



THE DEPARTMENT OF JUSTICE AND  
CONSTITUTIONAL DEVELOPMENT

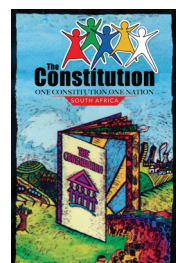
# JUSTICE ADMINISTERED FUND

2022  
2023



**the doj & cd**

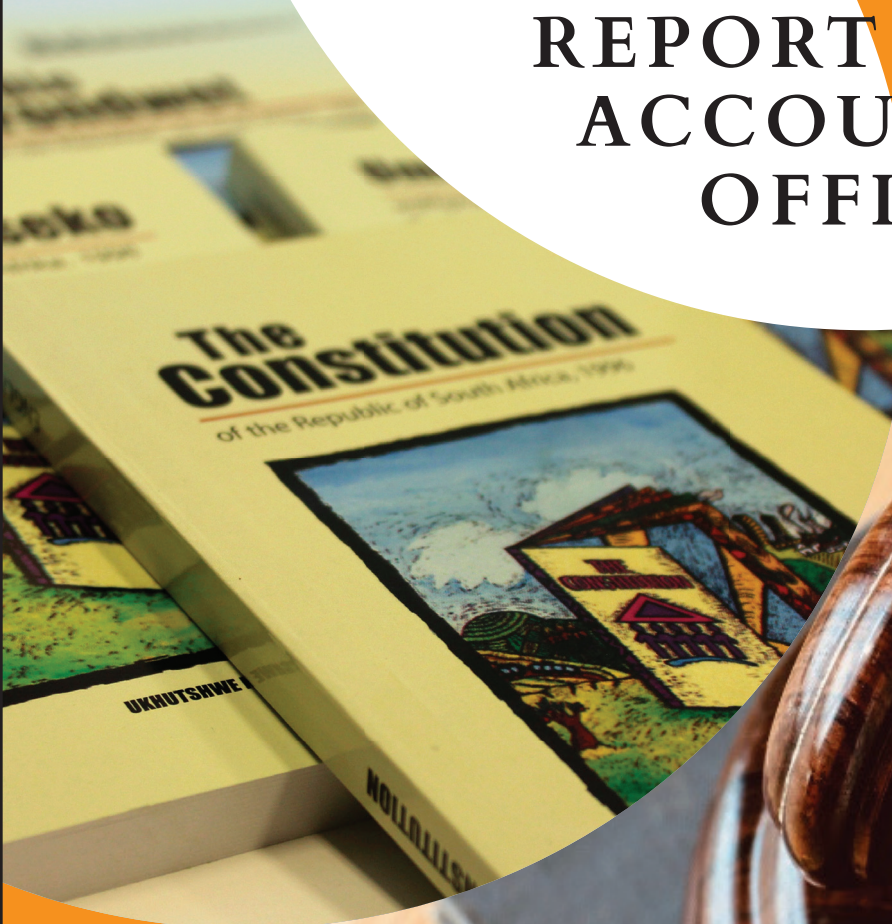
Department:  
Justice and Constitutional Development  
REPUBLIC OF SOUTH AFRICA



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**REPORT BY THE  
ACCOUNTING  
OFFICER**



# REPORT BY THE ACCOUNTING OFFICER TO THE EXECUTIVE AUTHORITY AND PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA ON THE ANNUAL FINANCIAL STATEMENTS FOR THE JUSTICE ADMINISTERED FUND FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

## 1. INTRODUCTION

The Justice Administered Fund (JAF) was established in terms of the Justice Administered Fund Act, 2017 (Act 2 of 2017), that came into effect on 1 April 2018. The purpose of the JAF is to manage maintenance beneficiary monies (local, foreign and future), the safe-keeping of bail monies on behalf of depositors and the safe-keeping of payments into court.

### (a) The Fund administers the following monies on behalf of third parties:

- (i) Money received in terms of maintenance orders made in terms of the Maintenance Act, 1998 (Act 99 of 1998);
- (ii) Money received as bail payable in terms of the Criminal Procedure Act, 1977 (Act 51 of 1977), or any other Act of Parliament;

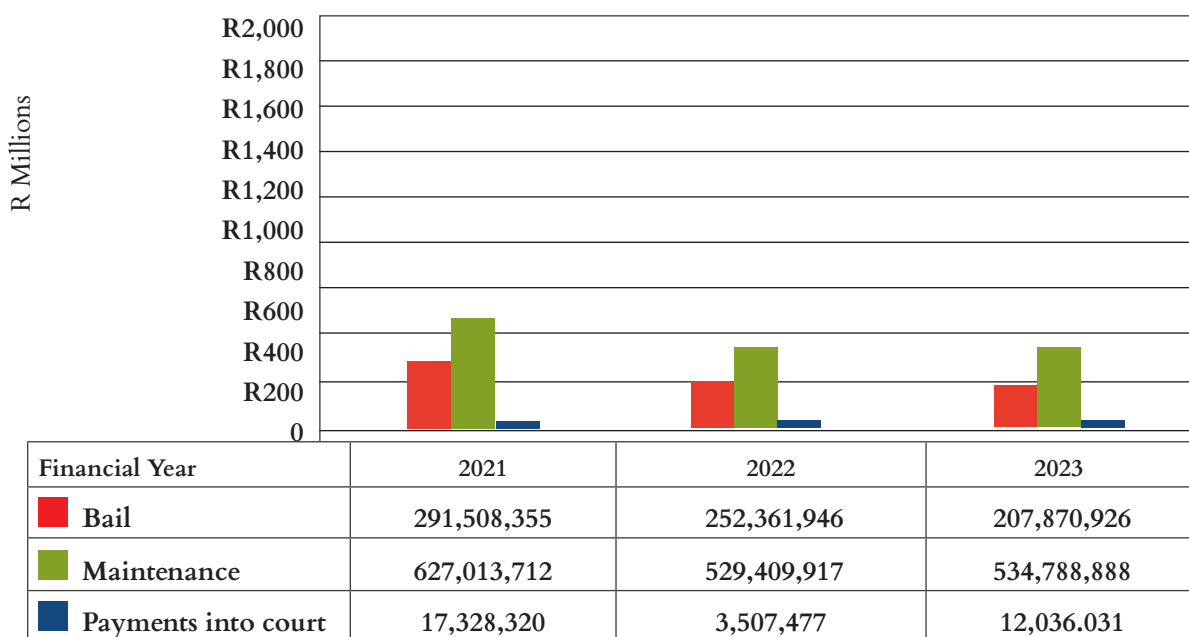
(iii) Money paid into court in terms of any Rule of Court or any other subordinate legislation;

(iv) Money received which cannot be allocated immediately into any of the categories listed in paragraphs (i) to (iii) above.

