NRWDI

NATIONAL RADIOACTIVE WASTE DISPOSAL INSTITUTE

Annual Report
2019 - 2020

NRWDI
NATIONAL RADIOACTIVE WASTE DISPOSAL INSTITUTE

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PART A
GENERAL INFORMATION

1. GENERAL INFORMATION

REGISTERED NAME:	National Radioactive Waste Disposal Institute (NRWDI)
REGISTRATION NUMBER:	N/A
PHYSICAL ADDRESS:	Building X, Necsa Offices Elias Motsoaledi Street Extension (Church Street West) R104 Pelindaba Brits Magisterial District Madibeng Municipality North West Province 0240
POSTAL ADDRESS:	Private Bag X1 Pretoria 0001 Gauteng Province
TELEPHONE NUMBERS:	012- 305 3222
FAX NUMBER:	012 -305 3200
EMAIL ADDRESS:	info@nrwdi.org.za
WEBSITE:	www.nrwdi.org.za
EXTERNAL AUDITORS:	Auditor General of SA
BANKERS:	ABSA Bank

2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor-General of South Africa
ARC	Audit and Risk Committee
BoD	Board of Directors
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CISF	Centralised Interim Storage Facility
CPD	Corporation for Public Deposits
DEFF	Department of Environment, Forestry and Fisheries
DHSWS	Department of Human Settlements, Water and Sanitation
DMRE	Department of Mineral Resources and Energy
DoH	Department of Health
EE	Employment Equity
Exco	Executive Committee
GRAP	South African Standards of Generally Recognised Accounting Practice
HLW	High Level Waste
ILW	Intermediate Level Waste
IoDSA	Institute of Directors of South Africa
KPI	Key Performance Indicator
LFW	Learner Focus Week
LLW	Low Level Waste
MDG	Millennium Development Goals
MPRDA	Mineral and Petroleum Resources Development Act
MTEF	Medium-Term Expenditure Framework
Necsa	South African Nuclear Energy Corporation
NEMA	National Environmental Management Act
NNR	National Nuclear Regulator
NRWDI	National Radioactive Waste Disposal Institute
NRWID	National Radioactive Waste Inventory Database
NSW	National Science Week
NT	National Treasury
PFMA	Public Finance Management Act
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
R&D	Research and Development
RWMF	Radioactive Waste Management Fund
SDA	Skills Development Amendment Act
SEC	Social and Ethics Committee
SHEQ	Safety, Health, Environmental and Quality Systems
SLA	Service Level Agreement
SOE	State-Owned Entity
STEM	Science , Technology, Engineering and Mathematics
TOC	Technical and Operations Committee

3. FOREWORD BY THE CHAIRPERSON

It gives me great pleasure to present to the Minister of Mineral Resources and Energy, our stakeholders and the public our Annual Report and Audited Financial Statements for the year 2019/20. This Annual Report details the operations of the National Radioactive Waste Disposal Institute (NRWDI) on performance by objectives and the overall financial review that includes the audited financial statements.

The 2019/2020 Annual Performance Plan which guided our daily operations during the year under review was indeed an ambitious programme for NRWDI as most of the outcomes/ targets were dependent on positive contributions from executives and staff.

I am pleased to announce that the Minister of Mineral Resources and Energy has, on the 16 May 2019, approved the establishment and operationalisation of an off-site above ground Central Interim Storage Facility (CISF) for spent nuclear fuel, allowing NRDWI to develop and implement safe, secure and sustainable solutions for the management of spent fuel. This clearly demonstrates Government's unwavering commitment to deal decisively with the management of spent nuclear fuel, as currently, the majority of our functions are performed within the scope of Low Level Waste (LLW) inventories.

Within the next year, our scope of operation will need to be extended to address the national inventory of radioactive waste consisting of Intermediate Level Waste (ILW) and High-Level Waste (HLW), including Spent/Used Nuclear Fuel in line with the medium- and long-term waste management plans of the waste generators. This implies that alternative disposal concepts will have to be researched, designed and implemented.

Substantial progress has been made towards the finalisation of Section 30 of the National Radioactive Waste Disposal Institute Act, (Act 53 of 2008) with respect to the Vaalputs nuclear installation licence and Vaalputs functional shift. Various engagements were held between ourselves, the NNR and Necsa to finalise the Vaalputs nuclear installation licence and functional shift.

The Radioactive Waste Management Fund (RWMF) for the collection of levies and imposition of penalties on waste generators has been drafted in consultation with relevant stakeholders. As we start the new financial year, we will be holding further engagements with different spheres of government with the hope of having the Bill legislated come end of 2020/21 financial year. This will make provision for NRWDI to source funds from the RWMF for the establishment of waste disposal and related infrastructure for the long term and sustainable management of all classes of radioactive waste.

One of the critical functions of NRWDI is to provide information on all aspects of the radioactive waste disposal to the public. The newly approved Communication and Stakeholder Engagement Strategy will pave the way in terms of how and when we engage our stakeholders purposefully and respectfully. This will ensure that the public perceptions, concerns and expectations are

"The new Board is totally committed to upholding solid corporate governance principles that are underpinned by the application of transparent and ethical conduct, ensuring that NRWDI carries out its mandate as set out in Section 5 the NRWDI Act, and other relevant legislation."

adequately addressed and that public education, participation and communication activities in respect of radioactive waste management and disposal issues will always be placed at the centre-stage.

On behalf of the Board, I take the opportunity of extending our gratitude to the Department of Mineral Resources and Energy for providing us with the support that ensured the functional operations of NRWDI during this financial year.

I would also like to extend my gratitude to my fellow Board members for the direction and strategic leadership they provided in the capacity of the Accounting Authority of NRWDI. To NRWDI's management team and employees, your hard work, determination, dedication, support as well as your ability to adapt, accept and avoid during the global turbulent times has contributed to the achievement of NRWDI's key deliverables as contained in the Annual Performance Plan 2019/20. Your collective and concerted efforts in fulfilling the vision of NRWDI has not gone unnoticed – to each one of you thank you, siyabonga, baie dankie.

The term of the Board of Directors that was in operation during the year under review ended on 30 April 2020 and a new Board was subsequently appointed effective 11 August 2020.

As the newly appointed Board, we present this Annual Report and Audited Financial Statements and signing them off (after engagement with the Auditor General and a limited review) as per the legislative compliance requirements.

The new Board is totally committed to upholding solid corporate governance principles that are underpinned by the application of transparent and ethical conduct, ensuring that NRWDI carries out its mandate as set out in Section 5 the NRWDI Act, and other relevant legislation.

Ms Thandeka Zungu
Chairperson: NRWDI
31 October 2020

4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

It is my honour and great pleasure to present to you the 2019/2020 NRWDI Annual Report.

At the start of the 2019/20 financial year we couldn't have anticipated the scale of the challenges that were to face the world amidst the 2020 international health pandemic. NRWDI responded to the global COVID-19 crisis with professionalism and empathy. Our staff have shown themselves to be a very flexible, adaptable, and extraordinarily dedicated group of people in these unknown and uncertain times.

I am immensely proud to lead NRWDI, who is committed to deliver technically sound, socially acceptable, environmentally responsible, economically feasible, sustainable and publicly acceptable solutions for the long term management and disposal of all radioactive waste classes on a national basis in a safe and secure manner that protects people and the environment.

I am privileged to be entrusted with the accountability and responsibility for an organisation whose work will affect not only the current generation, but also those to come. We will therefore ensure that no undue burden is placed on future generations due to our past, present and future involvement in nuclear science and technology applications.

REFLECTION ON 2019/20 FINANCIAL YEAR

The 2019/20 financial year presented us with many challenges, however, we have been able to realise great achievements which would not have been possible, had it not been for the unwavering commitment and professionalism shown by the NRWDI Board members, management and staff.

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.

Through a process of introspection and review to enhance the efficiency and impact, NRWDI has realigned its structure and function to respond within a dynamic delivery environment. We have also finalised the implementation of the realigned organisational structure with a view to effectively deliver on our mandate. To ensure that NRWDI employees have the right skills in the right place at the right time and are meaningfully engaged, NRWDI developed a new people strategy to serve as a roadmap for attracting and retaining the best and the brightest people to work for NRWDI. My goal is clear, to create a caring and conducive working environment for everyone, encouraging inclusivity and diversity at every occupational job level.

Our staff participate in many national and international technical projects, workshops and meetings to contribute to the safe and secure disposal of radioactive waste and related activities in South Africa and around the world. These projects, workshops and meetings cover areas ranging from the design of new waste disposal facilities to the sharing of best practices with regard to the operation of near surface disposal facilities for radioactive waste.

I am fully aware of the need to continually review and consistently improve the effectiveness and efficiency of NRWDI processes, with the objective always being to strive towards operational excellence. It is heartening to know our stakeholder satisfaction index is 92,6%, which implies that our stakeholders have confidence and trust in NRWDI to meet or exceed their expectations.

"At the start of the 2019/20 financial year we couldn't have anticipated the scale of the challenges that were to face the world amidst the 2020 international health pandemic. NRWDI responded to the global COVID-19 crisis with professionalism and empathy. Our staff have shown themselves to be a very flexible, adaptable, and extraordinarily dedicated group of people in these unknown and uncertain times."

The safety of people, protection of the environment and security of nuclear materials and information are the NRWDI's overriding priorities and dictate our approach to all activities across all divisions. We set clear expectations across our business divisions for the highest performance in environment, health, safety and security that reflects both international and national standards, policies and best practices.

I am proud to report that NRWDI's compliance rate with regards to Safety, Health , Environment and Quality (SHEQ) is 92.73% which is a commendable achievement.

The submission of all the safety case, quality management and organisational description documentation in support of NRWDI's nuclear installation licence application to manage and operate Vaalputs has been submitted to the NNR and all comments received from the NNR have been addressed and resubmitted to NNR for approval.

South Africa has intensive knowledge and extensive experience in the management and disposal of radioactive waste, for example, low level waste, which represents 95% of all radioactive waste generated in the nuclear industry, has been disposed of since 1986 at our National Disposal Facility for low level waste, Vaalputs, without any accident.

High level waste, in particular spent nuclear fuel, represents five (5) % of radioactive waste generated by nuclear power plants. NRWDI has identified critical infrastructure that will be required to provide safe, secure, sustainable and publicly acceptable solutions for the long term management and disposal of spent nuclear fuel management. The key priority infrastructure project is an off-site, above ground Centralised Interim Storage Facility for spent nuclear fuel that is currently being stored on site at Necsa and the Koeberg Nuclear Power Plant.

Ministerial approval has recently been granted for NRWDI to embark on the establishment and operationalisation of the Centralised Interim Storage Facility for spent nuclear fuel. This critical and national infrastructure project will be used as a catalyst and an enabler to forge durable partnerships and social compacts between government, business, labour, communities and civil society that will result in job creation, skills development, inclusive growth and economic transformation in order to give impetus to the creation of a capable, ethical and developmental state that is at the cutting-edge of the Fourth Industrial Revolution.

CHALLENGES EXPERIENCED DURING THE REPORTING PERIOD

The long-term sustainability of NRWDI, however, 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. Under the circumstances, a large portion of the allocation will be devoted to operational costs until the situation can be normalised.

The draft Radioactive Waste Management Fund (RWMF) Bill for the collection of levies and imposition of penalties for waste generators which is based on the "polluter-pays-principle" will soon be published for public comments. Once the Bill has passed the approval process, NRWDI will be able to source funds from the RWMF, thus providing long term sustainability funding for NRWDI to execute its legislative mandate and all functional activities as per Section 5 of NRWDI Act. The legislation will further provide a platform for a better structured NRWDI, which would continue to respond to radioactive waste disposal in a credible and expeditious manner.

LOOKING FORWARD

The key strategic focal areas for the next financial year will be the following:

- The finalisation of Section 30 of the National Radioactive Waste Disposal Institute Act, (Act 53 of 2008) in respect of the Vaalputs Nuclear Installation Licence and Vaalputs functional shift.
- The development and maintenance of a responsive radioactive waste management and disposal regime that does not compromise public safety and national security.
- The establishment and roll-out of the Centralised Interim Storage Facility for high level waste, in particular spent nuclear fuel.
- Ensuring that public perceptions, concerns and expectations are adequately addressed and that public education, participation and communication activities in respect of radioactive waste management and disposal issues are placed at the centre-stage.
- Focus on research and development as well as management and disposal technologies for all classes of radioactive waste.
- Disposal of large components such as the Original Steam Generators (OSG's) stemming from the Koeberg Nuclear Power Plant life extension.
- Implementation of talent management and knowledge management strategies.
- The positioning of NRWDI as a high performing and respected waste disposal organisation. This will be achieved through continued efforts to forge networks and partnerships with the government, private sector, local and international research performing agencies, including other stakeholders. These networks and partnerships will be grounded on the principle of strategic partnerships as an essential element of delivery on the mandate of NRWDI.

ACKNOWLEDGEMENTS

First and foremost, I wish to convey my sincerest gratitude to the Chairperson and Directors of the NRWDI Board for their judicious leadership, patience, support and guidance in their execution of their fiduciary responsibilities.

I would also like to express my deepest gratitude to the Honourable Minister of Mineral Resources and Energy, and the entire leadership of the Department for their constructive engagements, unwavering support, strategic advice and guidance. I also wish to acknowledge and appreciate the rigorous engagement with the Parliamentary Portfolio Committee on Mineral Resources and Energy in exercising their oversight role.

We live in times where the NRWDI cannot exist in isolation but is dependent on its engagement with its stakeholders. I wish to pay tribute to all NRWDI's stakeholders for their continued support. We couldn't make progress without our stakeholders, who continue to challenge, scrutinise and support our vitally important work. We will always engage our stakeholders in a manner that is inclusive, responsive, and supports trust, constructive dialogue, and meaningful partnerships.

Last but not least, the success of the NRWDI is dependent on its most valuable asset, our staff. Their willingness to remain flexible, yet steadfast, in their commitment to the vision and mandate of the organisation, is a strength and an enabler of change. My sincerest thanks and genuine appreciation go out to each one of you as you have been instrumental in assisting the NRWDI in meeting its objectives, thereby fulfilling its mandate and contributing to Government's social and economic imperatives.

CONCLUSION

It is my passionate desire that we, together with our colleagues at the DMRE, Necsa and Eskom, as well as all other stakeholders, continue to work proactively to ensure that we execute our mandate effectively and diligently. These collective efforts will enhance the transparency, openness, trust and willingness by the public to accept nuclear science and technology for power and non-power application programmes in South Africa. In this way, the people of South Africa will enjoy the benefits of economic prosperity associated with the applications related to nuclear science and technology.

We live in times where the world is challenged with COVID 19 and we need to become a flexible and agile organisation. When the world moves on from COVID-19, to use the popular cliché, there will be a "new normal". However, we will also learn, as the nuclear industry always learns from this experience to be stronger, safer, and more resilient in the future.

Mr. Alan Carolissen
Acting Chief Executive Officer
31 October 2020

5. STATEMENT OF RESPONSIBILITY

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge I confirm the following:

All information and amounts disclosed in the annual report are consistent with the annual financial statements as audited by the Auditor General.

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

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

The Annual Financial Statements (Part E) have been prepared in accordance with the GRAP standards applicable to the entity.

The Accounting Authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

The external auditors are engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2020.

Mr Alan Carolissen
Acting CEO
31 October 2020

Ms Thandeka Zungu
Chairperson
31 October 2020

6. STRATEGIC OVERVIEW

6.1 VISION

To achieve excellence in the safe management and disposal of radioactive waste in a manner that protects the environment for both current and future generations.

6.2 MISSION

To develop and implement a management approach for the long-term care and disposal of radioactive waste that is, safe, technically sound, socially acceptable, environmentally responsible and economically feasible.

