from exchange transactions	7	250,841	370,960
Cash and cash equivalents	8	28,789,178	25,961,483
		29,040,019	26,332,443
<b>Total Assets</b>		<b>32,532,023</b>	<b>29,276,396</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>		<b>0</b>	<b>0</b>
<b>Current Liabilities</b>			
Payables from exchange transactions	9	1,515,717	6,203,779
Provisions	10	7,544,620	4,149,074
		9,060,337	10,352,853
<b>Total Liabilities</b>		<b>9,060,337</b>	<b>10,352,853</b>
<b>Net Assets</b>		<b>23,471,686</b>	<b>18,923,543</b>
<b>Accumulated surplus</b>		<b>23,471,685</b>	<b>18,923,543</b>

# STATEMENT OF FINANCIAL PERFORMANCE

	Note(s)	2021 R	2020 R
Revenue from non-exchange transactions			
Government grants	11	49,397,000	47,499,000
Revenue exchange transactions			
Other income	6	1,184,171	2,519,566
<b>Total revenue</b>		<b>50,581,171</b>	<b>50,018,566</b>
Expenditure			
Compensation of employees	18	36,690,391	33,573,969
Depreciation / amortisation	4/5	1,003,864	703,097
Lease rentals on operating lease	12	850,395	817,098
Loss on disposal of assets		8,963	0
Goods and services	19	7,479,416	9,395,770
<b>Total expenses</b>		<b>46,033,029</b>	<b>44,489,934</b>
<b>Surplus/(deficit) for the year</b>		<b>4,548,142</b>	<b>5,528,632</b>

# STATEMENT OF CASH FLOWS

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	Note(s)	2021 R	2020 R
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Government grant	11	49,397,000	47,499,000
Other income	6	1,137,449	2,513,374
		50,534,449	50,012,374
<b>Payments</b>			
Compensation of employees	18	33,434,138	33,279,232
Suppliers and other service providers	19/16	12,711,238	10,433,256
		46,145,376	43,712,488
<b>Net cash flows from operating activities</b>	23	<b>4,389,073</b>	<b>6,299,886</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	4	(1,326,099)	(308,947)
Purchase of intangible assets	5	(235,279)	(183,926)
<b>Net cash flows from investing activities</b>		<b>(1,561,378)</b>	<b>(492,873)</b>
<b>Net cash flows from financing activities</b>		<b>0</b>	<b>0</b>
Net increase / (decrease) in cash equivalents		2,827,695	5,807,013
Cash and cash equivalents at beginning of the year		25,961,483	20,154,470
<b>Cash and cash equivalents at end of the year</b>	8	<b>28,789,178</b>	<b>25,961,483</b>

# COMPARISON OF BUDGET AND ACTUAL AMOUNTS

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	Notes	Approved budget R	Final budget R	Actual amounts on comparable basis R	Difference between final budget and actual R
<b>Revenue</b>					
Government grants	11	49,397,000	49,397,000	49,397,000	0
Commission Received		0	0	989	989
Interest received	24.1	2,094,000	2,094,000	1,183,182	(910,818)
<b>Total Revenue</b>		<b>51,491,000</b>	<b>51,491,000</b>	<b>50,581,171</b>	<b>(909,829)</b>
<b>Expenditure</b>					
Personnel Expenses	24.2	42,168,206	42,168,206	36,690,391	5,477,815
Personnel related expenses	24.3	1,490,000	1,490,000	572,473	917,527
Consultant fees	24.4	200,000	200,000	75,810	124,190
Travel and subsistence	24.5	1,279,000	1,279,000	62,453	1,216,547
Lease rentals on operating lease	24.6	860,000	860,000	850,395	9,605
Directors remuneration	24.7	324,500	324,500	436,301	(111,801)
General expenses*	24.8	4,334,794	4,334,794	3,631,389	703,405
Operating material	24.9	373,000	373,000	2,692,400	(2,319,400)
Repairs and maintenance		28,000	28,000	17,553	10,447
Depreciation/amortisation	24.10	433,500	433,500	1,003,864	(570,364)
<b>Total expenditure</b>		<b>51,491,000</b>	<b>51,491,000</b>	<b>46,033,029</b>	<b>5,457,971</b>
<b>Surplus/(deficit) for the year</b>		<b>0</b>	<b>0</b>	<b>4,548,142</b>	<b>4,548,142</b>
<b>Actual amount on comparable basis as presented in the budget and actual comparative statement</b>		<b>0</b>	<b>0</b>	<b>4,548,142</b>	<b>4,548,142</b>



# CONCLUDING REMARKS



# CONCLUDING REMARKS

- **NRWDI obtained Clean Audits for four consecutive years.**
- **No Irregular, wasteful & fruitless expenditure have been incurred for the past four years.**
- **An institutionalised culture of accountability, trust, honesty and responsibility prevails in NRWDI, thus demonstrating a resilient commitment towards good governance, prudent financial management, operational excellence and leadership based on the highest ethical and moral standards.**
- **The long-term sustainability of NRWDI remains a risk for NRWDI. With the competing priorities faced by NRWDI as well as the need for delivery of its mandate, the funding over the MTEF cycle is inadequate to cover both the operational and project related costs.**

# CONCLUDING REMARKS

- **NRWDI will never compromise on safety and security, taking full accountability for our social and environmental responsibilities, always seeking value for money and actively engage with stakeholders in an open, transparent and respectful manner.**
- **NRWDI remains totally committed to fulfilling the vast expectations of South Africans that radioactive waste can be safely managed in a manner that meets or exceeds all applicable regulatory standards and requirements for protecting the health, safety and security of our people and the environment, both now and in the future.**
- **Our unwavering commitment is underpinned by the Bill of Rights, Section 24(b) of the sacrosanct Constitution of the Republic of South, which states that:**  
  
***“Everyone has the right to an environment that is not harmful to their health or well-being; and to have the environment protected for the benefit of present and future generations through reasonable legislative and other measures”.***



# THANK YOU.



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**ANY QUESTIONS?**