The Fund also administers interest earned on monies paid into the Fund and bank charges levied in respect of all bank accounts held in the name of the Fund.

### (b) Financial overview

Receipts from obligors and depositors during the financial year amounted to R847 million, while payments and refunds to beneficiaries and depositors amounted to R755 million. The following table reflects the total payments for the 2022/2023 financial year and the three preceding financial years in respect of the various categories to various beneficiaries and depositors.



## 2. SERVICES RENDERED:

### (a) Maintenance:

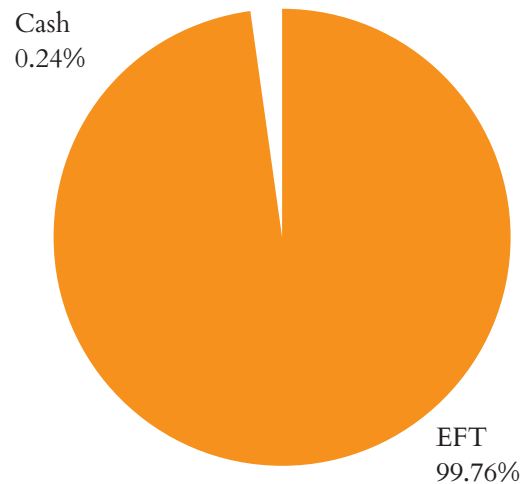
Maintenance can be paid to the Fund by either the defendants directly or it may be deducted from the salary of the defendants and then paid to the Fund by their employers. JAF only accounts for monies received and paid in terms of the aforementioned process. Any unpaid monies must be dealt with through court processes, as this is a civil matter and JAF only acts as a conduit for processing payments between depositors and beneficiaries.

JAF only deals with monies received through an order of the court and distributes these monies as speedily as possible after being received from defendants and/or their employers. The average turnaround time for such receipts and the payment thereof is between 2 to 4 working days. These payments are processed in the main through the electronic funds transfer (EFT) mechanism on the MojaPay system.

Pre-2006 all maintenance beneficiaries were paid in cash versus the 26 beneficiaries paid in cash in March 2023. It is roughly estimated that, at that time, in excess of 250 000 maintenance payments were made in cash. The move to EFT payments did not only benefit the maintenance beneficiaries that had to wait in long queues for hours at the end of the month, in many cases exposed to criminal elements and having to pay for transport to the various courts, but also the Department saw a reduction of its expenditure on cash-in-transit costs and cash withdrawal fees. Recognition is given to officials at different levels of the Department for the large reduction in cash maintenance payments to beneficiaries over the last 17 years.

It must be kept in mind that more than 99% of maintenance beneficiaries receive maintenance payments on a monthly basis via the EFT and bank systems (776 052 processed in 2023). Some reasons for maintenance beneficiaries still relying on cash as a method of payment are lack of access to banking facilities in rural communities, high withdrawal costs, and the convenient location of courts versus bank locations.

The graph below indicates the relationship of EFT versus cash payments made in respect of maintenance in 2023:



To eliminate or reduce the number of maintenance payments that flow through our courts and to ensure that beneficiaries have access to their monies in a shorter space of time the Direct Payment initiative was widely promoted. The process entails the obligor (whether an individual defendant or his/her employer) having to deposit monies directly into the bank account of the beneficiary. All provinces of the Department are managing this project in consultation with the local Judiciary and Prosecution, where applicable, whereby the bulk of new maintenance orders issued are direct payment orders (44 819 were processed during the financial year under review) and where existing orders are reviewed and re-issued as direct payment orders (3 700 were reviewed and re-issued as direct payments for the financial year under review). After objective assessment including risks, by appointed maintenance officers and maintenance investigators, a recommendation for direct payments is presented to the judicial officer (magistrate) for approval and a relevant court order is issued. The success of this project has seen a significant reduction in the number of cash maintenance payments that must be dealt with through the JAF.

Below is a breakdown per province of new Direct Payment orders issued and existing orders converted to Direct Payments for the years ended 31 March 2022 and 31 March 2023:

REGION	NEW ORDERS: 21/22	NEW ORDERS: 22/23	CONVERTED ORDERS: 21/22	CONVERTED ORDERS: 21/23
Eastern Cape	6 109	575	481	17
Free State	5 876	5 081	865	684
Gauteng	2 861	8 068	0	199
Limpopo	8 991	9 664	763	1 034
Mpumalanga	4 297	5 453	54	27
Northern Cape	1 841	3 495	103	297
North West	2 092	4 107	0	504
KwaZulu-Natal	4 609	4 093	474	559
Western Cape	2 712	4 283	140	379
<b>TOTAL:</b>	<b>37 546</b>	<b>44 819</b>	<b>2 880</b>	<b>3 700</b>

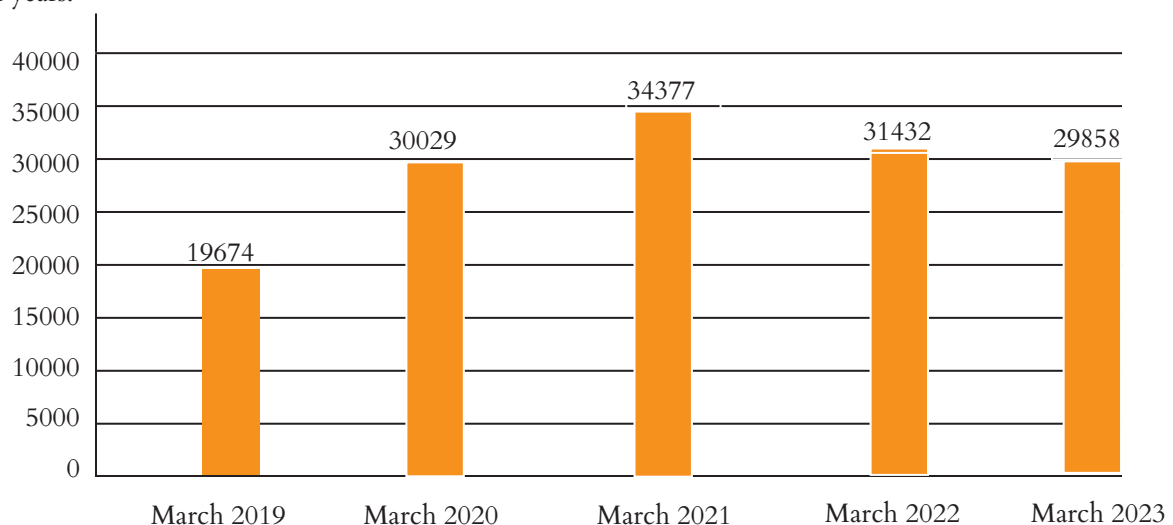
This process, however, takes time as all stakeholders (obligor, beneficiary and employer) must agree to it and/or must be informed thereof. In some instances, employers claim not to have the necessary systems and resources in place to administrate this function, while other employers prefer this method.