6.3 VALUES

NRWDI has adopted the following corporate values, which serve as guiding principles around which its corporate culture and actions are governed and shaped. These corporate values are listed as follows:

Table 1: Corporate values

ACCOUNTABILITY	We will be fully responsible for the wise, prudent and cost-effective management of resources and be accountable for all our actions.
LEADERSHIP	We will demonstrate leadership in all we do.
EXCELLENCE	We will pursue the best available knowledge, understanding and innovative thinking in our analysis, engagement processes and decision making.
INTEGRITY	We will conduct ourselves with openness, honesty and respect for all stakeholders.
ENGAGEMENT	We will seek the active participation and consultation of all stakeholders and will be responsive to a diversity of views and perspectives.
PROFESSIONALISM	We will act professionally at all times
TRANSPARENCY	We will conduct our activities in an open and transparent manner taking into account the interests and concerns of all interested and affected parties.

7. LEGISLATIVE AND OTHER MANDATES

7.1 CONSTITUTIONAL MANDATE

The NRWDI mandate is underpinned by Section 24(b) of the Constitution of the Republic of South Africa, Act 108 of 1996 which states that:

Everyone has the right –

(a) To an environment that is not harmful to their health or well-being; and

(b) To have the environment protected for the benefit of present and future generations through reasonable legislative and other measures that:

  (i) Prevent pollution and ecological degradation;

  (ii) Promote conservation; and

  (iii) Secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

7.2 LEGISLATIVE MANDATE

The management of radioactive waste disposal on a national basis is assigned to the National Radioactive Waste Disposal Institute (NRWDI). The NRWDI is an independent entity established by statute under the provision of section 55(2) of the Nuclear Energy Act (No. 46 of 1999) to fulfil the institutional obligation of the Minister of Energy.

The National Radioactive Waste Disposal NRWDI Act (NRWDIA) (Act no. 53 of 2008) was proclaimed by the President of the Republic of South Africa in Government Gazette no. 32764 and NRWDIA became effective on the 1 December 2009. The NRWDIA endorsed the establishment of the National Radioactive Waste Disposal institute (NRWDI).

As a public entity, NRWDI is also governed by the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and is listed as a Schedule 3A public entity.

In order to play its role in accordance with the legislative and regulatory framework and to focus on delivering its mandate, NRWDI has developed specific outcomes and strategic objectives, around which a number of strategic initiatives and on-going operational programmes have been planned (and are being implemented) to address the organisation's responsibilities and obligations.

7.3 POLICY MANDATE

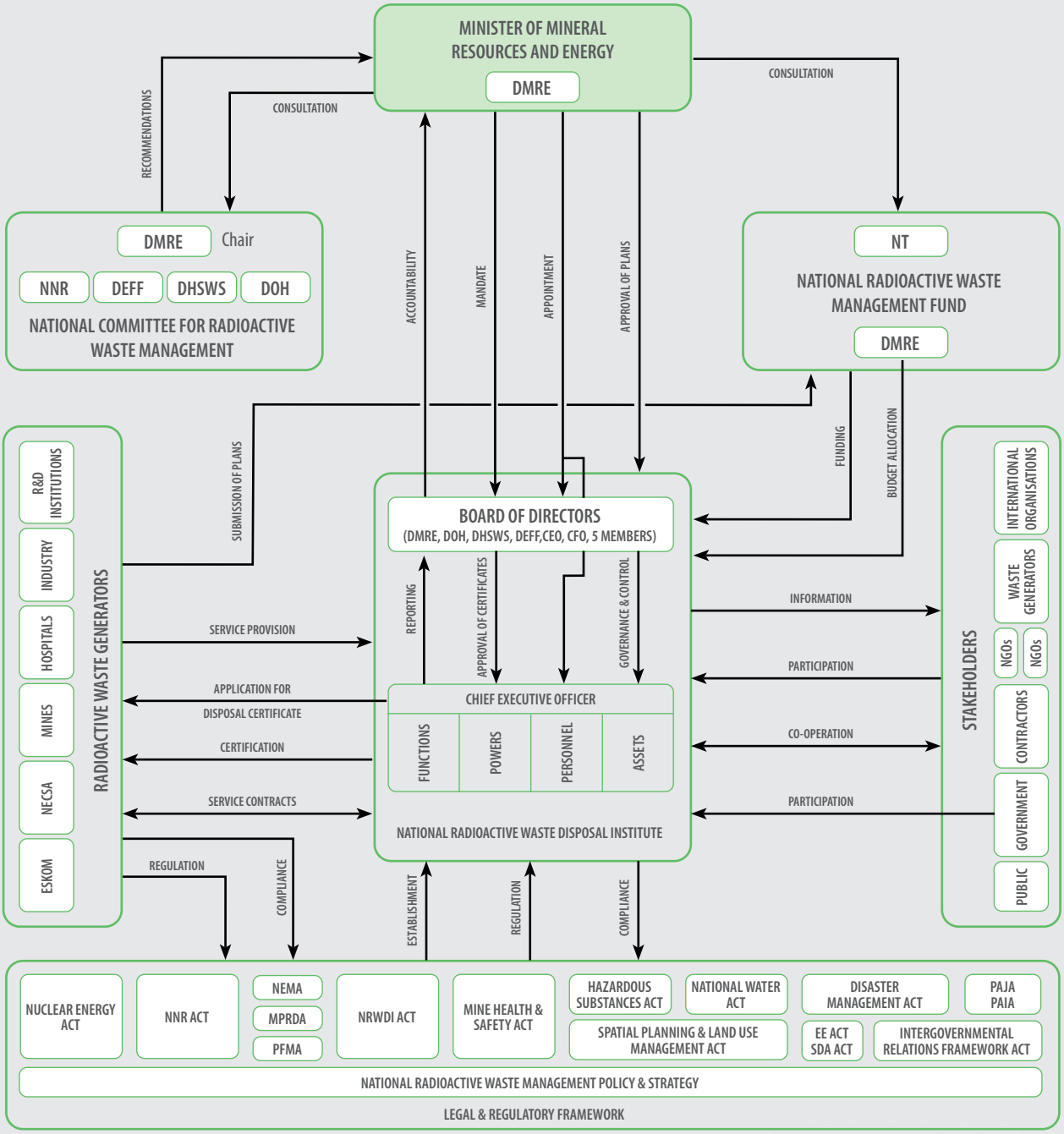
The NRWDI is mandated to manage radioactive waste disposal and related waste management activities on a national basis. This mandate is articulated in a number of policy documents as reflected below:

- Radioactive Waste Management Policy and Strategy for the Republic of South Africa (2005)
- Nuclear Energy Policy and Strategy for South Africa (2008).

7.4 FUNCTIONAL MANDATE

The functions of the NRWDI as per Section 5 of the NRWDI Act (Act 53 of 2008) are summarised as follows:

- Manage radioactive waste disposal on a national basis;
- Operate the national low level waste repository at Vaalputs;
- Design and implement disposal solutions for all categories of radioactive waste;
- Develop criteria for accepting and disposing radioactive waste in compliance with applicable regulatory safety requirements and any other technical and operational requirements;
- Assess and inspect the acceptability of radioactive waste for disposal and issue radioactive waste disposal certificates;
- Manage, operate and monitor operational radioactive waste disposal facilities including related predisposal management of radioactive waste on disposal sites;
- Investigate the need for any new radioactive waste disposal facilities and to site, design and construct new facilities as required;
- Define and conduct research and development aimed at finding solutions for long-term radioactive waste management;
- Maintain a national radioactive waste database and publish a report on the inventory and location of all radioactive waste in the Republic at a frequency determined by the BOD;
- Manage ownerless radioactive waste on behalf of the Government, including the development of radioactive waste management plans for such waste;
- Assist generators of small quantities of radioactive waste in all technical aspects related to the management of such waste;



CEO	Chief Executive Officer
CFO	Chief Financial Officer
DEFF	Department of Environment, Forestry and Fisheries
NT	National Treasury
DOH	Department of Health
DMRE	Department of Mineral Resources and Energy
DHSWS	Department of Human Settlements, Water and Sanitation
EE	Employment Equity
MPRDA	Minerals and Petroleum Resources Development Act
NEMA	National Environment Management Act
NNR	National Nuclear Regulator
NRWDI	National Radioactive Waste Disposal Institute
PFMA	Public Finance Management Act
PAJA	Promotion of Administrative Justice Act
PAIA	Promotion of Access to Information Act
SDA	Skills Development Amendment

Figure 1: Radioactive Waste Disposal Legislative and Regulatory Framework

- Implement institutional control over closed repositories, including radiological monitoring and maintenance as appropriate;
- Implement any assignments or directives from the Minister regarding radioactive waste management;
- Provide information on all aspects of radioactive waste management to the public living around radioactive waste disposal facilities and to the public in general;
- Advise nationally on radioactive waste management;
- Co-operate with any person or institution in matters falling within these functions; and
- Any other function necessary to achieve the objectives of the NRWDI.

The majority of the above functions are currently performed within the scope of Low Level Waste (LLW) inventories. In future, the scope would need to be extended to address the national inventory of radioactive waste consisting of Intermediate Level Waste (ILW), High Level Waste (HLW), long-lived waste, spent/used nuclear fuel and disused sealed radioactive sources. This implies that alternative disposal concepts would have to be researched, designed and implemented. It is also possible that alternative disposal sites would need to be obtained, characterised, constructed and operated.

7.5 INTERNATIONAL CONVENTIONS

The assurance of nuclear safety is reinforced by a number of international instruments. These include certain Conventions such as the Convention on Nuclear Safety and Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management that are legally binding on the participating States. South Africa, as a contracting party to these conventions is obliged to adhere to the articles of these conventions and to provide regular reports on compliance to these conventions.

The Joint Convention establishes an international peer review process among Contracting Parties and provides incentives for Member States to improve nuclear safety in line with international best practises. One of the objectives of the NRWDI is to fulfil national obligations in respect of international nuclear instruments relating to management of spent nuclear fuel and radioactive waste management, including disposal, to ensure that the Republic of South Africa is in compliance with the articles of the Joint Convention through existing national legal and regulatory infrastructure.

The South African Joint Convention report provides information on used fuel and waste management facilities, radioactive waste inventories, ongoing decommissioning projects, used fuel and radioactive waste management safety, as well as information on imports/exports of radioactive waste (trans-boundary movements) and disused sealed radioactive sources.

7.6 RELEVANT COURT RULINGS

There were no court rulings that might have had a significant on-going impact on the NRWDI's operations and/or service delivery obligations, and as such, suitable legislative frameworks, codes of good legal practices and resources have been put in place to mitigate such risks.

7.7 PLANNED POLICY INITIATIVES

Sealed radioactive sources, including disused sealed sources, are controlled as Group IV Hazardous Substances, in terms of the Hazardous Substances Act, 1973 (Act No. 15 of 1973) and are regulated by the Directorate Radiation Control in the Department of Health.

Currently all disused sealed radioactive sources are temporarily stored at Necsa because the end point (i.e., final disposal) has not yet been defined in radioactive waste management plans. The disposal of all radioactive material falls within the ambit of the National Nuclear Regulator and therefore the regulatory framework to manage the total life cycle of sealed radioactive sources needs to be harmonised.

The safety, security and control of disused sealed radioactive sources is a high priority and in line with international commitment in order to prevent radiation accidents that may be caused by the potential abuse and misuse of such sources for, e.g., malicious purposes. NRWDI will liaise with all role players and stakeholders to mitigate these risks by implementing sustainable disposal options (end points) for various categories of disused sealed radioactive sources.

8. ORGANISATIONAL STRUCTURE

The NRWDI's macro-organisational structure reflects the key operational functions to oversee the core operational component of the NRWDI, as well as the key support capacity for effective delivery on the NRWDI's mandate. The structure is aligned to the NRWDI's strategic programmes, namely: Administration, Radwaste Operations, Radwaste Technology and Siting (now renamed Science, Engineering and Technology), and Radwaste Compliance Management.

NATIONAL RADIOACTIVE WASTE DISPOSAL INSTITUTE ORGANISATIONAL STRUCTURE

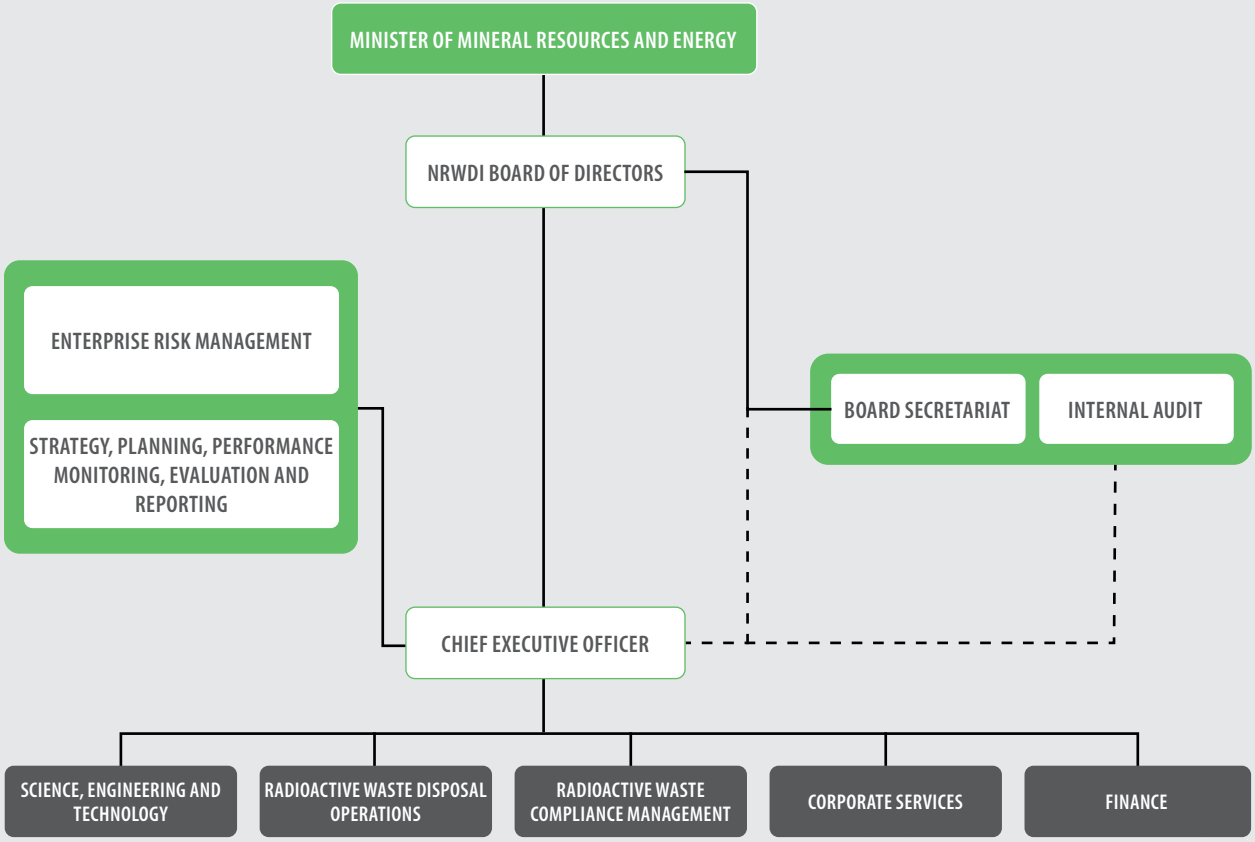


Figure 2: NRWDI organisational structure

BOARD OF DIRECTORS

MS THANDEKA ZUNGU
CHAIRPERSON

MR MOGWERA KHOATHANE
DEPUTY CHAIRPERSON

MS LEANDA – MARSHA VILAKAZI
BOARD MEMBER

DR KGAUGELO CHILOANE
BOARD MEMBER

DR CORNELIUS RUITERS
BOARD MEMBER

MS LERATO MAKGAE
BOARD MEMBER

MR ALAN CAROLISSEN
CHIEF EXECUTIVE OFFICER

MR JUSTIN DANIEL
CHIEF FINANCIAL OFFICER

EXCO

MR ALAN CAROLISSEN
CHIEF EXECUTIVE OFFICER

MR JUSTIN DANIEL
CHIEF FINANCIAL OFFICER

DR VUSI TWALA
CHIEF TECHNOLOGY OFFICER

MR COBUS BEYLEVELD
EXECUTIVE MANAGER:
RADWASTE COMPLIANCE
MANAGEMENT

MS ZISANDA JALAVU
MANAGER: INTERNAL AUDIT
(DULY DELEGATED CHIEF AUDIT
EXECUTIVE)

MR ZWELI NDZIBA
EXECUTIVE MANAGER:
CORPORATE SERVICES

PART B
PERFORMANCE INFORMATION

1. PERFORMANCE MONITORING AGAINST PREDETERMINED OBJECTIVES

NRWDI is a Schedule 3A entity which is mandated to discharge a ministerial obligation to manage and dispose of radioactive waste on a national basis. As a maturing organisation, it is continually striving for higher levels in its performance levels each year. In its quest for operational excellence it is understood that the high levels of performance must be coupled with the high levels of good governance. Over that past four years, NRWDI has meaningfully contributed to Government's strategic imperatives in achieving its broader socio- economic objectives as per the Medium-Term Strategic Framework and ultimately making an impact on the National Development Plan.