#### Payments processed via PERSAL Interface with MojaPay.

The DoJ&CD has reached an agreement whereby the DoJ&CD, through MojaPay, can deduct monies directly from the emoluments of government employees

through PERSAL at National Departments, Provincial Departments and Government Components, except from the Department of Defence that uses PERSAL. This has the effect that these deductions are paid to the JAF centrally, with the correct reference number. Once received by the Department, the monies are allocated and paid to the beneficiaries on the second working day after receipt. Previously, these monies were paid to the different courts of the Department for processing, and due to all the manual processes involved, it took between 5 and 20 working days before beneficiaries received their monies. In many instances, these payments were not correctly referenced and resulted in payments being made to incorrect beneficiaries.

The graph below illustrates the number of orders paid through this process in March 2023 and the four previous financial years.



March Comparison

The decrease in 2023 can mainly be attributed to maintenance orders converted to Direct Payments and deductions that have been terminated (matured).

Over and above the PERSAL Interface arrangements, the DoJ&CD has also reached agreements with several employers, including the Department of Defence, for bulk payments to be deposited directly into the JAF bank accounts, as far as the Department of Defence is concerned, the DoJ&CD processed a total of 3 564 payments received on a monthly basis and a total of 464 maintenance schedules received from various employers.

**(b) Bail:**

Bail payments in respect of the Criminal Procedure Act, 1977 (Act 51 of 1977) or any other legislation made to courts throughout the country as well as police stations and correctional facilities, are held on behalf of depositors by JAF until the finalisation of criminal cases. Such monies are paid at police stations or correctional facilities and subsequently paid over to courts in cash in most instances or by deposits into the nominated bank account by the South African Police Service (SAPS) and the Department of Correctional Services (DCS).

**(c) Other payments into court:**

These payments include, but are not limited to, payments sometimes referred to as Civil Payments (for example, security deposits in civil matters and private prosecution matters), Compensation Fines or awards and in limited instances, payments in terms of Small Claims Court settlements or orders. It further includes any other payments made to court in terms of a Rule of Court or any other law, of which the intended beneficiary may be a third party.

### 3. SYSTEMS REVIEW AND DEVELOPMENT

**(a) JDAS (Legacy system):**

The Justice Deposit Account System (JDAS), utilised for the administration of JAF and other monies, was designed as a case administration system with payments and receipts recording functionality, but not as a financial system with the prescribed accounting and financial reporting capabilities required in terms of current governance requirements. Transactions were

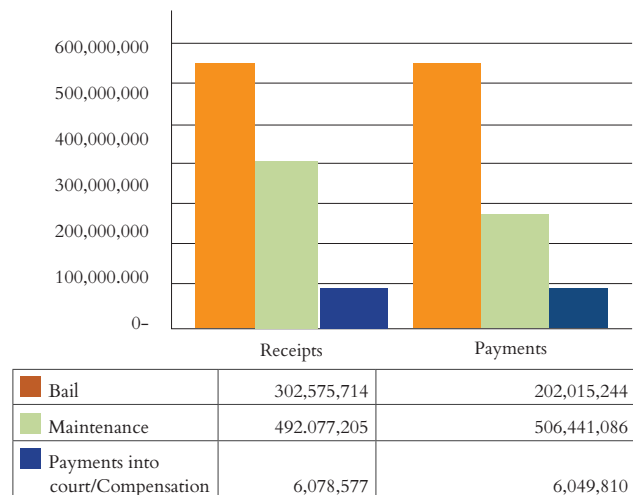
recorded at court level on JDAS and then payments were made to maintenance and compensation fines beneficiaries as well as refunds or payments made to bail depositors and Payments into Court depositors.

The Department continues to actively work on the closure of all remaining legacy system bank accounts and access to the related JDAS databases is restricted. As at 31 March 2023, there are only 8 legacy bank accounts that are still active in the Western Cape. There are also 5 provincial legacy bank accounts held by Eastern Cape, Gauteng, KwaZulu-Natal, Limpopo and Western Cape. These legacy accounts will be closed during the 2023/2024 financial year.

The various limitations placed on reporting data were, inter alia, due to the shortcomings of JDAS, which resulted in system errors and other invalid balances arising. These items were removed from the relevant financial statement components and grouped into the ring-fenced balance. The DoJ&CD has managed, during the financial year under review, to clear some of these balances, resulting in a decrease from R4,852 million to a nil balance; however, the clearance of the Receivables resulted in a Payable balance of R7,183 million. The remainder of the ring-fenced balances will be investigated further during the 2023/2024 financial year.

**(b) MojaPay (SAP):**

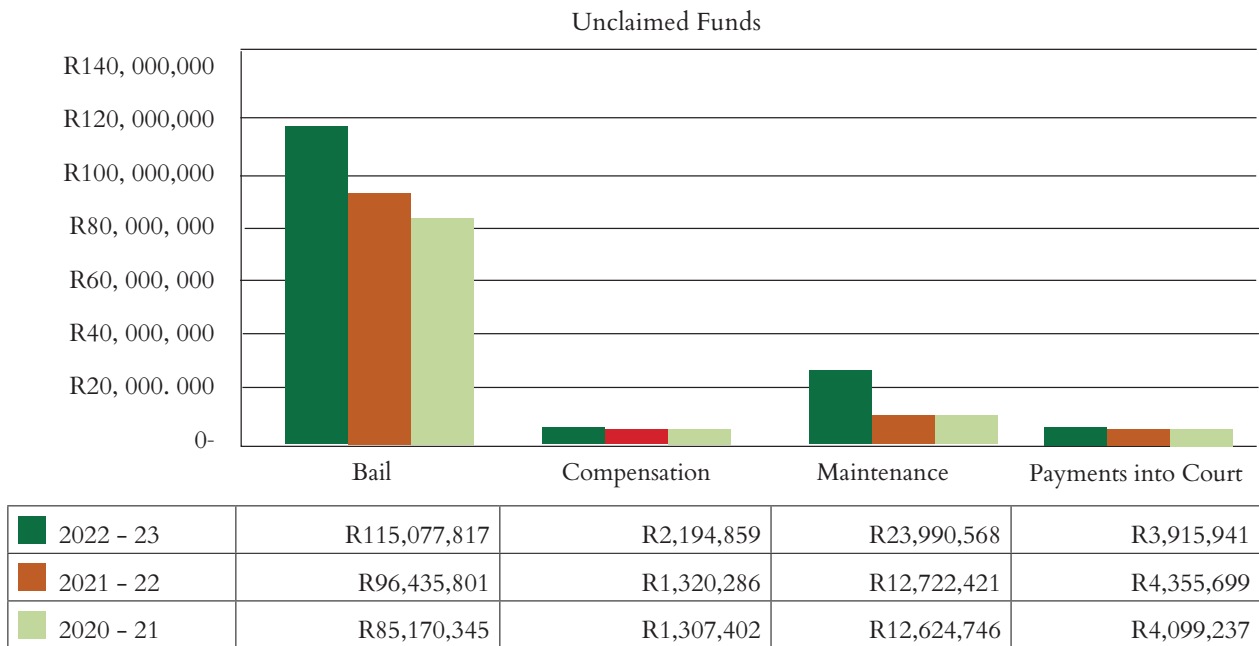
The Department implemented the MojaPay system at all main courts in a staggered fashion from 2016 to 2020. During the 2022/2023 financial year, the following receipts and payments were recorded on MojaPay