1.1 PROGRAMMES, GOALS AND OBJECTIVES

1.1.1 PROGRAMME 1 - ADMINISTRATION

The Administration programme provides for NRWDI to operate efficiently, effectively and in line with good corporate governance principles. There are various sub-programmes within the Administration programme namely Office of the CEO, Strategic Planning and Reporting, Risk Management, Communications and Stakeholder Engagement, Finance and Supply Chain Management and Corporate services.

PROGRAMME 1: STRATEGIC OUTCOME ORIENTED GOALS: EFFECTIVE RESOURCE UTILISATION AND GOOD GOVERNANCE	
Strategic Objective SO1.1	Effective payment system in place ensuring timely settlement of creditors
Objective Statement	To ensure that 100% of creditors are paid within 30 days after relevant documents are received.
Baseline	None
Strategic Objective SO1.2	Highly motivated team of employees
Objective Statement	To ensure staff are managed according to best practice so that each employee makes a valuable contribution to the achievement of organisational objectives.
Baseline	None
Strategic Objective SO1.3	Good image of NRWDI
Objective Statement	To position and promote NRWDI as the custodian for the safe management of radioactive waste so that its stakeholders are aware, appreciate and support the role and actions of the Institute.
Baseline	None
Strategic Objective SO1.4	National Radioactive Waste Management Inventory System
Objective Statement	The Radioactive Waste Management Inventory System is an IAEA requirement as well as a requirement of the NRWDIA. The system will be used to monitor the waste generated, stored and disposed nationally.
Baseline	None

1.1.2 PROGRAMME 2 – RADWASTE OPERATIONS

The purpose of the Radwaste Operations programme is to provide radioactive waste disposal and related services on a national basis that is safe, technically sound, socially acceptable, environmentally responsible and economically feasible, ensuring that no undue burden is placed on future generations due to past, present and future involvement in nuclear programmes. The future of the environment is a global agenda item and management and disposal of radioactive material must be carried out in such a manner that human health and the environment are protected

PROGRAMME 2: STRATEGIC OUTCOME ORIENTATED GOALS: SAFE MANAGEMENT AND DISPOSAL OF RADIOACTIVE WASTE	
Strategic Objective S0.2.1	Excellent radioactive waste management and disposal service on a national basis
Objective Statement	To provide waste disposal services on a national basis that are safe, technically sound and cost effective.
Baseline	None

Strategic Objective S02.2	Environmentally sound management and disposal of radioactive waste
Objective Statement	To minimise the physical, chemical and biological stresses on the environment, thus ensuring the long-term integrity of the environment.
Baseline	None

Strategic Objective S02.3	Transparent waste disposal site management
Objective Statement	Meetings need to be held on a quarterly basis with the communities around the Vaalputs area to educate and make them aware of nuclear safety and other issues relating to Vaalputs.
Baseline	None

1.1.3 PROGRAMME 3 – RADWASTE TECHNOLOGY AND SITING

The purpose of this programme is to develop and implement solutions for safe storage and disposal of all classes of radioactive waste, including spent nuclear fuel, on a national basis. Specific criteria need to be developed for siting of suitable sites for the safe management and disposal. There are various technologies for the safe management and disposal of radioactive waste and the preferred technology will be implemented after consultative processes with all stakeholders are held.

PROGRAMME 3: STRATEGIC OUTCOME ORIENTATED GOAL: RADWASTE TECHNOLOGY AND SITING	
Strategic Objective S03.1	Efficient scientific and technical support for development and maintenance of safety cases
Objective Statement	Scientific and technical support is required in the development and maintenance of safety cases for storage and disposal facilities for regulatory compliance purposes.
Baseline	None

1.1.4 PROGRAMME 4 – RADWASTE COMPLIANCE MANAGEMENT

The aim of this programme is to ensure that NRWDI's core mandate (disposal of radioactive waste on a national basis) is executed in compliance with quality, health, safety, environmental and nuclear licensing regulatory requirements, relevant international standards and best practices. The programme also seeks to provide management systems and resources to discharge the obligations associated with holding a nuclear authorisation. The Radwaste Compliance Management Division provides a support function to the NRWDI in terms of developing and ensuring compliance with the nuclear installation licence including the required safety, health, environment and quality management systems.

The following activities are inherently part of the Radwaste Compliance Division:

- Ensuring effective compliance with national nuclear legislative and regulatory requirements in order to obtain and maintain various Nuclear Installation Licence (NILs) for the NRWDI.

- Implementation of institutional control over closed repositories, including radiological monitoring and maintenance as appropriate;
- Assessing and inspecting the acceptability of radioactive waste for disposal and issuing of radioactive waste disposal certificates; and
- Developing criteria for accepting and disposing of radioactive waste in compliance with applicable regulatory safety requirements and any other technical and operational requirements.

PROGRAMME 4: STRATEGIC OUTCOME ORIENTATED GOALS: RADWASTE COMPLIANCE MANAGEMENT	
Strategic Objective SO4.1	Quality Management System
Objective Statement	To ensure policies and procedures are developed and effectively implemented to give effect to compliance with regulatory requirements with regards to safety, health, environment and quality management systems.
Baseline	None

Strategic Objective SO4.2	Nuclear Installation Licence
Objective Statement	To ensure that resources (both human resources and financial resources) are effectively utilised for the development, implementation, compliance assessment, review and continual improvement of the Nuclear Installation licence for Vaalputs.
Baseline	None

2. PERFORMANCE INFORMATION

2.1 PROGRAMME 1 – ADMINISTRATION

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2016/17	ACTUAL ACHIEVEMENT 2017/18	ACTUAL ACHIEVEMENT 2018/19	PLANNED TARGET 2019/20	ACTUAL TARGET 2019/20	REASON FOR VARIANCE
Improved payment system	Percentage of creditors paid within 30 days	97%	100%	100%	100% of creditors paid within 30 days after relevant documents received	**Target Achieved** 100% of creditors paid within 30 days after relevant documents received.	None
Highly motivated team of employees	Number of HR policies implemented and reviewed	5 policies implemented and reviewed	21 policies developed	21 policies developed and implemented	5 policies implemented and reviewed	**Target Achieved** 5 policies implemented and reviewed.	None
Good image of NRWDI	Percentage feedback from stakeholder surveys	No target	89.5% positive feedback from stakeholders	89.4% positive feedback from stakeholders	80% positive feedback from stakeholders	**Target Achieved** Stakeholder satisfaction: 92.6%.	NRWDI has the necessary critical mass to provide expert advice to stakeholders
National Radioactive Waste Management System (RAWIS)	Document on waste inventory system design Waste database inventory coding system Waste database inventory functional system	Business requirements and URS completed	Approved business case option was executed	Develop and code system developed	Test and operationalise waste database inventory system	**Target Achieved** Waste data inventory system is operational and 100% of the Eskom records were uploaded to the system (RAWIS)	None

2.2 PROGRAMME 2- RADWASTE OPERATIONS

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2016/17	ACTUAL ACHIEVEMENT 2017/18	ACTUAL ACHIEVEMENT 2018/19	PLANNED TARGET 2019/20	ACTUAL TARGET 2019/20	REASON FOR VARIANCE
Excellent radioactive waste management and disposal services on a national basis	Percentage of compliance rate	New target	94.3% compliance rate with the annual SHEQ audit	88.25% compliance rate with regards to the annual SHEQ audit	85% compliance rate with regards to annual SHEQ audit	**Target Achieved** 92.73% compliance rate with regards to annual SHEQ audit	Highly qualified and vast experienced staff to ensure compliance oversight with nuclear license
Environmentally sound management and disposal of radioactive waste	ISO 9001 and ISO 14001 certifications	New target	ISO 9001 and 14001 certifications maintained	ISO 9001 and ISO 14001 certifications maintained	Maintain ISO 9001 and 14001 certifications	**Target Not Achieved**	Vaalputs was able to maintain certification in terms of the ISO 9001:2015 standard. The Vaalputs environmental management system is ISO 14001:2015 compliant. The SABS conducted a Stage 1 ISO 14001:2015 readiness audit from 9 to 10 July 2019 and Management is currently addressing the Stage 1 findings before proceeding with the Stage 2 ISO 14001:2015 certification audit.
Transparent waste disposal site management	Number of meetings held with Vaalputs Communities in Kamiesberg	New target	4 VPSIF meetings held	4 VPSIF meetings held	4 VPSIF meetings held	**Target Achieved** 3 actual meetings were held. The VPSIF meeting scheduled for 26 March 2020 was postponed due to the COVID 19 pandemic lockdown. As alternate to the VPSIF meeting the information that was supposed to be shared at the VPSIF meeting was distributed to stakeholders and placed on the NRWDI website.	

3.1 PROGRAMME 3- RADWASTE TECHNOLOGY AND SITING

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2016/17	ACTUAL ACHIEVEMENT 2017/18	ACTUAL ACHIEVEMENT 2018/19	PLANNED TARGET 2019/20	ACTUAL TARGET 2019/20	REASON FOR VARIANCE
Excellent site selection and investigations for the establishment of storage and disposal facilities	CISF siting plan Safety case Submission report to NNR	New target	CISF siting plan has not been developed	No Target for 2018/19 FY Target has been removed from the 2017/18-2019/20 strategic plan via an Annexure in the 2018/19 APP	No Target	No Target	CISF Steering Committee is finalising its recommendation to the Minister to grant approval in order for NRWDI to proceed with the project. The target was removed from the strategic plan and the APP for 2018/19 via an Annexure in the 2018-2019 APP. The 2018/19 APP was approved by the Executive Authority on 12 April 2018.
Advanced design and construction of storage and design facilities.	Conceptual design document Detailed design document. Submission report to NNR	New target	Conceptual design has not been developed.	No Target for 2018/19 FY Target has been removed from the 2017/8-2019/20 strategic plan via an Annexure in the 2018/19 APP	No Target	No Target	CISF Steering Committee is finalising its recommendation to the Minister to grant approval in order for NRWDI to proceed with the project. The target was removed from the strategic plan and the APP for 2018/19 via an Annexure in the 2018-2019 APP. The 2018/19 APP was approved by the Executive Authority on 12 April 2018.
Efficient scientific and technical support for development and maintenance of safety cases	Number of Research and Development (R&D) reports	New target	1 Research and Development report still to be completed.	1 Research and Development report compiled	1 R&D report	**Target Achieved** The R&D report was approved by EXCO in March 2020.	None

3.2 PROGRAMME 4- RADWASTE COMPLIANCE MANAGEMENT

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2016/17	ACTUAL ACHIEVEMENT 2017/18	ACTUAL ACHIEVEMENT 2018/19	PLANNED TARGET 2019/20	ACTUAL TARGET 2019/20	REASON FOR VARIANCE
Quality Management System	Percentage of Quality Management System (QMS) completed	6 elements of ISO 9001 developed	75% of the quality management system completed	100% of the quality management system completed	100% of Quality Management System completed and implemented as per project schedule	**Target Achieved** 100% of the Quality Management System (QMS) completed and implemented as per the project schedule	None
Nuclear Installation Licence	Percentage of 1 Nuclear Installation Licence developed (Vaalputs NIL)	No target	No target	50% of the nuclear installation licence developed	100% of 1 Nuclear Installation Licence (NIL) documents completed	**Target Achieved** 100% of 1 Nuclear Installation Licence documents completed	None

PART C
GOVERNANCE

1. INTRODUCTION

The Minister of Mineral Resources and Energy appointed the NRWDI Board in terms of Section 7 of the National Radioactive Waste Disposal Act (Act No. 53 of 2008) for a period of three years. The Board consists of:

(a) an official of the Department of Mineral Resources and Energy, designated by the Minister;

(b) an official nominated by the Department of Environment, Forestry and Fisheries;

(c) an official nominated by the Department of Human Settlements, Water and Sanitation appointed by the Minister;

(d) an official nominated by the Department of Health and appointed by the Minister;

(e) not more than five other Directors;

(f) the Chief Executive Officer of NRWDI; and

(g) the Chief Financial Officer of NRWDI.

The Board of Directors governs and controls the NRWDI and it is ultimately responsible for ensuring that governance standards are complied with and maintained. The Board is assisted by the executive management who aims to instil a culture of compliance and good governance throughout the NRWDI.

The Board is responsible for the overall financial and non- financial performance of the NRWDI and ensures that their operations take place in such a manner that the principles of good governance are upheld. The Board fulfils its responsibility by providing strategic leadership, appointing competent executive management, delegating responsibilities in a structured manner, assessing strategic and annual plans including budgets, monitoring their implementation and results, and overseeing the risk management function. In conducting its responsibilities, the Board makes use of committees to provide advice to them on auditing, ethics and human resources as well as finance. The committees' function on the basis of clearly defined mandates that set out their duties, powers and responsibilities in their Charters. The Board is committed to corporate processes and ensures that NRWDI operations are conducted ethically and in line with best practices. The Board meets at least four times a year. Additional meetings are convened to consider specific business issues which may arise between scheduled meetings.

To the best of the Board's knowledge, information and belief, the NRWDI complied with applicable legislation, policies and procedures, as well as the codes of governance in the period under review.

BOARD CHARTER

The Board Charter is closely aligned with the principles enshrined in King IV and is reviewed annually. It articulates the scope of authority, responsibility, composition and functioning of the Board. The Directors retain overall responsibility and accountability to:

- review the NRWDI's objectives;
- review the strategies for achieving the NRWDI's objectives;
- approve the annual budget;
- approve the annual financial statements;
- review the NRWDI's internal and external audit reports;
- review the performance of and the necessity for the composition of the Board and Board committees;
- review remuneration policies and practices in general, including incentive schemes for management;
- review risk assessment policies and controls, including compliance with legal and regulatory requirements.

The Board confirms that, during the period under review, it satisfactorily discharged its duties and obligations as contained in the Board Charter.