MojaPay is a fully automated system, which eradicates the need for office-level staff to perform monthly bank reconciliations and repetitive manual transactions on a daily, weekly and monthly basis.

**(c) Management of unclaimed monies:**

Unclaimed monies have since 1 April 2014 been kept separate, at first after a directive issued by the National Treasury and later in terms of the JAF Act. As at 31 March 2023, the balance of these monies was R145,1 million, compared to R114,8 million reported at 31 March 2022, as depicted in the graph below.



The high level of unclaimed bail monies is as a result of depositors not claiming their bail monies after criminal cases have been finalised. In most of these instances, and especially in respect of bail monies collected by SAPS and DCS, depositors provide incorrect and/or incomplete contact information, which hampers tracing such beneficiaries. In most instances, even basic details such as the identity number of the depositor are not recorded. In many instances, the depositors of the bail are a different person than the accused, thus making it more difficult to trace for the purposes of processing the refunds when they become due to them.

The Department will consider paying over funds unclaimed after ten years to the National Revenue Fund in an effort to curb the increasing trend; however, it must be noted that to date the currently unclaimed funds have not reached the ten years as yet given that the Act was only promulgated in 2018. Until then, the increasing trend is expected to continue given the aforementioned reasons with regard to the bail monies.

**(d) New payment methods:**

The Department Point-of-Sale (POS) devices are installed at all the courts. This project was initiated to make payments, including bail to JAF by the public, more convenient and it was envisaged that this would reduce cash handling at courts as well as reduce expenditure for the Department in respect of cash-in-transit costs and cash deposit fees. The uptake of the use of POS has been slow. The Department commenced with the publicity of the use of POS at courts towards the end of the reporting period and will continue in 2023/2024 financial year.

## 4. LEGISLATIVE REFORM:

Since the implementation of the JAF on 1 April 2018, monies not included in the Act, but previously reported as part of the TPF financial statements, are now reported in the financial statements of the DoJ&CD, while monies received and paid in respect



of maintenance, bail, compensation fines and payments into court are reported in the financial statements of JAF.

## 5. TARIFF POLICY

No fees are charged for the services rendered in respect of the JAF, as payments are affected in the main in respect of maintenance beneficiaries, most of whom hail from the vulnerable groups in society.

In terms of the JAF Act, interest earned on bank balances are to be utilised to defray the bank charges.

## 6. CORPORATE GOVERNANCE ARRANGEMENTS

The governance processes of the Department are mainly driven by the Executive Committee (EXCO) under the guidance of the Accounting Officer and the Minister for Justice and Correctional Services.

EXCO takes the initiative to ensure that all its members are leading and directing the operations and service delivery initiatives in a manner that is consistent with ethical standards. All the Departmental actions are governed by ethical principles which are contained in the Fraud Prevention Plan and Code of Ethics and Business Conduct of the Department.

Other oversight governance structures for the JAF include the Risk Management Committee and the Audit Committee which both provide monitoring and assurance services to the Fund.

There is an existing approved Fraud Prevention Plan and the Whistle Blowing Policy which is applied by the governance structures in the monitoring of progress made in fraud detection and reporting.

## 7. Approval

The Annual Financial Statements on pages 17 to 34 are hereby approved.



ADV D MASHABANE

**DIRECTOR-GENERAL: DEPARTMENT  
OF JUSTICE AND CONSTITUTIONAL  
DEVELOPMENT**

Date: 31 JULY 2023

**REPORT OF THE  
AUDIT COMMITTEE  
ON JUSTICE  
ADMINISTERED FUND**



## FINAL REPORT OF THE AUDIT COMMITTEE ON JUSTICE ADMINISTERED FUND

### 1. REPORT OF THE AUDIT COMMITTEE

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

#### 1.1 AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Audit Committee consists of the members listed below and is required to meet at least four times per annum as per its approved terms of reference. During the year, four (04) and two (02) special meetings were held as indicated below.

Name of members	Number of meetings attended	Number of special meetings attended	Status
Ms. Besky Maluleka-Ngunjiri ( Chairperson )	4	2	Appointed 01/10/2021
Mr. Eric Nwedo	4	2	Appointed 01/ 10 / 2021
Mr. Moholola Johannes Makgokolla	4	2	Appointed 01/ 10 / 2021
Ms. Gabisile Simelane	4	2	Appointed 01/ 10 / 2021
Mr. Ashley Latchu	4	2	Appointed 01/ 10 / 2021
Dr. Lebogang Mphahlele-Ntsasa	4	2	Appointed 01/ 10 / 2021
Mr. Thabo Sakasa	1	0	Appointed 01/10 /2021

#### 1.2 AUDIT COMMITTEE RESPONSIBILITY

We report that we have adopted appropriate formal terms of reference in our charter in line with the requirement of section 38 (1) (a) of the public finance management Act, 1999 (Act NO. 1 of 1999) and Treasury Regulations. We also report that the Audit Committee discharged its responsibilities as per its terms of reference provided for.

#### 1.3 THE EFFECTIVENESS OF INTERNAL CONTROLS

The Audit Committee has noted that the gains achieved in the improvement of operational controls for supporting the preparation of the financial statements have been sustained.

Audit Committee is pleased with the positive audit outcomes achieved and this should be welcomed.

#### 1.4 INTERNAL AUDIT

The Department of Justice and Constitutional Development's Internal Audit Unit is responsible for the review of JAF and the Unit has also discharged its responsibilities as per the Internal Audit plan.

## 1.5 REPORTS

### 1.5.1 The quality of in-year management and monthly/quarterly reports submitted in terms of the PFMA

We are satisfied with the content and quality of monthly and quarterly reports prepared by the Accounting Officer of the Department during the year under review.

### 1.5.2 Evaluation of financial statements

We have reviewed and discussed the audited annual financial statements with management and also reviewed the Department's compliance with legal and regulatory provisions. We have also reviewed the Auditor-General South Africa's report and management letter and management's responses therefore.

## 1.6 AUDITOR-GENERAL SOUTH AFRICA

The Audit 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 be accepted and read together with the report of the Auditor-General.



**B Maluleka-Ngunjiri**  
Chairperson of the Audit Committee

Date: 31 July 2023

**REPORT OF THE  
AUDITOR-GENERAL  
TO PARLIAMENT  
ON THE JUSTICE  
ADMINISTERED FUNDS**



## REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE JUSTICE ADMINISTERED FUND

### Report on the audit of the financial statements

#### Opinion

1. I have audited the financial statements of the Justice Administered Fund set out on pages 17 to 34, which comprise the 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 Justice Administered Fund as at 31 March 2023, and their financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the general notice issued in terms of the PAA.

#### 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 Fund 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 matter

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

##### Restatement of corresponding figures

7. As disclosed in note 11 to the financial statements, corresponding figures for 31 March 2022 were restated as a result of an error in the financial statements of the fund at, and for the year ended, 31 March 2023.

##### Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP; 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.

9. In preparing the financial statements, the accounting officer is responsible for assessing the Fund'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 Fund 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

10. 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.

11. 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

12. In terms of Justice Administered Fund Act 2 of 2017 the Fund is not required to prepare an annual performance report.

## Report on compliance with legislation

13. 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 Fund's compliance with legislation.

14. 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.

15. 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 Fund, 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.

16. I did not identify any material non-compliance with the selected legislative requirements.

## Other information in the annual report

17. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements and the auditor's report.

18. My opinion on the financial statements 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.

19. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

20. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, 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

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

22. I did not identify any significant deficiencies in internal control.

*Auditor-General*

Pretoria  
31 July 2023



## Annexure to the auditor's report

### The annexure includes the following:

- the auditor-general's responsibility for the audit
- the selected legislative requirements for compliance testing

### Auditor-general's responsibility for the audit

## Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and on the Fund's compliance with selected requirements in key legislation.

## Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Fund to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a fund to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.



## Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Section or Regulations
Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34 (1)

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



## INDEX

THE REPORTS AND STATEMENTS SET OUT BELOW COMPRISE THE ANNUAL FINANCIAL STATEMENTS:

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## Accounting Officer's Responsibilities and Approval

The Accounting Officer is required by the Public Finance Management Act, 1999 (Act 1 of 1999) to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. The financial statements shall be identified clearly and distinguished from other information in the same published document. It is the responsibility of the Accounting Officer to ensure that the annual financial statements fairly present the state of affairs of the Fund as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements, and they are given unrestricted access to all financial records and related data.

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

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Accounting Officer acknowledges that he is ultimately responsible for the system of internal financial control established by the Fund and places considerable importance on maintaining a strong control environment. To enable the Accounting Officer to meet these responsibilities, the Fund sets standards for internal control aimed at reducing the risk of error or deficit in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Fund and all employees are required to maintain the highest ethical standards in ensuring the Fund's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Fund is on identifying, assessing, managing and monitoring all known forms of risk across the Fund. While operating risk cannot be fully eliminated, the Fund endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Accounting Officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The Fund is wholly dependent on the Department for continued funding of operations. The annual financial statements are prepared on the basis that the Fund is a going concern and that the Fund has neither the intention nor the need to liquidate or curtail materially the scale of its business.

The annual financial statements set out on page 20, which have been prepared on a going concern basis, were approved and signed by the Accounting Officer on 31 May 2023:



**ADV D MASHABANE**

**DIRECTOR-GENERAL: DEPARTMENT OF JUSTICE  
AND CONSTITUTIONAL DEVELOPMENT**

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

		2023	2022 Restated
		R	R
<b>ASSETS</b>	<b>NOTE</b>		
<b>Current Assets</b>			
Other financial assets	5	-	4 851 643
Receivables from non-exchange transactions	3	5 723 757	4 691 889
Cash and cash equivalents	4	770 537 518	655 643 082
<b>TOTAL ASSETS</b>		<b>776 261 275</b>	<b>665 186 614</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Other financial liabilities		7 183 942	-
Payables from non-exchange transactions	8	725 468 314	641 117 470
<b>TOTAL LIABILITIES</b>		<b>732 652 256</b>	<b>641 117 470</b>
<b>Net Assets</b>		<b>43 609 019</b>	<b>24 069 144</b>
Accumulated Surplus		43 609 019	24 069 144
<b>Total Net Assets</b>		<b>43 609 019</b>	<b>24 069 144</b>

## STATEMENT OF FINANCIAL PERFORMANCE

		2023	2022
		R	Restated
<b>Revenue</b>			
Interest Received	6	27 555 720	9 939 469
<b>Expenditure</b>			
Bank Charges	6	(8 015 845)	(6 757 256)
<b>Surplus for the year</b>		<b>19 539 875</b>	<b>3 182 213</b>

## STATEMENT OF CHANGES IN NET ASSETS

		Accumulated Surplus	Total Net Assets
		R	R
Opening Balance as per previously reported	11	6 685 089	6 685 089
Correction of errors		14 201 842	14 201 842
<b>Restated Balance at 01 April 2021</b>	<b>11</b>	<b>20 886 931</b>	<b>20 886 931</b>
Changes in Net Assets			
Surplus for the year		3 182 213	3 182 213
Opening Balance as per previously reported	11	12 234 016	12 234 016
Correction of errors		11 835 128	11 835 128
<b>Restated Balance at 01 April 2022</b>	<b>11</b>	<b>24 069 144</b>	<b>24 069 144</b>
Changes in Net Assets			
Surplus for the year		19 539 875	19 539 875
<b>Balance at 31 March 2023</b>		<b>43 609 019</b>	<b>43 609 019</b>

## CASH FLOW STATEMENTS

		2023	2022
		R	Restated R
<b>Receipts</b>			
Receipts from Third Parties	7	847 373 301	863 295 141
Net Movement in Shortages as well as Maintenance debtors and Dishonoured Cheques		2 317 004	5 884 110
Net Interest Received and Bank Charges		19 539 875	3 182 213
Adjustment of fines and legacy Account Receipts		1 390 010	-
Net Movements in Consolidated in interest and Bank Charges Account		-	1 623 817
		<b>870 620 190</b>	<b>873 985 281</b>
<b>Payments</b>			
Payments to Third Parties	7	(754 695 845)	(785 279 339)
Net Movement in Consolidated in Interest and Bank Charges Account		(1 029 909)	-
Adjustment of fines and legacy Account Payments	11	-	(776 719)
		<b>(755 725 754)</b>	<b>(786 056 058)</b>
<b>Net cash flows from operating activities</b>		<b>114 894 436</b>	<b>87 929 223</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>114 894 436</b>	<b>87 929 223</b>
Cash and cash equivalents at the beginning of the year		655 643 082	567 713 859
<b>Cash and cash equivalents at the end of the year</b>	4	<b>770 537 518</b>	<b>655 643 082</b>

The accounting policies on pages 24 to 26 and the notes on pages 27 to 34 form an integral part of the annual financial statements.