THE BOARD OF DIRECTORS

Table 3: Details pertaining to the previous Board of Directors

DIRECTOR	PERIOD OF APPOINTMENT	QUALIFICATIONS
Mr Tshepo Mofokeng (Chairman)[1]	1 February 2017-30 April 2020	CA (SA)/CIA/CRMA
Mr Luvuyo Mkontwana (Deputy Chairperson)[1]	1 February 2017-30 April 2020	BSc, Chem Eng, BCom
Adv. Mothusi Tsineng[1]	1 February 2017 – 30 April 2020	LLB
Ms Mbali Ndlovu[1]	1 February 2017- 30 April 2020	LLB
Mr Samuel Moleko[1]	1 February 2017 – 30 April 2020	LLB
Mr Mark Gordon[3]	1 February 2017 – Current	BSc Biochemistry, MBA
Ms Lerato Makgae[3]	1 February 2017 – Current	MSc-Applied Radiation Science and Technology
Mr Jeetesh Keshaw[2]	1 February 2017 – 30 April 2020	MSc Nuclear Engineering; MSc (Nuclear Physics)
Mr Alan Carolissen[4] (Acting CEO)	1 April 2018 – current	BSc Chemistry and Biochemistry, MBA
Mr Justin Daniel[4] (CFO)	1 October 2016 – current	B Compt

1 Non-executive director
2 Alternate director
3 Nominated and appointed by the Minister /also appointed to the new Board
4 Executive director (ex- officio member of the NRWDI Board)

Table 4 Details pertaining to the new Board

DIRECTOR	PERIOD OF APPOINTMENT	QUALIFICATIONS
Ms. Thandeka Zungu (Chairperson)	11 August 2020 – 10 August 2023	B Com; Postgraduate Diploma in Education; Public Sector Governance
Mr. Mogwera Elias Khoathane	11 August 2020 – 10 August 2023	BSc Hons in Physics; Management Development Programme; Postgraduate Diploma in Business Management; Master of Business Leadership
Dr. Kgaugelo Chiloane	11 August 2020 – 10 August 2023	Bachelor of Science in Chemistry; BSc Honours in Chemistry; MSc in Environmental Science; PhD in Environmental Science
Ms. Leanda-Marsha Vilakazi	11 August 2020 – 10 August 2023	LLB; Advanced Corporate Law I & II; Postgraduate Diploma in Corporate Law
Dr. Cornelius Ruiters	11 August 2020 – 10 August 2023	BSc (Hons); MSc; PhD (Natural Science); Graduate Diploma in Engineering; M Eng (Civil Engineering); MBA; PhD (Civil Engineering)

INDUCTION, TRAINING AND DEVELOPMENT OF BOARD MEMBERS

A formal induction process for Directors is in place. Upon appointment, Directors are provided with recent Board and committee documents, information on technical, legal and governance obligations, the NRWDI's Board Charter and Code of Ethics as well as recent reports. Directors are entitled to seek independent legal advice at the cost of the NRWDI, which is related to the mandate and operations of NRWDI.

In the current year of reporting all Board members were arranged membership with IODSA as part of the effort to ensure that Board members receive relevant training in terms of corporate governance. The individual Board members have full access to members of Exco to ensure that they develop and capacitate themselves in their areas of responsibility within the business operations of NRWDI.

DELEGATION OF AUTHORITY

The Board exercises oversight authority to lead, control and manage the business of the NRWDI. Through a delegation-of-authority framework, the Board has delegated certain powers and functions to the Chief Executive Officer and executive committee (Exco) to manage the day-to-day business affairs of the NRWDI. The delegation of authority assists the Chief Executive and Exco in decision making and meeting strategic objectives without absolving the Board of its accountability and responsibilities for the NRWDI. There are, however, some non-delegated matters reserved for approval by the Board and/or the Minister of Mineral Resources and Energy in terms of the NRWDI Act, Board charter and delegation-of-authority document.

MINIMISING CONFLICT OF INTEREST

Conflict of interest is managed through mandatory annual declarations of interest. All Board members are required to declare any conflict of interest on an ongoing basis. The Board Charter details the importance of declaring conflicts of interest and contains provisions for dealing with such conflicts.

During the period under review no conflicts of interest were brought to the attention of the Board.

CODE OF CONDUCT

The conduct and behaviour of Board members is regulated and controlled by the Code of Conduct which is applicable to Board, as well as sub-committees, and other meetings relating to the affairs of the NRWDI. The Code of Conduct requires the members to act with the utmost good faith, honesty, professionalism, and integrity in all their business connections with the NRWDI's affairs. The values encapsulated in the Code of Conduct are continuously instilled through ongoing communication and training.

COMPANY SECRETARY

The company secretary's role is to ensure that Board procedures and all legislation and governance codes are observed and to provide guidance to the Directors on governance, compliance and their fiduciary responsibilities. All Directors have unlimited access to the advice and services of the company secretary and all Directors are entitled to seek independent professional advice at the NRWDI's expense, concerning the affairs of the NRWDI, after obtaining the approval of the chairperson.

The company secretary is responsible for coordinating the induction programme for newly appointed Directors, as well as the annual Board evaluation processes, including both the external and the self-evaluation.

COMMITTEES OF THE BOARD

The following Board meetings were held in the financial year under review:

Table 5: Meeting attendance - Board

MEMBER	23-MAY-19	29-JUL-19	28-OCT-19	30-JAN-20	TOTAL
Mr T Mofokeng[1]	✓	✓	✓	✓	4/4
Mr L Mkontwana[2]	✗	✓	✓	✓	3/4
Mr LS Moleko	✓	✓	✓	✗	3/4
Mr TM Gordon	✗	✗	✗	✗	0/4
Ms M Ndlovu	✗	✓	✓	✓	3/4
Ms L Makgae	✓	✓	✗	✓	3/4
Mr AC Carolissen	✓	✓	✓	✓	4/4
Mr J Daniel	✓	✓	✓	✓	4/4

1 Chairperson *2 Deputy chairperson* ✓ *Present* ✗ *Apology*

The Board has established three standing sub-committees that are ultimately accountable to it. These sub-committees assist the Board by focusing on specialised areas. The committees meet independently, and provide feedback to the Board through their chairperson. The roles of, and representation of these sub-committees and respective member representation of each is depicted as follows:

SOCIAL AND ETHICS COMMITTEE (SEC)

The SEC Committee consists of three non-executive Directors. The committee meets quarterly to consider matters such as the remuneration policy, the remuneration of executive management, succession planning, director's remuneration, incentive schemes and other human resource matters. This Committee is also responsible for advising the Board on social and ethical issues, health, safety and security, environmental as well as other HR and remuneration matters. It reports to the Board in line with King IV requirements.

Table 6: Meeting attendance - Social and Ethics Committee

MEMBER	19-JUL-19	23-OCT-19	23-JAN-20	TOTAL
Ms M Ndlovu[1]	✓	✓	✓	3/3
Mr T Mofokeng	✓	✓	✓	3/3
Mr TM Gordon	✓	✗	✗	1/3
Adv ML Tsineng	✓	✓	✗	2/3
Mr AC Carolissen	✓	✓	✓	3/3
Mr J Daniel	✓	✓	✓	3/3

1 Chairperson ✓ *Present* ✗ *Apology*

TECHNICAL AND OPERATIONS COMMITTEE (TOC)

The duties and functions of the Committee inter alia, includes:

(i) to review the framework, policies and guidelines for radioactive waste operations; technology; research and development and compliance management as far as it is relevant to the work of the committee; and

(ii) to review and make recommendations to the Board of Directors on any other technical issues that may influence the Board's decisions on the safe management and disposal of radioactive waste.

Table 7: Meeting attendance - Technical and Operations Committee

MEMBER	16-MAY-19	10-OCT-19	24-JAN-20	TOTAL
Ms L Makgae[1]	✓	✓	✓	3/3
Mr L Mkontwana	✗	✗	✓	1/3
Prof J Malherbe	✓	✓	✓	3/3
Mr AC Carolissen	✓	✓	✓	3/3
Mr J Daniel	✓	✓	✓	3/3
Mr J Keshaw[2]	N/A	N/A	N/A	

1 Chairperson 2 Alternate member ✓ *Present* ✗ *Apology*

AUDIT & RISK COMMITTEE

The committee is regulated by approved terms of reference and it is responsible for, inter alia, the review of NRWDI's financial performance, external audit strategy and reports, the internal audit function, risk management, budgets, PFMA compliance, fraud and corruption, information technology governance and the monitoring of CAPEX projects. The terms of reference are aligned with the requirements of the Public Finance Management Act (PFMA), Treasury Regulations and King IV. The Audit Committee consists of three non-executive Directors. The committee is responsible for ensuring that a proper system of internal controls and risk management exists and are applied. The management information, accounting policy and reporting to the Executive Authority and other interested parties meet appropriate standards. Compliance to relevant legislation is also a key responsibility of the Audit and Risk Committee as the non – compliance is likely to pose certain risks to the NRWDI. The external auditors and internal auditors have unrestricted access to the Chairperson of the Audit and Risk committee which ensures that their independence is not impaired.

Table 8: Meeting Attendance - Audit and Risk Committee

MEMBER	23-MAY-19	29-JUL-19	28-OCT-19	30-JAN-20	TOTAL
Mr L Mkontwana[1]	✗	✓	✓	✓	3/4
Mr LS Moleko	✓	✓	✓	✓	4/4
Ms T Zungu	✓	✓	✓	✓	4/4
Mr AC Carolissen	✓	✓	✓	✓	4/4
Mr J Daniel	✓	✓	✓	✓	4/4

1 Chairperson ✓ *Present* ✗ *Apology*

2. RISK MANAGEMENT

Risk Management is a process, effected by the Board, Executive Management and staff across the operations of the NRWDI designed to identify potential events that may affect the NRWDI and manage risks within its risk appetite and to provide reasonable assurance regarding the achievement of the NRWDI's objectives.

Risk Management is recognised as an integral part of sound organisational management in NRWDI and is being promoted as a good practice within NRWDI across the different programmes.

The following factors are taken into consideration when integrating risk management into organisational decision-making structures:

- Aligning risk management with objectives at all levels of the NRWDI;
- Introducing risk management components into existing strategic planning and operational practices; and
- Continuously improving control and accountability systems and processes to take into account risk management and its results.

A Risk Management framework was approved by the Board. It specifically addresses the structures, processes and standards implemented to manage risks on an enterprise-wide basis in a consistent manner. The framework further addresses the specific responsibilities and accountabilities for the Risk Management process and the reporting of risks and mitigating measures at various levels within NRWDI.

Risk workshops are held annually and when the need arises as was the case with the COVID 19 pandemic. On a quarterly basis, risks are assessed and reported on to the Audit and Risk Committee as well as to the Executive Authority.

3. INTERNAL CONTROLS

The overall control environment at NRWDI improved steadily during the year under review. The Audit and Risk Committee oversaw full implementation of the agreed management action plan proposed by the external auditor in the 2016/17 financial year.

The success of corrective action was confirmed in the external audit process, whose outcome is a clean audit similar to the opinion NRWDI received for the previous year.

Furthermore, the internal audit function was established during 2018/19; whose work led to a number of improvements in the internal control system, even before year-end, with ongoing improvement in the internal control system expected in the near future as the internal audit continues its work in areas identified as per the audit plan.

4. COMPLIANCE WITH LAWS AND REGULATIONS

NRWDI ensures compliance with laws and regulations as an integral part of it's processes and operations in fulfilling its mandate in striving for good governance.

The Department of Mineral Resources and Energy has a compliance calendar which is used by NRWDI to ensure compliance with the legislated time-frames, in terms of the PFMA, Treasury Regulations as well as the Framework for Strategic Plans and Annual Performance Plans. In its attempt to become an employer of choice, NRWDI acknowledges the importance of its diverse staff and the value that these skills add to NRWDI, hence it ensures compliance with the labour legislation which is enforced by the Department of Labour, as well as various laws and regulations relating to safety and health in the workplace.

The NRWDI also makes use of the National Treasury template to assess compliance with laws and regulations on a quarterly basis as part of the quarterly reporting process to the executive authority.

The attendance of various committee meetings also assists in familiarising the NRWDI with laws and regulations that need to be complied with.

5. FRAUD AND CORRUPTION

The Fraud Prevention Plan plays an important role in identifying, mitigating, controlling and reducing the risk of fraud. A three-year Fraud Prevention Plan was drafted with an action plan for each year which will detail the mechanisms for the early detection of fraud and for the professional investigation of fraud offences. This approach sends a very strong signal to would be "fraudsters" that a zero tolerance to fraud and corruption in NRWDI prevails, thus nurturing and cultivating an ethical culture in the NRWDI.

A Whistleblowing Policy has been implemented. NRWDI has forged a relationship with the Public Service Commission to make use of their National Anti – Corruption Hotline on a "no fee basis". This arrangement works well for NRWDI as it risked the possibility of incurring exorbitant costs if a private hotline had to be sourced. Furthermore, the Public Service Commission is mandated as the custodian of good governance.

Apart from the aforementioned initiatives and being mindful that the NRWDI will mature over time, other initiatives like partnerships with the National Prosecuting Authority, and the South Africa Police Services will be explored as these are likely to serve as a deterrent. In the event of possible fraud, the partnerships will also assist in expediting the investigations.

6. MINIMISING CONFLICT OF INTEREST

In order to minimise the conflict of interest, the following mechanisms have been implemented:

- Board and Executive members are required to disclose their financial interest annually as required by the DMRE in terms of the financial disclosure frameworks;
- All staff are required, on an annual basis, to disclose their financial interest;

- Consequence management will be resorted to should there be non – compliance;
- A conflict of disclosure template is a requirement that needs to be signed by all attendees in various management structures.

7. CODE OF ETHICS AND BUSINESS CONDUCT

A code of ethics and business conduct policy for NRWDI was approved by the Board and brought to the attention of all staff. The code of ethics and business conduct policy will serve as a guideline as to what is expected of staff from an ethical perspective on an individual level as well as their relationships with others. The education, training and awareness in relation to the code of ethics and business conduct is highlighted during induction and orientation programmes. A session on an annual basis with all staff will serve as a refresher for ensuring that the code of ethics and business conduct policy is adhered to.

8. SAFETY, HEALTH, ENVIRONMENT AND QUALITY (SHEQ)

NRWDI recognises that it needs to embrace and institutionalise a robust safety culture in executing its mandate. It is therefore imperative and non-negotiable that overriding priority be given to safety as part of operational activities and safety culture.

NRWDI established a SHEQ Committee in terms of section 19 of the Occupational Health and Safety Act (No. 85 of 1993) where safety, health, environment, quality and licensing related matters within the NRWDI organisation are discussed and actioned. NRWDI further implements a Behavioural Based Safety (BBS) system to foster a culture of safety awareness amongst all staff through continual assessment and improvement of safety in the workplace.

For the period under review, NRWDI staff have worked 200 526 man-hours without a disabling injury. The disabling injury incident rate (DIIR) remained zero for the third consecutive year.

NRWDI further implements a Quality Management System that is compliant with the ISO 9001:2015 international standard.

9. COMPLIANCE WITH B-BBEE LEGISLATION

NRWDI has been evaluated against the DTI Specialised Qualifying Small Enterprises (QSE) Scorecard gazetted in 2019. Based on the evaluation the NRWDI is a non-compliant contributor. The non-compliance exclusively relates to two areas namely (i) skills development and (ii) socio-economic development. It should be noted that NRWDI met the target relating to Enterprise and Supplier Development. The root cause for the B-BBEE non-compliance is the fact the NRWDI is a maturing entity and did not have the requisite funding to undertake these activities.

Notwithstanding the abovementioned limitations, NRWDI actively collaborates with sister entities such as Necsa focusing on Science, Technology, Engineering and Mathematics (STEM) skills development for learners from underprivileged schools. Our contributions are exclusively based on the hours spent by our staff to contribute to interventions and imperatives such as the National Science Week, Take a Girl Child to Work and Learner Focus Week. Details of these activities are described in the next section dealing with Corporate Social Responsibility.

10. CORPORATE SOCIAL RESPONSIBILITY

NRWDI as a good corporate citizen ensures that corporate social responsibility is integrated in its operating model and embraced the CSI initiatives to make a positive impact on the communities in which it is operating, the environment, health and Science, Technology, Engineering and Mathematics (STEM) education of the country thereby contributing to social cohesion, poverty alleviation and skills development. NRWDI's specific focus is on women, the youth and people with disabilities.

EXECUTIVE AUTHORITY AND PORTFOLIO COMMITTEE ENGAGEMENTS

NRWDI had the opportunity of attending and presenting at DMRE's 2-day strategic planning sessions that were held on 9-10 November 2019 and 21-23 January 2020. The outcome of the strategic planning sessions was to ensure that NRWDI aligns its impact and outcomes to that of the DMRE.

The Portfolio Committee on Mineral Resources and Energy plays an important oversight and reporting function in the minerals and energy space. In attempting to maintain accountability, entities are expected to have engagements when requested by the Portfolio Committee.

NRWDI had two such engagements with the Portfolio Committee. The details are as follows:

- 28 August 2019: Oversight meeting by PC-DMRE to NRWDI
- 09 October 2019: Presentation of 2018/19 Annual Report to the PC.

THE LEARNER FOCUS WEEK

NRWDI partnered with the Department of Mineral Resources and Energy when they hosted the Learners Focus Week (LFW) Programme on 1-5 July 2019, at the University of Pretoria, Hatfield Campus, Gauteng Province. The purpose of the LFW is to address the shortage of technical skills by encouraging learners to choose Science, Technology, Engineering and Mathematics (STEM) as subjects of choice and invest in young people to acquire critical skills required for waste management and disposal.

The participating schools for the 2019 LFW were from the coastal provinces, which include Northern Cape, KwaZulu-Natal, Eastern Cape, and Western Cape, with Gauteng as the host province.

THE NATIONAL SCIENCE WEEK

NRWDI participated in the National Science Week (NSW) that officially commenced on 29 July 2019 to 3 August 2019. The week is aimed at celebrating science, engineering and technology. The theme for the week was "Facing the harsh realities of climate change". About 400 learners were hosted at the Necsa premises. This is NRWDI's contribution to shaping the minds of the future.

MANDELA DAY 2019

In commemoration of the International Mandela Day, NRWDI in collaboration with Necsa, spent their 67 Minutes of Mandela day at Ennes Thabong Primary School. Team NRWDI & Necsa cleaned the school yard, planted vegetables, and handed over a Jojo Tank to the school.

NRWDI TAKE A GIRL CHILD TO WORK

The Cell-C "Take a Girl Child to Work" programme, is an annual event by Cell-C where government and private corporates are urged to participate in exposing girl child learners to real working experience and igniting a dream within these girls. Take a Girl Child to Work Day is also an annual corporate social investment event, held in South Africa, with the aim of exposing young girl learners to the "world of work" and the wide range of career opportunities, as well as giving them the opportunity to meet career role models. The campaign is in line with Goal number 3 of the Millennium Development Goals (MDG): "to promote gender equality and empower women", and is a clear recognition of the crucial role women play in the development agenda.

NRWDI HEALTH AND WELLNESS DAY

The physical and psychological well – being of our employees, who are the most valuable asset in the organisation, needs to be balanced and maintained so that each individual makes a valid contribution to NRWDI's organisational outputs and targets. With the aim to promote a healthy lifestyle and fitness amongst our employees in the workplace, the Human Resources department organised a health and wellness day where NRWDI employees participated in health-related activities.

WINSA SELF DISCOVERY SEMINAR

WINSA-NRWDI held a Self-Discovery Seminar on 7 February 2020. The outcome of the workshop was to help the NRWDI women understand their own needs in life better and to realise the important roles they play at different junctures of their life.

NRWDI HERITAGE DAY CELEBRATIONS

Heritage Day in South Africa is celebrated annually on 24 September as a reminder of the nation's cultural diversity and as a chance to express national unity. Celebrating heritage day at a corporate level plays an important role in promoting organisational cultural diversity, social cohesion, reconciliation, peace and economic development.

PART D
HUMAN RESOURCES MANAGEMENT

1. INTRODUCTION

This section of the annual report provides an overview of HR matters at NRWDI, and reflects on set HR priorities for the year under review and the impact of these priorities (with particular focus on workforce planning in terms of attracting and recruiting a skilled and capable workforce; policy development; employee performance management and employee wellness), and provides key highlights and challenges, as well as future HR plans /goals. Lastly, the report provides required human resources oversight statistics.

2. HUMAN RESOURCES MATTERS

The NRWDI operates in an environment that demands specialised and professional skills, and it is therefore of utmost importance to ensure that our employees are adequately skilled and competent in the jobs that they perform. The NRWDI's success in achieving its goals and objectives is thus highly dependent on the skills and capabilities of employees. In terms of workforce planning, our ability to attract, develop and retain engaged and capable employees is therefore of critical importance for the organisation.

3. HUMAN RESOURCES PRIORITIES

During the reporting period the NRWDI focused on a number of Human Resources (HR) priorities, and their impact has been enhanced organisational effectiveness.

The priorities are highlighted below:

HR POLICIES, PROCEDURES AND PROCESSES

In our continued pursuit of ensuring strong human capital management governance, all identified core institutional HR policies and procedures and related processes have been developed and implemented. The policies, procedures and practices take into account, and comply with the relevant labour legislation in South Africa.

ORGANISATIONAL DESIGN AND STRUCTURE REVIEW

NRWDI embarked and completed an organisation design and structure review to ensure that the organisation is optimally structured to deliver on its mandate. The review has resulted in the Board's approval of a new NRWDI organisational structure which is aligned with the organisation's purpose, value-chain, organisational needs and effectiveness requirements.

PERFORMANCE MANAGEMENT

The NRWDI continued to enhance its performance management system to ensure that it is effective, credible and relevant to the NRWDI environment. Engagement sessions on performance management were intensified.

EMPLOYEE WELLNESS

The NRWDI is of the view and belief that "healthy employees are productive employees", and to that end, the NRWDI started to investigate a holistic fit for purpose employee wellness programme that would focus on health, financial, social, emotional and psychological wellness. For the period under review, NRWDI employees participated in wellness sessions that sought to promote healthy lifestyle practices and team building to some extent.

4. HUMAN RESOURCES KEY HIGHLIGHTS

The HR function is an important enabler in ensuring that employees remain motivated, focused and committed. In the 2019/20 financial year, concerted efforts were put in place towards seeking to ensure that key human resources management matters are addressed. The following are key highlights:

- A comprehensive skills audit was concluded. The skills audit was undertaken to determine the skills sets, qualifications and competencies of NRWDI staff, and the outcome has been the development of a Workplace Skills Plan and the implementation of learning and development plans to address identified skills and competency gaps.
- Improvement of the alignment between the performance contracts of Divisional Heads to the NRWDI's strategic and operational plans and, in turn, the cascading of performance objectives to all staff.
- In order to enhance NRWDI's leadership capabilities, a robust Leadership Development Programme for all managers and executives was initiated. The intervention also includes individual management/executive coaching sessions.

- Implemented automated systems for recruitment and leave/HR administration (with self-service functions).
- Job evaluations for all positions were initiated, to ensure that a consistent and rational process of determining the salary structure for various job levels is in place. The process will be finalised in the upcoming financial year.
- Eligible full-time employees who were originally appointed in 2016 on fixed-term contracts, are now permanent employees of the NRWDI. Besides complying with legal requirements, the conversion of the employment contracts to permanent status has ensured aligned Conditions of Service for all NRWDI employees, as all other NRWDI employees appointed post 2016 are appointed on a permanent employee status, and the Vaalputs staff have been transferred with their permanent employee status.
- A Recognition and Relationship Agreement was entered into between the NRWDI and the National Education, Health and Allied Workers' Union (NEHAWU). The purpose of the Agreement is to regulate the relationship between the NRWDI and the Union, and in so doing, to strive to ensure an effective and co-operative working relationship between the parties, in an environment that promotes fair labour practices.

5. FUTURE HR PLANS /GOALS

Going forward, the NRWDI will focus on:

- Translating the espoused organisational values into observable behavioural indicators in order to galvanise the desired organisational culture, to support high performance and excellence.
- Articulating and activating the organisation's brand to drive both attraction and retention of talent.
- Building effective teams and continuing to enhance performance management processes and systems.
- Continuing to strengthen managerial and leadership capacity;
- Supporting career development within the NRWDI.

6. HUMAN RESOURCES OVERSIGHT STATISTICS

1. PERSONNEL COST BY PROGRAMME

PROGRAMME	TOTAL EXPENDITURE FOR THE ENTITY (R'000)	PERSONNEL EXPENDITURE (R'000)	PERSONNEL EXPENDITURE AS A % OF TOTAL EXPENDITURE (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Administration	24 402	17 865	40%	20	893
Operations	3 705	3 672	8%	2	1 836
Siting and Technology	4 580	4 403	10%	4	1 101
Compliance Management	11 802	7 634	17%	6	1 272
Total	**44 490**	**33 574**	**75%**	**32**	

2. PERSONNEL COST BY EMPLOYMENT LEVEL

EMPLOYMENT LEVEL	PERSONNEL EXPENDITURE (R'000)	% OF PERSONNEL EXPENDITURE TO TOTAL PERSONNEL COST (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Top management	10 234	30%	5	2 047
Senior management	1 847	6%	1	1 847
Professionally qualified & experienced specialists & middle management	15 395	46%	14	1 100
Skilled technical & academically qualified workers, junior management, supervisors, foremen, and superintendents	5 789	17%	10	579
Unskilled and defined decision making	309	1%	2	155
Total	**33 574**	**100%**	**32**	

3. PERFORMANCE REWARDS BY EMPLOYMENT LEVEL

EMPLOYMENT LEVEL	PERFORMANCE REWARDS	PERSONNEL EXPENDITURE (R'000)	% OF PERFORMANCE REWARDS TO TOTAL PERSONNEL COST (R'000)
Top management	663	10 234	2%
Senior management	135	1 847	0,4%
Professionally qualified & experienced specialists & middle management	710	15 395	2%
Skilled technical & academically qualified workers, junior management, supervisors, foremen, and superintendents	110	5 789	0,3%
Unskilled and defined decision making	20	309	0%
Total	**1 638**	**33 574**	**5%**

4. TRAINING EXPENDITURE BY PROGRAMME

PROGRAMME	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST	NO. OF EMPLOYEES TRAINED	AVERAGE TRAINING COST PER EMPLOYEE (R'000)
Administration	17 865	129	0,7%	15	9
Operations	3 672	17	0,5%	2	9
Siting and Technology	4 403	20	0,5%	3	7
Compliance Management	7 634	87	1,1%	6	15
Total	**33 574**	**253**	**1%**	**26**	

5. EMPLOYMENT AND VACANCIES BY EMPLOYMENT LEVEL

EMPLOYMENT LEVEL	2018/19 NUMBER OF EMPLOYEES	2019/20 APPROVED POSTS	2019/20 NUMBER OF EMPLOYEES	2019/20 VACANCIES	% VACANCIES
Top management	5	6	5	1	17%
Senior management	2	2	1	1	50%
Professionally qualified & experienced specialists & middle management	15	17	14	3	18%
Skilled technical & academically qualified workers, junior management, supervisors, foremen, and superintendents	7	11	10	1	9%
Semi-skilled and discretionary decision making	0	0	0	0	-
Unskilled and defined decision making	2	2	2	0	-
Total	**31**	**38**	**32**	**5**	**13%**

6. EMPLOYMENT CHANGES BY EMPLOYMENT LEVEL

EMPLOYMENT LEVEL	EMPLOYMENT AT BEGINNING OF PERIOD	APPOINTMENTS	TERMINATIONS	EMPLOYMENT AT END OF PERIOD
Top management	5	0	0	5
Senior management	2	0	1	1
Professionally qualified & experienced specialists & middle management	15	0	1	14
Skilled technical & academically qualified workers, junior management, supervisors, foremen, and superintendents	7	3	0	10
Semi-skilled and discretionary decision making	0	0	0	0
Unskilled and defined decision making	2	0	0	2
Total	**31**	**3**	**2**	**32**

7. LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

Number of Disciplinary Action: 1
Nature of Disciplinary Action: Alleged Misconduct

In terms of CCMA referrals, a formal dispute was lodged by the National Education Health and Allied Workers Union (NEHAWU) on behalf of its members, on a matter concerning their employment contracts status.

8. EMPLOYMENT EQUITY

The NRWDI's employment equity profile is as follows: - 75% African, 3.1% Coloured, 9.4% Whites and 9.4% Indian. The gender profile comprises 62.5% females and 37.5% males. The representation of persons with disabilities is 0%.

WORKFORCE PROFILE AS AT 31 MARCH 2020

OCCUPATIONAL LEVELS	MALE				FEMALE				FOREIGN NATIONALS		TOTAL
	A	C	I	W	A	C	I	W	MALE	FEMALE	
Top Management	2	1	1	1	0	0	0	0	0	0	5
Senior Management	1	0	0	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and middle-management	2	0	0	1	8	0	2	1	0	0	14
Skilled technical and academically qualified workers, junior management, supervisors	3	0	0	0	7	0	0	0	0	0	10
Unskilled	0	0	0	0	1	0	0	0	0	1	2
Total Permanent	3	0	0	1	7	0	1	0	0	0	12
Total Contract	5	1	1	1	9	0	1	1	0	1	20
TOTAL	**8**	**1**	**1**	**2**	**16**	**0**	**2**	**1**	**0**	**1**	**32**

PART E
AUDITED ANNUAL FINANCIAL STATEMENTS

1. GENERAL INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	To manage radioactive waste disposal on a national basis; to provide for its functions and for the manner in which it is to be managed; to regulate its staff
DIRECTORS	Ms Thandeka Zungu (Board Chairperson) Mr Mogwera Khoathane (Deputy Board Chairperson) Ms Leanda – Marsha Vilakazi Dr Kgaugelo Chiloane Dr Cornelius Ruiters Ms Lerato Makgae Mr Alan Carolissen (acting CEO) Mr Justin Daniel (CFO)
REGISTERED OFFICE	Elias Motswaledi Street Madibeng District Pelindaba North West Province 2025
POSTAL ADDRESS	Private Bag X1, Pretoria, 0001
CONTROLLING ENTITY	Department of Mineral Resources and Energy
BANKERS	ABSA Bank
AUDITOR	Auditor-General of South Africa

2. REPORT OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE NATIONAL RADIOACTIVE WASTE DISPOSAL INSTITUTE

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

1. I have audited the financial statements of the National Radioactive Waste Disposal Institute set out on pages 48 to 72, which comprise the statement of financial position as at 31 March 2020, statement of financial performance, statement of changes in net assets and statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, as well as the 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 National Radioactive Waste Disposal Institute as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

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 auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

4. I am independent of the public entity in accordance with sections 290 and 291 of the Code of ethics for professional accountants and parts 1 and 3 of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA codes) as well as the 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 codes.

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.

SUBSEQUENT EVENTS

7. I draw attention to note 15 in the financial statements, which deals with subsequent events and specifically the possible effects of the future implications of Covid-19 on the public entity's future prospects and performance. Management have also described how they plan to deal with the these events and circumstances.

RESPONSIBILITIES OF THE ACCOUNTING AUTHORITY FOR THE FINANCIAL STATEMENTS

8. The Board of Directors, which constitutes the Accounting Authority, is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the PFMA, and for such internal control as the Accounting Authority 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 Authority is responsible for assessing the public entity'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 public entity or to cease operations, or has no realistic alternative but to do so.

AUDITOR-GENERAL'S RESPONSIBILITIES 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

INTRODUCTION AND SCOPE

12. In accordance with the Public Audit Act of South Africa 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

13. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the public entity. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the public entity enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the public entity for the year ended 31 March 2020:

PROGRAMMES	PAGES IN THE ANNUAL PERFORMANCE REPORT
Programme 3 – Radwaste Technology and Siting	23

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

16. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:

    - Programme 3 - Radwaste Technology and Siting

OTHER MATTER

17. I draw attention to the matter below:

ACHIEVEMENT OF PLANNED TARGETS

18. Refer to the annual performance report on pages 21 to 23 for information on the achievement of planned targets for the year and explanations provided for the under/over achievement of a number of targets.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

INTRODUCTION AND SCOPE

19. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the public entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

20. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

OTHER INFORMATION

21. The Accounting Authority is responsible for the other information. The other information comprises the information included in the annual report which includes the Directors' report and the audit committee's report. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that has been specifically reported in this auditor's report.

22. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

23. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

Auditor-General

Johannesburg
31 October 2020

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE
AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

1. 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 the procedures performed on reported performance information for selected programmes and on the public entity's compliance with respect to the selected subject matters.

FINANCIAL STATEMENTS

2. 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 public entity's internal control
    - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors, which constitutes the Accounting Authority
    - conclude on the appropriateness of the Board of Directors, which constitutes the Accounting Authority's 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 National Radioactive Waste Disposal Institute 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 public entity 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

3. I communicate with the Accounting Authority 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.
4. I also confirm to the Accounting Authority that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

3. AUDIT AND RISK COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2020.

The overall purpose of the Audit and Risk Committee (ARC) is to assist the Board in discharging its responsibilities relating to the safeguarding of assets, the operation of adequate and effective system and control processes, the preparation of integrated reports including financial statements; in compliance with relevant legislation.

The mandate of the ARC requires it to adhere to high-quality standards of accountability in order to ensure the quality of the financial reporting processes, control systems, risk management process and also to help maintain a high degree of integrity in both the external and internal audit processes.

AUDIT AND RISK COMMITTEE RESPONSIBILITY

The ARC is an advisory committee and its responsibilities include; overseeing the financial reporting process, assessing the process relating to and the results emanating from NRWDI's risk and control environment; and reviewing the disclosure of sustainability issues in the integrated report to ensure that it is reliable and does not conflict with the financial information.

The committee hereby reports that it has complied with its responsibilities arising from section 51(1) (a)(ii) of the PFMA and Treasury Regulation 27.1.

The committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

RISK MANAGEMENT

The entity has established a process for the management and monitoring of risk management. Given that the entity is in the early stages of operationalisation, the committee has reviewed the risk management process, strategic and operational risk registers and made necessary inputs and contributions.

THE EFFECTIVENESS OF INTERNAL CONTROL

The system of internal controls applied by the entity over financial and risk management is satisfactory, with significant progress noted in the latter six months of the year.

Accordingly, we can also report that the system of internal control over financial reporting for the period under review was satisfactory, with noted improvements.

The ARC is satisfied with the content and quality of quarterly reports prepared and issued by the accounting officer of the entity during the year under review.

EVALUATION OF AUDITED ANNUAL FINANCIAL STATEMENTS

The ARC has:

- Reviewed and discussed the audited Annual Financial Statements to be included in the annual report, with the Auditor-General and the Board of Directors.
- Reviewed the Auditor-General of South Africa's management report and management's response thereto;
- Reviewed changes in accounting policies and practices.
- Reviewed the entity's compliance with legal and regulatory provisions;

The ARC concurs with and accepts the Auditor General South Africa's report on the audited Annual Financial Statements and is of the opinion that the audited Annual Financial Statements should be accepted and read together with the report of the Auditor General South Africa.

INTERNAL AUDIT

In line with the PFMA and the King IV Report on Corporate Governance, an Internal Audit Unit has been established in order to provide the audit committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes.

AUDITOR GENERAL SOUTH AFRICA

The audit committee has (as and when necessary) met with the Auditor General South Africa to ensure that there are no unresolved issues.

APPRECIATION

The ARC expresses its sincere appreciation to the Acting Chief Executive Officer, senior management team and the Auditor-General of South Africa for their contributions.

Ms Leanda-Marsha Vilakazi
Chairperson: Audit and Risk Committee
31 October 2020

4. DIRECTORS' RESPONSIBILITIES AND APPROVAL

The Directors are required, in terms of the National Radioactive Waste Disposal Institute Act, No.53 of 2008 and the PFMA, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report.

It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with South African Statements of Generally Recognised Accounting Practice (GRAP). The external auditors are engaged to express an independent opinion on the financial statements. The financial statements fairly present the financial position, financial performance and cash flows as per the requirements of GRAP.

The annual financial statements are prepared in accordance with South African Statements of Generally Recognised Accounting Practice and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The act sets standards for internal control aimed at reducing the risk of error or loss 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 entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that, in all reasonable circumstances, is above reproach.

The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

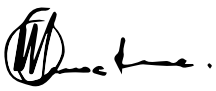
The Directors are of the opinion, based on the information reviewed and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal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

The Directors have reviewed the entity's cash flow forecast for the year to 31 March 2021 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on NRWDI's Annual Financial Statements. The Annual Financial Statements have been examined by NRWDI's external auditors and their report is presented on pages 40 to 42.

The Annual Financial Statements as set out on pages 48 to 72 were approved by the Board and were signed on their behalf by:

Ms Thandeka Zungu
Chairperson
31 October 2020



Mr Mogwera Khoathane
Deputy Chairperson
31 October 2020

5. DIRECTORS' REPORT

The Directors present their report for the year ended 31 March 2020.

1. REVIEW OF ACTIVITIES

MAIN BUSINESS AND OPERATIONS

NRWDI was formed in terms of the National Radioactive Waste Disposal Institute Act, No. 53 of 2008 and commenced operations on 1 April 2014.

The annual financial statements have been prepared in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP), the requirements of the National Radioactive Waste Disposal Institute Act, the Public Finance Management Act (PFMA) and relevant Treasury Regulations. The operating results and statement of financial position of the entity are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. OPERATIONALISATION OF THE ENTITY

The Directors have developed a plan to operationalise the organisation, key amongst the matters attended to are the formation of the Board statutory committees, the appointment of the key staff members, the establishment of plan to transfer the key operational activities from Necsa to the entity and the preparation of the financing model for the entity.

3. EVENTS AFTER REPORTING DATE

The Directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the entity.

4. DIRECTORS

The Directors of the entity during the year under review and to the date of this report are as follows:

DIRECTORS	DATE OF APPOINTMENT	END OF TERM
Mr Tshepo Mofokeng* (Chairperson)	01 February 2017	30 April 2020
Mr Luvuyo Mkontwana* (Deputy Chairperson)	01 February 2017	30 April 2020
Ms Mbali Ndlovu*	01 February 2017	30 April 2020
Mr Lebohang Sam Moleko*	01 February 2017	30 April 2020
Mr Mothusi Lucas Tsineng*	01 February 2017	30 April 2020
Ms Lerato Makgae (DoE representative)	01 February 2017	Current
Mr Jeetesh Keshaw (DoE alternate representative)	01 February 2017	30 April 2020
Mr Trevor Mark Gordon	01 February 2017	Current
Mr Alan Carolissen (Acting CEO)◊	01 April 2018	Current
Mr Justin Daniel (CFO)◊	01 October 2016	Current

DIRECTORS	DATE OF APPOINTMENT	END OF TERM
Ms Thandeka Zungu (Chairperson)	11 August 2020	10 August 2023
Mr Mogwera Khoathane (Deputy Chairperson)	11 August 2020	10 August 2023
Ms Leanda – Marsha Vilakazi	11 August 2020	10 August 2023
Dr Kgaugelo Chiloane	11 August 2020	10 August 2023
Dr Cornelius Ruiters	11 August 2020	10 August 2023

** Non- Executive Director initially appointed for a 3-year term, with effect from 1 February 2017 to 31 January 2020, but extended to 30 April 2020.*

◊ Ex-Officio Board Member, whose term of directorship is linked to the term of their Executive position.

5. AUDITORS

Auditor-General of South Africa

6. MATERIALITY AND SIGNIFICANT FRAMEWORK

A materiality and significant framework has been developed for reporting losses through criminal conduct and irregular, fruitless and wasteful expenditure, as well as for significant transactions envisaged per section 54(2) of the PFMA that require ministerial approval. The framework has been formally approved by the Board.

7. GOING CONCERN

The Directors believe that the entity has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The Directors have satisfied themselves that the entity is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Directors are not aware of any new material changes that may adversely impact the entity. The Directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the entity.

Ms Thandeka Zungu
Chairperson
31 October 2020

Mr Mogwera Khoathane
Deputy Chairperson
31 October 2020

6. STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2020

	NOTES	2020 R	2019 R
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,985,130	2,101,815
Intangible assets	5	958,823	1,052,361
		2,943,953	**3,154,176**
CURRENT ASSETS			
Receivables from exchange transactions	7	370,960	297,614
Cash and cash equivalents	8	25,961,483	20,154,470
		26,332,443	**20,452,085**
Total Assets		**29,276,396**	**23,606,261**
LIABILITIES			
NON-CURRENT LIABILITIES		0	0
CURRENT LIABILITIES			
Payables from exchange transactions	9	6,203,779	5,980,010
Provisions	10	4,149,074	4,231,340
		10,352,853	**10,211,350**
Total Liabilities		**10,352,853**	**10,211,350**
Net Assets		**18,923,543**	**13,394,911**
Accumulated surplus		**18,923,543**	**13,394,911**

7. STATEMENT OF FINANCIAL PERFORMANCE

AS AT 31 MARCH 2020

	NOTES	2020 R	2019 R
REVENUE			
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
Government grants	11	47,499,000	45,532,000
REVENUE FROM EXCHANGE TRANSACTIONS			
Other income	6	2,519,566	1,908,032
Total revenue		**50,018,566**	**47,440,032**
EXPENDITURE			
Compensation of employees	18	33,573,969	31,105,126
Depreciation / amortisation	4/5	703,097	492,163
Lease rentals on operating lease	12	817,098	782,774
Loss on disposal of assets		0	11,456
Goods and services	19	9,395,770	4,408,601
Total expenses		**44,489,934**	**36,800,120**
Surplus/(deficit) for the year		**5,528,632**	**10,639,912**

8. STATEMENT OF
CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 MARCH 2020

	Accumulated surplus R	Total Net Assets R
Balance at 1 April 2018	**2,754,999**	**2,754,999**
Changes in net assets		
Surplus for the year	10,639,912	10,639,912
Total changes	10,639,912	10,639,912
Balance at 31 March 2019	**13,394,911**	**13,394,911**
Balance at 1 April 2019	**13,394,911**	**13,394,911**
Changes in net assets		
Surplus for the year	5,528,632	5,528,632
Total changes	5,528,632	5,528,632
Balance at 31 March 2020	**18,923,543**	**18,923,543**

9. STATEMENT OF
CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	NOTES	2020 R	2019 R
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
Government grant	11	47,499,000	45,532,000
Other income	6	2,513,374	1,851,673
		50,012,374	**47,383,673**
PAYMENTS			
Compensation of employees	18	33,279,232	28,981,314
Suppliers and other service providers	19/16	10,433,256	4,555,948
		43,712,488	33,537,262
Net cash flows from operating activities	23	**6,299,886**	**13,846,411**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	4	(308,947)	(806,009)
Purchase of intangible assets	5	(183,926)	(537,045)
Net cash flows from investing activities		**(492,873)**	**(1,343,054)**
Net cash flows from financing activities		**0**	**0**
Net increase / (decrease) in cash equivalents		5,807,013	12,503,357
Cash and cash equivalents at beginning of the year		20,154,470	7,651,113
Cash and cash equivalents at end of the year	8	**25,961,483**	**20,154,470**

10. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

FOR THE YEAR ENDED 31 MARCH 2020

BUDGET ON ACCRUAL BASIS	NOTES	Approved budget R	Final budget R	Actual amounts on comparable basis R	Difference between final budget and actual R
REVENUE					
Government grants		47,499,000	47,499,000	47,499,000	0
Commission Received		0	0	1,025	1,025
Interest received	24.1	1,525,774	1,525,774	2,518,541	992,767
Total Revenue		**49,024,774**	**49,024,774**	**50,018,566**	**993,792**
EXPENDITURE					
Personnel Expenses	24.2	40,171,091	40,171,091	33,573,969	6,597,122
Personnel related expenses	24.3	798,000	798,000	370,541	427,459
Travel and subsistence	24.4	1,200,000	1,200,000	642,799	557,201
Lease rentals on operating lease		810,604	810,604	817,098	(6,494)
Directors' Remuneration	24.5	309,000	309,000	143,653	165,347
General expenses*	24.6	4,508,779	4,508,779	4,203,403	305,376
Operating material **	24.7	781,000	781,000	4,026,676	(3,245,676)
Repairs and maintenance		36,300	36,300	8,698	27,602
Depreciation/amortisation	24.8	410,000	410,000	703,097	(293,097)
Total expenditure		**49,024,774**	**49,024,774**	**44,489,934**	**4,534,840**
Surplus/(deficit) for the year		**0**	**0**	**5,528,632**	**5,528,632**
Actual amount on comparable basis as presented in the budget and actual comparative statement		**0**	**0**	**5,528,632**	**5,528,632**

* *General Expenses include contracted -out services, audit fees, , consultant fees, legal fees, tele-communication costs, branding material, insurance, IT costs, printing and stationery, external printing, advertising and recruitment, memberships fees, bank charges, entertainment cost, staff refreshments, events, computer services, workshops and conferences, postage and courier and consumable materials. (this should be before operating material.*

** *Operating Material is made up of expenses relating to public safety information forums and safety case support.*

11. NOTES TO THE ANNUAL FINANCIAL STATEMENTS

ACCOUNTING POLICIES

1. GENERAL INFORMATION

The annual financial statements have been prepared in accordance with the effective South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (PFMA) (Act no.1 of 1999).

2. BASIS OF PREPARATION AND SIGNIFICANT JUDGEMENTS AND ESTIMATES OF UNCERTAINTY

The annual financial statements were prepared on the accrual basis of accounting (with the exception of the Cash flow Statement) and incorporates the historical cost convention as the basis of measurement, except where specified otherwise.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

The annual financial statements have been prepared on the going concern basis. All accounting policies have been consistently applied to all the periods presented. The preparation of financial statements in conformity with SA Standards of GRAP requires the use of certain critical financial accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies.

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts presented in the annual financial statements and related disclosures.

Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions on receivables and provisions are referenced in note 3.2 and 3.8 respectively.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 PROPERTY, PLANT AND EQUIPMENT

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset. Non-cash-generating assets are assets other than cash-generating assets which are used to deliver services. The entity currently has only non-cash generating assets.

An asset is impaired when the carrying amount of the asset exceeds its recoverable service amount.

In assessing whether there is any indication that an asset may be impaired, the entity shall consider, as a minimum, the following indications:

- Cessation, or near cessation, of the demand or need for services provided by the asset.
- Significant long-term changes with an adverse effect on the entity have taken place during the period or will take place in the near future, in the technological, legal or government policy environment in which the entity operates.
- Evidence is available of obsolescence or physical damage of an asset.
- Significant long-term changes with an adverse effect on the entity have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date and reassessing the useful life of an asset as finite rather than indefinite.
- A decision to halt the construction of the asset before it is complete or in a usable condition.
- Evidence is available from internal reporting that indicates that the service performance of an asset is, or will be, significantly worse than expected.

Property, plant and equipment is initially measured at cost. Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Management expects to scrap the assets at the end of their useful lives and therefore the residual values are estimated to be negligible. Useful lives and residual values are assessed when there is an indication that there is a change in useful life.

The carrying amount of an item of property, plant and equipment shall be derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal. The disposal of an item of property, plant and equipment may occur in a variety of ways e.g. by sale, by entering into a finance lease or by donation.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. The useful lives of items of property, plant and equipment have been assessed as follows:

- Computer equipment 5 years
- Office equipment & Furniture and fittings 5 - 10 years
- Machinery & equipment 5 - 10 years

The gain or loss arising from the derecognition of an item of property, plant and equipment shall be included in surplus or deficit when the item is derecognised.