## Accounting Policies

### 1. Presentation of annual financial statements

The Justice Administrated Fund Act, 2017 (Act 2 of 2017) was assented to on 6 April 2017 and implemented on 1 April 2018 for the following transactions.

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

In the absence of an issued and effective standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5, issued by the Accounting Standards Board (ASB).

These annual financial statements have been prepared on an accrual basis of accounting and in accordance with the historical cost convention as the basis of measurement at fair value, unless specified otherwise.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, is disclosed below. These accounting policies are consistent with the previous period.

### Categories and nature of transactions

**Bail:** Where an accused is granted bail by a judicial officer or a duly authorised official, these funds are retained until a court authorises the return of the funds to the depositor upon completion of the case if the bail conditions have been met. They are forfeited to the state if the bail conditions have not been met and thereafter paid over to the National Revenue Fund through the Vote Account of the Department when the monies remain unclaimed for a period longer than ten years after they have been authorised to be repaid to the depositor. The fund does not recognise revenue when bail monies are received or forfeited. When bail monies are forfeited, they are immediately payable to the Department through the Vote Account.

**Maintenance:** funds are received from obligors in accordance with an order of court, which is then paid to

beneficiaries/complainants or returned to the obligor if so approved by a court or paid to the National Revenue Fund through the Vote Account if the monies remain unclaimed for a period longer than ten years. The fund does not recognise revenue when maintenance monies are received. In such cases, these monies are immediately payable to the beneficiary on receipt thereof.

**Payments into court:** Money paid into court in terms of any Rule of Court or any other subordinate legislation. Unclaimed payments are paid over to the National Revenue Fund through the Vote Account when the monies remain unclaimed for a period longer than ten years after they have been authorised to be paid to either the depositor or a court-identified beneficiary.

**Unclassified monies:** Money received that cannot immediately be allocated into one of the above categories due to a lack of supporting documentation or that originates from an unknown source. If the origin of these monies cannot be traced and allocated or refunded to the depositor, the monies are deposited to the National Revenue Fund through the Vote Account after six months in terms of the DFI.

The financial statements have been prepared on a historical cost basis except where stated otherwise in accordance with (GRAP).

The Fund's principal accounting policies, which are in all material respects consistent with those applied in the previous years, except where expressly indicated elsewhere, are set out below.

#### 1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the Justice Administered Fund (JAF).

#### 1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the Justice Administered Fund will continue to operate as a going concern for at least the next 12 months.

### 1.3 Financial instruments

Financial instruments of the Justice Administered Fund only consist of cash and cash equivalents and are classified as financial assets, except if bank balances are in overdraft, in which case they are classified as financial liabilities.

### Initial and subsequent measurement

Financial instruments are recognised when the Justice Administered Fund becomes a party to the transactions and are measured at fair-value. Receivables from non-exchange transactions also meet the definition of financial instruments and should therefore be recognised as financial instruments.

#### Justice Administered Fund would derecognise a financial instrument only when:

- The contractual rights to the cash flows from the financial asset expire, are settled or waived;
- Substantially all the risks and rewards of the financial instrument are transferred to another party; or
- In the case of a financial asset, JAF has transferred control even if it retains some significant risks and rewards of ownership;
- When the monies are paid out to the relevant beneficiaries the financial instrument is derecognised.

### 1.4 Cash and cash equivalents

Cash and cash equivalents consist of cash deposited with financial institutions. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash that are immediately available, and which are subject to insignificant risk of changes in value. Cash at bank is held with reputable banking institutions, as authorised by National Treasury in the name of the Department of Justice and Constitutional Development and the Justice Administered Fund. Cash equivalents include cash received, which may still have been in transit at the end of the reporting period. The balance of cash and cash equivalents accrues to third parties along with the interest earned. No third party has a direct claim on any of the bank accounts of the

Justice Administered Fund.

### 1.5 Receivables from non-exchange transactions

Receivables arise from the legal activities of the Justice Administered Fund and represent amounts that are recoverable from another/identifiable party and include, but are not limited to, dishonoured cheques, maintenance debtors and shortages. Receivables are initially measured at the amount of cash receivable (the transaction amount).

### 1.6 Receivables from non-exchange transactions (continued)

Receivables are derecognised when the Justice Administered Fund recovers the amounts owing or when amounts are written off through the Department of Justice and Constitutional Development (DoJ&CD) Vote funding when irrecoverable.

#### 1.6.1 Dishonoured cheques

Dishonoured cheques debtors are recognised in the Statement of Financial Position when cheques received from various obligors were returned “Refer to Drawer” by the financial institutions only after a payment had already been made to a Justice Administered Fund beneficiary in the interest of service delivery. These are old transactions that are under investigation. The Department of Justice and Constitutional Development may write off the amount when irrecoverable.

#### 1.6.2 Maintenance debtors

Maintenance debtors are raised when maintenance payments are made to incorrect maintenance beneficiaries due to incorrectly referenced payments received. Following an internal investigation, the Department of Justice and Constitutional Development may write off the amount when irrecoverable.

#### 1.6.3 Shortage debtors

Monies collected over the counter are deposited at one of the authorised financial institutions regularly. Where an amount received over the counter is less than the amount indicated on the receipt or where the amount deposited is less than the amount received by the bank, a cash shortage is recorded. All cash shortages are investigated, and a receivable is raised for shortages. Following an internal investigation, the Department of Justice and

Constitutional Development may write off the amount if irrecoverable.

#### 1.6.4 State institutions and other receivables

The receivable state institutions and other receivables refers to money due from state institutions that includes provincial governments and local authorities. These may include payments made to these beneficiaries in error.

#### 1.7 Payables from non-exchange transactions

**Payables arise from amounts that are due and payable to beneficiaries and/or depositors. Payables do not meet the definition of financial liabilities as described in GRAP 104 due to the following reasons:**

- Payables arise out of non-contractual arrangements;
- Performance and remedy of non-performance is not enforceable by law, however, based on accumulated knowledge of JAF, JAF has a legal obligation to make these payments to the beneficiaries; or
- The transactions are executed in terms of legislation as opposed to a contract.

Payables are measured on the amount due to the third party in accordance with the court order or legal directive and are derecognised as the amount due is settled or the rights of the recipient are waived.