Repairs and maintenance not deemed to enhance the economic benefits or service potential of items of property, plant and equipment are expensed as incurred. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

3.2 INTANGIBLE ASSETS

An intangible asset is recognised when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and the cost or fair value of the asset can be measured reliably.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset. Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets, amortisation is provided on a straight-line basis over their useful life. The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

After initial recognition, an intangible asset shall be carried at its cost less any accumulated amortisation and any accumulated impairment losses

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

- Computer software and licences 5 years

An intangible asset shall be derecognised on disposal (including disposal through a non-exchange transaction); or when no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset shall be included in surplus or deficit when the asset is derecognised

3.3 LEASES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

OPERATING LEASES – LESSEE

Lease payments under an operating lease shall be recognised as an expense in the statement of financial performance on a straight-line basis over the lease term unless another systematic basis is more representative.

3.4 COMMITMENTS

Commitments represent the orders issued to the suppliers that have been approved, but where no delivery has taken place as at year end. Commitments are not recognised in the statement of financial position as a liability or asset but are included in the disclosure notes.

3.5 TAX EXPENSES

No provision has been made for taxation, as the entity is exempt from income tax in terms of Section 10 of the Income Tax Act, 1962 (Act No. 58 of 1962). The National Radioactive Waste Disposal Institute is a Schedule 3A entity and therefore VAT exempted.

3.6 REVENUE RECOGNITION

Revenue is recognised when it is probable that future economic benefits or service potential will flow to the entity and these benefits can be measured reliably. Revenue is measured at fair value of the consideration received or receivable and represents the amounts receivable for services provided in the normal course of business.

REVENUE FROM EXCHANGE TRANSACTIONS

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished and directly gives approximate equal value primarily in the form of goods, services or use of assets or services to the other party in exchange.

Interest income is accrued on a time basis, by reference to the principal amount outstanding and at the effective interest rate applicable.

REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue from non-exchange transactions is comprised of government grants. Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

RECOGNITION

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction. Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with the conditions embodied in the agreement. To the extent that the conditions have not been met, a liability is recognised.

MEASUREMENT

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity. When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognize a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date.

When a liability is subsequently reduced, because the event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue. In these financial statements, surplus is used instead of profit as the entity is not profit driven, yet could generate surplus revenue over costs.

3.7 FRUITLESS AND WASTEFUL EXPENDITURE AND IRREGULAR EXPENDITURE

Fruitless and wasteful expenditure means expenditure incurred in vain and could have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the statement of financial performance and when recovered, it is subsequently accounted for as revenue in the statement of financial performance.

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with a requirement of any applicable legislation, including:

- The Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999);
- The State Tender Board Act, 1968 (Act No.86 of 1968); or any regulation made in terms of the Act;
- The National Radioactive Waste Disposal Institute Act, No. 53 of 2008.

All irregular, fruitless or wasteful expenditure is charged against surplus or deficit in the period it was incurred. Irregular expenditure that is not condoned is recoverable in line with the outcome of the investigation.

3.8 PROVISIONS AND CONTINGENCIES

PROVISIONS

Provisions are recognised when the entity has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision shall be reversed

All the provisions of the entity are short-term in nature and the effect of discounting is immaterial. Provisions are made for outstanding leave entitlements in respect of leave days carried at the end of the financial year as well as performance incentives, which calculation is based an average of the range of qualifying incentive percentages.

CONTINGENT LIABILITY

A possible obligation that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but disclosed in the notes to the annual financial statements.

CONTINGENT ASSET

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly in the control of the entity. Contingent assets are not recognised but disclosed in the notes to the annual financial statements.

3.9 FINANCIAL INSTRUMENTS

INITIAL RECOGNITION AND MEASUREMENT

Financial instruments are recognised when the entity becomes a party to the contractual provisions of the instruments and are initially measured it at its fair value plus, in the case of a financial asset or a financial liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

DE-RECOGNITION

Financial assets are derecognised when the contractual rights to receive cash flows have been transferred or have expired or when substantially all the risks and rewards of ownership have passed. All other assets are derecognised on disposal or when no future economic benefits are expected from their use.

Financial liabilities are derecognised when the relevant obligation has either been discharged or cancelled or has expired.

SUBSEQUENT MEASUREMENT

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Subsequent to initial recognition financial assets and financial liabilities are measured at amortised cost, using the effective interest method.

EFFECTIVE INTEREST METHOD

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair value through profit or loss.

RECEIVABLES FROM EXCHANGE TRANSACTIONS

Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognized in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognized is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

PAYABLES FROM EXCHANGE TRANSACTIONS

Trade payables are initially measured at fair value, and is subsequently measured at amortised cost, using the effective interest rate method.

3.10 BUDGET INFORMATION

The entity is currently subject to budgetary limits in the form of appropriations or budget authorizations from National Treasury via the Department of Mineral Resources and Energy. The approved budget covers the one fiscal period, from April to March the following year. The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

3.11 RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operational decisions.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly.

Only transactions not within the normal supplier and/or client/recipient relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances; and where terms and conditions not within the normal operating parameters established by the reporting entity's legal mandate are disclosed.

3.12 NEW STANDARDS AND INTERPRETATIONS

3.12.1 STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET EFFECTIVE

Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly and indirectly.

Only transactions not within the normal supplier and/or client/recipient relationship on terms and conditions, no more or less favourable than those which it is reasonable to expect the entity entity to have adopted if dealing with that individual entity or person in the same circumstances;and where terms and conditions not within the normal operating parameters established by the reporting entity's legal mandate are disclosed.

STANDARD/ INTERPRETATION:	EFFECTIVE DATE: YEARS BEGINNING ON OR AFTER	EXPECTED IMPACT
GRAP 20: Related Party Disclosures	01 April 2019	No impact as standard was applied in prior years
GRAP 32: Service Concession Arrangements: Grantor	01 April 2019	No impact
GRAP 108: Statutory Receivables	01 April 2019	No impact
GRAP 109: Accounting by Principals and Agents	01 April 2019	No impact
IGRAP 17: Service Concession Arrangements Where a Grantor Controls a Significant Residual Interest in an Asset	01 April 2019	No impact
IGRAP 18: Recognition and Derecognition of Land	01 April 2019	No impact
IGRAP 19: Liabilities to Pay Levies	01 April 2019	No impact

3.12.2 STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET EFFECTIVE

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2020 or later periods:

STANDARD/ INTERPRETATION:	EFFECTIVE DATE: YEARS BEGINNING ON OR AFTER	EXPECTED IMPACT
IGRAP 20: Accounting for Adjustments to Revenue	01 April 2020	Unlikely that there will be a material impact
GRAP 1: Presentation of Financial Statements	01 April 2020	Likely that there will be a material impact Changes will be considered and effected on the annual financial statements from the following period
GRAP 34: Separate Financial Statements	01 April 2020	Unlikely that there will be a material impact
GRAP 35: Consolidated Financial Statements	01 April 2020	Unlikely that there will be a material impact
GRAP 36: Investments in Associates and Joint Ventures	01 April 2020	Unlikely that there will be a material impact
GRAP 37: Joint Arrangements	01 April 2020	Unlikely that there will be a material impact
GRAP 38: Disclosure of Interests in Other Entities	01 April 2020	Unlikely that there will be a material impact
GRAP 104: Financial Instruments (Revised)	To be determined	Impact to be assessed on communication of effective date
GRAP 110 (as amended 2016): Living and Non-living Resources	01 April 2020	Unlikely that there will be a material impact
IGRAP 1 (revised): Applying the Probability Test on Initial Recognition of Revenue	01 April 2020	Unlikely that there will be a material impact

4. PROPERTY, PLANT AND EQUIPMENT

	2020			2019		
	Cost R	Accumulated depreciation R	Carrying value R	Cost R	Accumulated depreciation R	Carrying value R
OWNED ASSETS						
Machinery & equipment	12,015	(5,785)	6,230	12,015	(3,383)	8,632
Office equipment, furniture & fittings	1,525,248	(510,337)	1,014,911	1,502,737	(349,714)	1,153,023
Computer equipment	1,582,712	(618,723)	963,989	1,296,276	(356,116)	940,160
	3,119,975	**(1,134,845)**	**1,985,130**	**2,811,028**	**(709,213)**	**2,101,815**

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT:

2020	Carrying value at beginning of year R	Additions R	Disposals R	Depreciation R	Carrying value at end of year R
OWNED ASSETS					
Machinery & equipment	8,632	0	0	(2,403)	6,229
Office equipment, furniture & fittings	1,153,023	22,511	0	(160,623)	1,014,911
Computer equipment	940,160	286,436	0	(262,606)	963,990
	2,101,815	**308,947**	**0**	**(425,632)**	**1,985,130**

2019	Carrying value at beginning of year R	Additions R	Disposals R	Depreciation R	Carrying value at end of year R
OWNED ASSETS					
Machinery & equipment	11,035	0	0	(2,403)	8,632
Office equipment, furniture & fittings	994,468	307,825	0	(149,270)	1,153,023
Computer equipment	672,552	498,184	(11,456)	(219,120)	940,160
	1,678,055	**806,009**	**(11,456)**	**(370,793)**	**2,101,815**

5. INTANGIBLE ASSETS

	2020			2019		
	Cost R	Accumulated amortisation R	Carrying value R	Cost R	Accumulated amortisation R	Carrying value R
Software	464,849	(175,424)	289,425	464,850	(48,833)	416,017
Licences	922,962	(253,564)	669,398	739,035	(102,691)	636,344
	1,387,811	**(428,988)**	**958,823**	**1,203,885**	**(151,524)**	**1,052,361**

RECONCILIATION OF INTANGIBLE ASSETS:

2020	Carrying value at beginning of year R	Additions R	Amortisation R	Carrying value at end of year R
Assets: Software	416,016	0	(126,592)	289,424
Assets: Licences	636,345	183,926	(150,872)	669,399
	1,052,361	**183,926**	**(277,464)**	**958,823**

2019	Carrying value at beginning of year R	Additions R	Amortisation R	Carrying value at end of year R
Assets: Software **	68,519	382,627	(35,130)	416,016
Assets: Licences	568,168	154,418	(86,241)	636,345
	636,687	**537,045**	**(121,371)**	**1,052,361**

6. OTHER INCOME

	2020 R	2019 R
Interest received*	2,518,541	1,907,127
Commission received**	1,025	905
Total	**2,519,566**	**1,908,032**

* The current account generated interest of R2,518m for the year under review
** Commission is the administration fees received in lieu of membership payments to organized labour

7. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Trade receivables	5,111,947	5,111,947
Deposits	141,571	141,571
Prepayments	121,327	29,850
Other receivables	108,062	126,194
Sundry Debtors	0	19,656
Sub-total	5,482,907	5,429,218
Less: Provision for impairment	(5,111,947)	(5,131,603)
Total	**370,960**	**297,61**

As of 31 March 2017, trade and other receivables of R5,111,947 in respect of waste disposal fees was past due and provided for possible impairment. This amount was fully provided for due to the uncertainty of its recoverability. The matter is still in progress as at the end of the financial year under review.

7. RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

	2020 R	2019 R
RECONCILIATION OF PROVISION FOR IMPAIRMENT OF TRADE RECEIVABLES		
Opening balance	5,131,603	5,131,603
Provision for impairment	0	0
Written-off as uncollectable	(19,656)	0
Closing Balance	**5,111,947**	**5,131,603**

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:		
Cash on hand	4,357	463
Call account	5,144	0
Petty cash account	5,000	2,374
Current account	25,946,982	20,151,633
	25,961,483	**20,154,470**

9. PAYABLES FROM EXCHANGE TRANSACTIONS

Trade payables	4,801,691	4,884,495
Trade payable accruals	504,160	550,266
Employee benefit accruals	897,928	545,249
	6,203,779	**5,980,010**

Creditors are paid within 30 days of receipt of invoice. Trade and other payables are interest free and unsecured. Included in trade payables is an amount of R4,574,740 owing to a fellow entity, Necsa since January 2017. This amount was withheld as a result of a previous dispute on the timing of the settlement there-of, but is now ready to be paid in the next financial year.

The ageing of payables from exchange transactions is as follows:

TRADE PAYABLES		
Current	226,951	309,755
1 month	0	0
3 months and older	4,574,740	4,574,740
	4,801,691	**4,884,495**
TRADE PAYABLE ACCRUALS		
Current	504,160	550,266
	504,160	**550,266**
EMPLOYEE BENEFIT ACCRUALS		
Current	605,103	200,809
1 month	97,608	106,372
3 months and older	195,217	238,068
	897,928	**545,249**

10. PROVISIONS

	2020 R	2019 R
Leave provision	1,270,480	1,591,026
Incentive bonus provision	2,878,594	2,640,314
	4,149,074	**4,231,340**

RECONCILIATION OF PROVISIONS - 2020	Opening balance R	Additions R	Utilised during the year R	Reversed during the year R	Total R
Annual leave	1,591,026	2,826,127	(2,459,704)	(686,969)	1,270,480
Incentive bonus provision	2,640,314	2,878,594	(1,638,387)	(1,001,927)	2,878,594
	4,231,340	**5,704,721**	**(4,098,091)**	**(1,688,896)**	**4,149,074**

PROVISION FOR ANNUAL LEAVE

The leave provision represents management's best estimate of the entity's liability for leave based on the NRWDI approved leave policy of the NRWDI. Leave provision represents the amount due to employees for unutilised leave days accrued for services rendered to the NRWDI as of 31 March 2020.

PERFORMANCE BONUS

Performance bonus represents management's best estimate of bonus potentially payable to qualifying NRWDI employees who signed the performance agreement with the NRWDI for financial year ending 31 March 2020. Performance target is set by the Board at the beginning of each financial year, and employees' performance scores are linked to the overall performance of the NRWDI. Management has reasonably provided for a bonus in at an average individual pay out rate of 7.5% of total cost to company. The payment of bonus is discretionary in terms of the NRWDI policy and is only due and payable after declaration and approval by the Board.

11. GOVERNMENT GRANTS

	2020 R	2019 R
Unconditional government grants	47,499,000	45,532,000

The funds of the entity consist of money appropriated by Parliament through National Treasury.

12. OPERATING SURPLUS

	2020 R	2019 R
Operating surplus is arrived at after taking into account the following items:		
DEPRECIATION AND AMORTISATION		
OWNED ASSETS		
Office equipment, furniture & fittings	160,623	149,270
Computer equipment	262,607	219,120
Machinery & equipment	2,403	2,403
Software	126,592	35,129
Licences	150,872	86,242
	703,097	**492,163**
EMPLOYEE COSTS	33,573,969	31,105,126
OPERATING LEASE CHARGES		
Premises	817,098	782,774

13. DIRECTORS' EMOLUMENTS

2020	Running Cost* R	Company Contribution R	Remuneration R	Total R
NON-EXECUTIVE				
Mr Tshepo Mofokeng (Chairperson)	3,461	418	93,474	97,353
Mr Lebohang Sam Moleko	5,657	0	10,476	16,133
	9,117	**418**	**103,950**	**113,486**
COMMITTEE MEMBERS				
Prof Johan Malherbe	0	0	15,714	15,714
Ms Thandeka Zungu	10,688	0	23,571	34,259
	10,688	**0**	**39,285**	**49,973**
Total	**19,805**	**418**	**143,235**	**163,459**

2019	Running Cost R	Company Contribution R	Remuneration R	Total R
NON-EXECUTIVE				
Mr Tshepo Mofokeng (Chairperson)	5,254	1,939	93,474	100,667
Ms Mbali Ndlovu	0	996	36,324	37,320
Mr Lebohang Sam Moleko	6,311	960	31,428	38,699
	11,565	**3,895**	**161,226**	**176,686**
COMMITTEE MEMBERS				
Prof Johan Malherbe	0	493	18,333	18,826
Ms Thandeka Zungu	1,225	607	18,333	20,165
	1,225	**1,100**	**36,666**	**38,991**
Total	**12,790**	**4,995**	**197,892**	**215,677**

** Running cost are disbursements which forms part of the total Directors' emoluments, is excluded from director's remuneration and is disclosed under travel and subsistence in goods and services.*

14. KEY MANAGEMENT PERSONNEL

2020	Retirement fund contribution R	Other company contribution* R	Allowance R	Incentive bonus R	Salary R	Total R
Mr Cobus Beyleveld	222,453	24,475	0	121,063	1,290,831	1,658,822
Mr Alan Carolissen**	320,143	30,449	0	152,449	1,935,806	2,438,847
Mr Justin Daniel**	225,984	27,468	0	143,482	1,567,536	1,964,470
Ms Anjue Hirachund	42,666	1,937	433	0	179,913	224,948
Mr Zweli Ndziba	167,017	28,738	10,788	147,965	1,682,556	2,037,064
Dr Vusi Twala	247,170	28,647	15,068	98,083	1,714,494	2,103,462
	1,225,431	**141,714**	**26,289**	**663,042**	**8,371,136**	**10,427,613**

2019	Retirement fund contribution R	Other company contribution R	Allowance R	Incentive bonus R	Salary R	Total R
Mr Cobus Beyleveld	222,453	23,016	0	71,550	1,290,829	1,607,848
Mr Alan Carolissen**	320,143	29,151	0	90,100	1,882,516	2,321,910
Mr Justin Daniel**	225,984	25,917	0	84,800	1,567,536	1,904,237
Ms Anjue Hirachund	254,574	23,780	2,597	76,850	1,383,471	1,741,272
Mr Zweli Ndziba	167,018	27,168	10,788	87,450	1,683,751	1,976,175
Dr Vusi Twala	247,169	27,629	15,068	92,750	1,716,271	2,098,888
	1,437,341	**156,662**	**28,454**	**503,500**	**9,524,374**	**11,650,331**

**Other company contributions consist of UIF, COIDA and Skills development levy payments.*
***Mr Alan Carolissen (Acting CEO) and Mr Justin Daniel (CFO) serve as Executive Directors on the NRWDI Board of Directors.*

15. EVENTS AFTER THE REPORTING PERIOD

South Africa: Escalated measures to combat COVID-19 pandemic

On 23 March 2020, the President of the Republic of South Africa announced that the National Coronavirus Command Council has decided to enforce a nation-wide lockdown for 21 days with effect from midnight on 26 March 2020 following the outbreak of a viral pandemic known as Corona Virus 2019 (COVID-19) in South Africa. This has led to the entity implementing a Work from Home Guideline in order to ensure business continuity.

From 1 June 2020 South Africa moved to Level 3 lock down. NRWDI, in response to this established a COVID 19 Task Team and in order to effectively maintain and sustain its daily operations a Return to Work Guideline was implemented in addition to the Work from Home Guideline.

The restrictions as a result of the COVID 19 pandemic will result in a delay in the entity obtaining its Nuclear Installation Licence and which will have a resultant effect on the Vaalputs functional shift from Necsa to NRWDI. This may have a negative impact on the entity achieving some of its targets.

The operations at Vaalputs will however not be compromised as the facility will still be in a position to receive radioactive waste from the respective waste generators. This would however be dependent on the waste generator's ability to transport the radioactive waste to the Vaalputs disposal facility. In addition to the above, the NRWDI may not be able to undertake quarterly Public Engagements with the Vaalputs Community, thereby being in non-compliance of the National Nuclear Regulatory Act in addition to not attaining the target of conducting quarterly engagements.

16. RELATED PARTY TRANSACTIONS

The NRWDI does not have control or significant influence over any other entity. The NRWDI is a statutory organisation governed by the Act, and a national public entity listed under Schedule 3A of the PFMA No. 1 of 1999 as amended.

The NRWDI is not required to disclose the value of transactions with other public sector entities where the transactions were concluded within normal operating procedure on terms that are no more or less favourable than the terms that it would use to conclude transactions with another entity or person but is required to disclose the nature of the transactions and the related outstanding balances.

The following is a summary of transactions with related parties during the year and balances due at year end:

NAME	RELATIONSHIP	2020 R	2019 R
Department of Mineral Resources and Energy	**Controlling entity**		
Grant Received		47,499,000	45,532,000
NNR	**Fellow entity**		
Expenses incurred		3,741,476	0
Necsa	**Fellow entity**		
Expenses incurred*		3,239,155	4,300,341
Services Rendered**		160,627	315,252
Trade and other Receivables – Necsa (Waste Disposal Contract) ***		5,111,947	5,111,947
Provision for impairment		(5,111,947)	(5,111,947)
Year-end balance		0	0
Trade and other Payables – Year-end balance****		4,602,274	4,574,740

** Payment was made to Necsa to pay suppliers appointed by Necsa Procurement Unit on behalf of the NRWDI.*

*** Finance, Payroll and SCM services were rendered by Necsa to the NRWDI. The decrease in service fees are as a result of NRWDI fully and independently performing these functions in the course of the financial year under review.*

**** As at 31 March 2017, this amount was past due and provided for possible impairment due to recoverability uncertainty.*

***** Included in the year-end balance is an amount of R4,574,740 in respect of assistance with start-up operational costs*

17. FINANCIAL INSTRUMENTS

The below financial instruments are carried at amortized costs.		
NON-CURRENT FINANCIAL ASSETS		
Current financial assets		
Cash and cash equivalents	25,961,483	20,154,470
NON-CURRENT FINANCIAL LIABILITIES		
Current financial liabilities		
Payables from exchange transaction	5,305,851	5,434,761

17. FINANCIAL INSTRUMENTS (CONTINUED)

17.1 CREDIT RISK

Credit risk consists mainly of cash deposits, cash equivalents and receivables from exchange transactions.

The entity holds cash and cash equivalents with an investment grade rated registered banking institution, which it regards as having an insignificant credit risk. An amount is also held at the Corporation for Public Deposits (CPD), which has the same rating as the South African Reserve Bank. The entity commenced depositing Funds with the CPD in order to maximise interest earned. The interest rates on this account fluctuate in line with movements in current money market rates. Rates earned on funds deposited with the CPD are higher than those earned on funds in the short-term money market account.

The entity did not have any financial assets exposed to significant credit risk at year end as the risk identified has been fully provided for in the previous financial year.

The maximum exposure to credit risk is presented in the table below:

	2020			2019		
	Gross carrying amount R	Credit loss allowance R	Carrying value R	Gross carrying amount R	Credit loss allowance R	Amortised cost/fair value R
Trade Receivables: Necsa	5,111,947	(5,111,947)	0	5,111,947	(5,111,947)	0

17.2 LIQUIDITY RISK

The entity's risk to liquidity is a result of the funds available to cover future commitments. These payables are all due within the short-term and payable within 30 days from receipt of invoice. The entity manages its liquidity risk by holding sufficient cash in its bank account, supplemented by cash available in investment accounts and through an ongoing review of future commitments.

17.3 INTEREST RATE RISK

As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates.

18. COMPENSATION OF EMPLOYEES

	2020 R	2019 R
Cash component	29,016,682	24,901,663
Company contribution - Retirement fund*	3,943,929	3,511,635
Statutory contributions	593,848	482,293
Allowances	95,549	100,792
Movement in leave provision	(314,318)	645,046
Movement in bonus provision	238,280	1,463,697
	33,573,969	**31,105,126**

* The pension fund is a defined contribution plan and there are no liabilities in respect of the pension fund contributions.

19. GOODS AND SERVICES

	NOTES	2020 R	2019 R
EXPENDITURE			
Advertising		119,404	226,779
Audit fees		785,403	531,791
Bank charges		24,490	21,856
Banners		34,362	45,373
Cleaning services		0	28,814
Consumables		51,129	136,763
Contracted-out services		1,843,489	1,100,030
Development material		4,026,676	0
Directors' emoluments	12	143,653	202,887
Electronic office equipment		613,223	378,458
Entertainment		31,514	28,740
Legal expenses		73,168	31,865
Licences		26,161	100,500
Membership fees		54,831	25,714
Postal costs		8,370	8,757
Printing and stationery		251,633	167,825
Repairs and maintenance		8,698	39,371
Security services		1,932	1,798
Telecommunication		278,400	227,646
Training		252,689	67,106
Travel - local		275,279	504,165
Travel - overseas		367,520	436,312
Workshops & conferences		123,746	96,050
		9,395,770	**4,408,600**

20. COMMITMENTS

There are no commitments to any external parties for potential obligations of the entity, except for payments to suppliers and the following lease commitment held with Necsa.

LEASE COMMITMENTS		
Operating leases	845,427	812,130
OTHER COMMITMENTS		
Capital commitments	1,473,503	8,746
Operational commitments	2,456,786	1,775,020
Total other commitments	**3,930,289**	**1,783,766**

20. COMMITMENTS (CONTINUED)

LEASE COMMITMENTS 2020	Buildings and other fixed structures R	Total R
Not later than one year	845,427	845,427
Later than one year and not later than five years	0	0
Total lease commitments	**845,427**	845,427

The lease commitment relates to a lease agreement that was entered into with Necsa for office accommodation totalling 1000 square metres. The lease agreement is for the period 01 April 2019 to 31 March 2021. The balance of the lease is R845,427 and the remaining period is 12 months. CPI of 4.1% is used.

2019	Buildings and other fixed structures R	Total R
Not later than one year	812,130	812,130
Later than one year and not later than five years	848,676	848,676
Later than five years	0	0
Total lease commitments	**1,660,806**	**1,660,806**

The lease commitment relates to a lease agreement that was entered into with Necsa for office accommodation totalling 1000 square metres. The lease agreement is for the period 01 April 2019 to 31 March 2021. The balance of the lease is R1,660,806 and the remaining period is 24 months. CPI of 4.5% is used.

21. CONTINGENCIES

A cash surplus amounting to R11, 203,874 for the 2019/20 financial year, which must be surrendered to National Treasury unless permission is granted to retain the surplus. The cash surplus was calculated using a formula prescribed by National Treasury through the National Treasury Instruction No.6 of 2017/18 as follows: Cash and cash equivalents plus receivables less current liabilities less commitments.

22. PUBLIC FINANCE MANAGEMENT ACT

MATERIAL LOSSES

No material losses through criminal conduct, irregular and fruitless and wasteful expenditure was incurred during the period ended 31 March 2020.

IRREGULAR EXPENDITURE

	2020 R	2019 R
During the period under review, management detected the following irregular expenditure:		
Opening Balance	8,704,694	8,704,694
Add: Irregular Expenditure - current year	0	0
Less: Irregular Expenditure Condoned	0	0
Closing Balance	**8,704,694**	8,704,694

In the 2016 and 2017 financial year, goods and services in the amount of R3,362,502 and R5,342,194 respectively were procured without the due SCM processes being followed. As this matter is a legacy issue that emanates from prior management, National Treasury has been engaged by the current management to provide clarity and guidance as to how this matter can be appropriately dealt with. The matter is in progress as it is still receiving the attention and guidance of National Treasury.

22. PUBLIC FINANCE MANAGEMENT ACT (CONTINUED)

	2020 R	2019 R
ANALYSIS OF AWAITING CONDONATION PER AGE CLASSIFICATION		
Current year	0	0
Prior years	8,704,696	8,704,696
Total	**8,704,696**	**8,704,696**

23. CASH GENERATED FROM OPERATIONS

Surplus for the year	5,528,632	10,639,912
Adjustments for:		
Depreciation/amortisation	703,097	492,163
Movement in provisions	(82,267)	2,060,982
Loss on assets written-off	0	11,456
Working capital changes		
(Increase)/decrease in receivables from exchange transactions	(73,345)	(92,142)
(Decrease)/Increase in payables from exchange transactions	223,769	734,040
	6,299,886	13,846,411

24. BUDGET

For the purposes of budget reporting, material variances are amounts in excess of R100 000. Material differences between budget and actual amounts are as follows:

24.1 INTEREST RECEIVED

Interest is earned on short term deposits. Available cash was higher than anticipated in the course of the year due to vacancies of senior posts and a payment of a significant amount to the NNR fee made towards the end of the financial year only.

24.2 PERSONNEL EXPENSES

The surplus in salaries is largely attributed to the CEO and Risk Manager posts that are not yet filled to date and the vacant posts of the Company Secretary and Senior Manager: Communications since 01 June 2019. The Internal Audit Officer post was filled in December 2019.

24.3 PERSONNEL RELATED EXPENSES – SURPLUS IN TRAINING

Subsequent to the skills audit, a training plan was developed and approved in quarter 1, the process to appoint training and development service providers commenced in the second quarter. Formal training commenced in quarter 3 only and a further amount of R235,000 has been raised as a commitment for training that could not fully be completed due to the lockdown.

24.4 TRAVEL AND SUBSISTENCE

The surplus is due to the lower rate of local and international travel undertaken year-to-date. The surplus is also attributed to more international trips being IAEA sponsored trips and not NRWDI funded trips, as well as a halting of travel in the latter part of the financial year due to the COVID-19 outbreak.

24. BUDGET (CONTINUED)

24.5 DIRECTORS REMUNERATION

This relates to the payment of fees of external Directors and Board committee members for meeting preparation and attendance. The surplus of R165,675 is attributed to the fact that Board fees are budgeted for at 100% attendance at Board and Board committee meetings and attendance varies from meeting to meeting and is not necessarily 100% in each instance. In addition to this, the fees currently being paid on the previous year's remuneration rate as the Minister of Finance declined an increase to the service benefit packages of office bearers of certain statutory and other institutions.

24.6 GENERAL EXPENSES

The surplus in general expenses is made up as follows:

DEFICIT OF R1,07 MILLION IN CONTRACTED-OUT SERVICES

NRWDI embarked on the procurement of both critical and mandatory services as follows, which was in excess of the operating costs budget but which was understood to be borne from other identified savings: Organisation Design Project, Board Evaluations, Strategic Plan Facilitation, ISO 9001 and 14001 certification and OHS Survey.

SURPLUS OF R507,597 IN AUDIT FEES

The final account received from the AGSA for the 2018/2019 regulatory audit was lower than anticipated and lower than stated in the Audit Engagement Letter and Audit Strategy.

SURPLUS OF R226,832 IN LEGAL COSTS

Included in the Legal Services budget is an amount for legal opinions and representations. To date there has been a limited need for the utilisation of this amount, as there has not been too many legal matters that required the use of external service providers.

SURPLUS OF R61,884 IN TELECOMMUNICATION: CELL PHONES

The surplus in cell phone allowances are directly attributable to the senior management vacancies in the course of the financial year.

SURPLUS OF R124,637 IN BRANDING MATERIAL

The organisation could not proceed with the envisaged branding procurement as it was still in the process of finalising the corporate branding identity manual. This manual was in the process of finalisation at the latter part of the financial year.

SURPLUS OF R120,000 IN INSURANCE

The terms of reference for the Insurance Portfolio has been compiled and is the final review process for the appointment of a service provider.

SURPLUS OF R135,000 IN PRINTING AND STATIONERY

The organisation did not proceed with the printing of corporate branded stationery as it was still in the process of finalising the corporate branding identity manual. Printing costs were also reduced as a result of the entity adopting and encouraging a more paperless approach.

24.7 OPERATING MATERIAL

This relates to costs in respect of re-licencing of Vaalputs, which includes safety assessments, and Necsa outsourced services related to the NRWDI technical support organisation capability in respect of the Vaalputs radioactive waste disposal operations. These costs were incurred upon NRWDI agreeing with the National Nuclear Regulator on the Licencing Strategy. These costs were however catered for in the 2018/19 retained surplus.

24.8 DEPRECIATION AND AMORTISATION

The deficit of R293,097 in deprecation is attributed to the addition of furniture, computer equipment and intangible assets towards the end of the 2019 financial year after finalisation of the 2019/20 budget.

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