#### 1.8 Revenue from non-exchange transactions

The Justice Administered Fund recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Fund.

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets. Revenue is recognised from interest that is received from the commercial banks.

#### 1.9 Expenditure

Bank charges relating to a bank account held and maintained with a reputable banking institution.

#### 1.10 Other financial assets and liabilities

Other financial assets and liabilities consist of ring-fenced balances. The purpose of ring-fencing balances is to isolate amounts that cannot be verified under cash and cash equivalents, payables and receivables from non-exchange transactions. The various limitations placed on reporting data is due to the shortcomings of the legacy reporting/accounting system, the Justice Deposit Account System (JDAS), which resulted in system errors and other invalid balances arising. Furthermore, much reporting data incorporates balances onto JDAS from previous manual legacy systems, which was implemented many years ago and was inappropriate.

These items were removed from the relevant financial statement components and grouped into the ring-fenced balance. The remaining balances are still under investigation and in the process of being cleared.

Balances transferred from ring-fenced assets and liabilities are offset. Management considers this to be appropriate as the net balance would represent the actual unknown amounts.

Ring-fenced balances are recognised at the carrying amounts of cash and cash equivalents, statutory receivables and payables at date of transfer to the ring-fenced balance. This account is subsequently carried at this cost until valid payments or receipts are made to clear the balances. Once management has fully investigated the balances and no explanation or support can be found for the balances, these amounts may be written off to surplus and deficit or derecognised.

Fair presentation of the financial statements has been strengthened through this ring-fencing exercise, as other components of the financial statements now give a fair reflection of the current and previous year's operations and balances at year end.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2023	2022 Restated
R	R

## 2. New standards and interpretations

### 2.1 Standards and interpretations issued, but not yet effective

The Justice Administered Fund has not applied the following standards and interpretations, which have been published and are mandatory for the JAF's accounting periods beginning on or after 01 April 2023 or later periods:

Standards/Interpretation	Effective date: years beginning on or after	Expected Impact
• GRAP 104 (as revised): Financial Instruments	01 April 2023	impact is currently being assessed
• GRAP 1 (amended): Presentation of Financial Statements	01 April 2023	impact is currently being assessed
• GRAP 21 The Effect of past decisions on Materiality	01 April 2023	impact is currently being assessed
• GRAP 2020: Improvements to the standard of GRAP 2020	01 April 2023	impact is currently being assessed

## 3. Receivables from non-exchange transactions

### Statutory Receivables

Dishonoured Cheques	360 485	360 485
Vote: Receivables from Department of Justice & Constitutional Development	17 700	186 690
State institution and other receivables	4 500	4000
Maintenance Debtor	238 433	251 603
Shortage Debtor	5 102 639	3 887 111
	<b>5 723 757</b>	<b>469 1889</b>

Receivables Age Analysis	Shortage Debtors	Maintenance Debtor	Dishonoured cheques	State Institutions and other Receivables	VOTE: Receivable from DoJ	TOTAL
0 to 6 months	540 610	1000	-	500	-	542 110
7 to 12 months	1 442 776	-	-	500	1800	1 445 076
13 to 24 months	270 910	7 586	2300	2900	-	283 698
25 to 36 months	521 300	20 005	-	-	-	541 305
37 to 60 months	725 427	37 261	197 700	-	-	960 388
61 months plus	1 601 616	172 581	160 485	600	15 900	1 951 182
	<b>5 102 639</b>	<b>238 433</b>	<b>360 485</b>	<b>4 500</b>	<b>17 700</b>	<b>5 723 757</b>

Receivables from non-exchange transactions are managed in terms of the Justice Administered Fund (JAF) Financial Instructions (JAFFI), which have been issued in terms of section 9 of the JAF Act, 2017 (Act 2 of 2017). In terms of this all receivables not recoverable from the responsible party must be accounted for within the Fund, until responsibility and accountability can be determined (or not).

In terms of paragraph 4.2.3 of the JAFFI, should the Department of Justice and Constitutional Development (DoJ&CD) be unable to recover such amounts, it must follow its processes to write off the amount(s) concerned. This has the implication that all receivables from non-exchange transactions are recoverable from the DoJ&CD, should it not be recoverable from an identified party or when such party cannot be identified after investigations have been concluded.

The amount above listed as receivable from the DoJ&CD represents the amount for which approval has been obtained to write off or fund the JAF, but the actual funds have not yet been transferred (or are in transit) from the DoJ&CD to the JAF by the end of the reporting period. This could also represent amounts that have been recovered but paid to the DoJ&CD and have not yet been transferred to the JAF by the end of the reporting period (or are in transit).

#### 4. Cash and cash equivalents

Cash and cash equivalents consist of:

Consolidated bank balances	770 537 518	655 643 082
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## NOTES TO THE ANNUAL FINANCIAL STATEMENT

2023 R	2022 Restated R
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## 5. Other financial liabilities

## Other financial liabilities

7 183 942

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The DoJ&CD launched and completed a ring-fencing exercise in 2016/2017. The purpose of the ring-fencing exercise was to isolate amounts and transactions that cannot be verified under cash and cash equivalents, payables and statutory receivables based on historical limitations of the legacy system (JDAS).

The various limitations placed on reporting data are, inter alia, due to the shortcomings of the administrative legacy systems which resulted in system errors and other invalid balances arising. These items are removed from the relevant financial statement components and reported under other financial assets and liabilities. These balances and transactions are available at office level and have been aged. The process of investigating is ongoing and clearing happens when supporting documentation becomes available. The table below indicates the current situation as far as this is concerned.

	As disclosed in 2023	As disclosed in 2022	Movement	Nature of Movement
Receivables <sup>W</sup>	190 193	381 680	191 487	Clearing of invalid short-ages write-offs by delegated authorities and recovery of overpayments & debtors
<b>Subtotal</b>	<b>190 193</b>	<b>381 680</b>	<b>191 487</b>	
Cash and cash equivalents	(6 585 635)	5 273 544	11 859 179	The net impact clearing the receivables and payables and clearing of system and data errors such as erroneous postings of interest and charges
<b>Subtotal</b>	<b>(6 585 635)</b>	<b>5 273 544</b>	<b>11 859 179</b>	
Payables	(788 500)	(803 580)	(15 080)	Payables to beneficiaries/ depositors and clearing of beneficiary listing
<b>Subtotal</b>	<b>(788 500)</b>	<b>(803 580)</b>	<b>(15 080)</b>	
<b>Total</b>	<b>(7 183 942)</b>	<b>4 851 643</b>	<b>12 035 586</b>	

	2023 R	2022 Restated R
<b>6. Interest and bank charges</b>		
Interest Received	27 555 720	9 939 469
Bank Charges	(8 015 845)	(6 757 256)
	<u>19 539 875</u>	<u>3 182 213</u>
<b>7. Classes of receipts and payments</b>		
- DoJ & CD Courts	847 373 301	863 295 140
<b>Cash payments from Justice Administered Fund transactions</b>		
- DoJ & CD Courts	(754 695 845)	(785 279 339)
<b>8. Payable from non-exchange transactions</b>		
Bail	596 071 140	521 242 948
Maintenance	101 504 494	98 943 018
Unclassified Monies	19 946 688	7 694 635
Payable into Court	7 471 552	7 162 477
Vote Payable	474 440	6 074 392
	<u>725 466 314</u>	<u>641 117 470</u>

## 9. Related parties transactions

The Justice Administered Fund is administered by the Department of Justice and Constitutional Development and as such administration costs, including salaries of official administering the Fund, are incurred by the Department.

### Key management information

Relationship	Nature of relationship
Controlling entities under common control	In light of the Department of Justice and Constitutional Development being the administrator, the Fund is considered related to other entities under common control; the President's Fund, the Guardian's Fund, the Special Investigating Unit and Legal Aid South Africa. There are no transactions or balances with these entities in the reporting period.
Parliament is the ultimate controlling entity	The Minister of Department of Justice and Constitutional Development is the Executive Authority and therefore a related party to the fund. Parliament has the power to govern and influence the functions and policies of the Justice Administered Fund and is consequently a related party to the entity, along with other entities and departments within the national sphere of government.
Members of key management	Key management includes all persons having the authority and responsibility for planning, directing and controlling the activities of the Fund as listed below. Their salaries and allowances are paid by the Department.
Administration Support	These officials do not exclusively perform duties related to this fund alone. They are employees of the Department and perform other duties related to the Department.

Class	Description	Number
Director- General	Level 16	1
Chief Financial Officer	Level 15	1
Chief Director	Level 14	1
Director	Level 13	1



## 9. Related parties translations (continued)

Key Personnel costs disclosed as at 2023

Name	Basic salary	Other benefits received	Total
Director-General	1 447 920	849 695	2 297 615
Chief Financial Officer	1 235 858	551 467	1 787 325
Chief Director	986 410	444 561	1 430 971
Director	781 261	547 458	1 328 719
	<b>4 451 449</b>	<b>2 393 181</b>	<b>6 844 630</b>

Key personnel costs disclosed as at 2022

Name	Basic Salary	Other short term employee benefits	Other benefits received	Total
Director-General	1 405 749	-	934 610	2 340 359
Chief Financial Officer	-	498 897	-	498 897
Chief Director	350 703	-	613 741	964 444
Director	758 506	-	625 463	1 383 969
	<b>2 514 958</b>	<b>498 897</b>	<b>2 173 814</b>	<b>5 187 669</b>

## 10. Services in kind

The Fund receives services in kind from the Department of Justice and Constitutional Development for administration and reporting of transactions.

The Department of Justice and Constitutional Development also pays the personnel cost and office expenses, and provides funding to write off losses. These expenses are recorded in the Annual Financial Statements of the Department.

The Fund cannot reliably determine the fair value for the services it received in kind. Consequently, no amount is recognised in the Statement of Financial Performance for the value of these services received.

## 11. Prior period errors

The Interest and bank charges movement and balances for the prior financial year ended 31 March 2022 were restated to correct the error. The interest and bank charges were mapped incorrectly and therefore accounted for incorrectly, which resulted in an understatement and overstatement of the movement and closing balances.

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

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

### Statement of financial position 2021

	As previously reported	Correction of error	Restated
Accumulated Surpluses	( 6 685 089 )	( 14 201 842 )	( 20 886 931 )
Maintenance Payable	( 106 051 979 )	14 664 524	( 91 387 455 )
Unclaissifield monies Payable	( 5 034 939 )	( 462 682 )	( 5 497 621 )
	( 117 772 007 )	-	( 117 772 007 )

### Statement of financial position 2022

	As previously reported	Correction of error	Restated
Accumulated Surpluses	( 12 234 016 )	( 11 835 128 )	( 24 069 144 )
Maintenance Payable	( 112 864 644 )	13 921 626	( 98 943 018 )
Unclaissifield monies Payable	( 5 608 137 )	( 2 086 498 )	( 7 694 635 )
	( 130 706 797 )	-	( 130 706 797 )

### Statement of financial performance 2022

	As previously reported	Correction of error	Restated
Interest Received	12 130 017	( 2 190 548 )	9 939 469
Bank Charges	( 8 204 907 )	1 447 651	( 6 757 256 )
Surplus for the year	3 925 110	( 742 897 )	3 182 213

### Cash flow statement 2022

	As previously reported	Restated
Cash flow from operating activities		
Net Interest Received and Bank Charges	3 925 110	3 182 213
Other Adjustment of fines and other Legacy Accounts Receipts and Payments	( 1 519 616 )	( 776 719 )
	2 405 494	2 405 494

## 12. Financial risk management

### Financial risk management

The JAF is exposed to the following financial risks due to the nature of its operations:

- Credit risk
- Interest rate risk

The JAF has employed the following activities in the management of these risks:

#### Credit risk

Cash held at bank

The bank balances represent the maximum exposure to credit risk of the Fund. The Fund, through the DoJ&CD, only banks with reputable banking institutions and is limited to banks approved by National Treasury in terms of section 7 (2) (a) of the PFMA. These institutions are:

ABSA  
Nedbank  
Standard Bank  
First National Bank

#### Market risk

##### Interest rate risk

The Fund does not actively manage its exposure to changes in the interest rate applicable to its bank balances which carry interest at a variable rate. The bank balances of the Fund are of a short-term nature and therefore the exposure is minimal. The Fund is not allowed to manage available cash balances to maximise return, as the amounts in bank are essentially owed to beneficiaries and depositors. Interest rates and bank charges are fixed as per an agreement between National Treasury and these banks.

#### Compliance risk

Compliance risk is defined as the risk of legal sanctions, material financial loss, or loss to reputation the Fund may suffer as a result of its failure to comply with laws, regulations, codes of conduct and standards of best/good practice. Compliance is managed through the JAF Act, JAF Financial Instructions, JAF Financial Directives, Standard Operating Procedures and training interventions.

## 13. Going concern

We draw attention to the fact that at 31 March 2023, the Fund had an accumulated surplus of R43 609 019 and that the Fund's total Assets exceed its Liabilities by R43 609 019.

The annual financial statements have been prepared on the expectation that the Justice Administered Fund will continue to operate as a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Management does not have knowledge of events or conditions beyond the period of management's assessment that may cast significant doubt on the Fund's ability to continue as a going concern.

## 14. Events after the reporting date

There are no events at the end of the reporting date that might have a material impact on the amounts disclosed.







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