

PanSALB

ANNUAL REPORT

2015/16

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PART A:

GENERAL INFORMATION

1. GENERAL INFORMATION ABOUT PANSALB

Registered name:

Pan South African Language Board (PanSALB)

Registration number: N/A

Physical address:

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Website address:

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External auditors:

Auditor-General South Africa (AGSA)

Address: 300 Middel Street, New Muckleneuk, Pretoria

Bankers:

ABSA

Address: 230 Van Der Walt Street, Pretoria, 0002



2. LIST OF ABBREVIATIONS/ ACRONYMS

AGSA	Auditor-General of South Africa
CAPS	Curriculum Assessment Policy Statement
CEO	Chief Executive Officer
COSAT	Centre of Science and Technology
DAC	Department of Arts and Culture
DCAS	Department of Cultural Affairs and Sport
DCATA	Department of Culture, Arts and Traditional Affairs
DoBE	Department of Basic Education
DSAC	Department of Sport, Arts and Culture
FSPLC	Free State PLC
GPLC	Gauteng PLC
HRM	Human Resources Management
ICT	Information and Communications Technology
IEC	Independent Electoral Commission
KZNPLC	KwaZulu-Natal PLC
LPLC	Limpopo PLC
MEC	Member of the Executive Council
NCPLC	Northern Cape PLC
NLB	National Language Body
NLU	National Lexicography Unit
NWPLC	North West PLC
PFMA	Public Finance Management Act
PLC	Provincial Language Committee
PLF	Provincial Language Forum
SABC	South African Broadcasting Company
SAHRC	South African Human Rights Commission
SASL	South African Sign Language
SNLB	Sesotho National Language Body
WCED	Western Cape Education Department
WCPLC	Western Cape PLC



3. FOREWORD BY EXECUTIVE/ ACCOUNTING OFFICER

Dr Rakwena Reginald Mpho Monareng
Chief Executive Officer



“The institution is moving towards normality. The institutional public visibility is laudable. We are on public media on language matters.”

Dr RRM Monareng temporarily assumed both responsibilities of Executive and Accounting Officer after Arts and Culture Minister Nathi Mthethwa dissolved the Board on the 12 January 2016

Multilingualism is to the Pan South African Language Board, South Africa and the rest of the world a sine qua non. Our institutional mandate is to give traction to this fact of life matter whose linchpin is pedigreed by the legendary Tower of Babel. This is a quest that is much more than sheer linguistic right. It is fundamentally a cognitive and knowledge right matter. We crafted our five-year term to reclaim the PanSALB mandate in principle and expression. The 2015/16 stratagem was to survey and plot the tenets and essentials meant to give effect to this reclamation. That has been done. It is incumbent upon me that I briefly give a pointer to this fact.

We successfully constructed a five-year Strategic Plan and its associate 2016/17 Annual Performance Plan. Principled on Colin Chapman's dictum of 'adding lightness', we added a 'carbon core' to the two documents in

that they are lean, mean and functional. They are current and futuristic. The design process was a mark of the collective intelligence of PanSALB's staff and management. This is very much their territory. The greatest sense of purpose, luxury and refinement are experienced by the driver through the seat of his/her pants. The mainstay is an earnest feeling of ownership by all, within and beyond PanSALB. The Strategic Plan was sent for tabling in May 2016. It received commendable reviews from the chairpersons and Board of Directors of all PanSALB structures (National Language Bodies [NLBs], Provincial Language Committees [PLCs] and National Lexicography Units [NLU]). It has also been discussed and well received in the public media (radio and television).

For the effective strategic and operational execution of the PanSALB core business, we successfully appointed the Executive Head: Languages, Dr Paul Henry Nkuna. He is a consummate scholar with a vast range of publications including language policy, multilingualism and language research. He holds a DLitt et Phil, an MBA and a Certificate in Law. Further, we appointed the Chief Financial Officer, Mrs Thalitha Shongwe, in order to establish prudent institutional fiduciary and financial management. Her past experience as Chief Financial Officer, BCom degree and Certificate in Financial Management coupled with her current studies (MBL) are key towards a reasonable stabilisation of PanSALB finances. These two colleagues grant us the needed energy, wisdom, expertise and leadership to enhance PanSALB's delivery and image. We welcome them into the fold.

The Auditor-General of South Africa (AGSA) has passed a disclaimer opinion on our institution for the past two years in succession. It has been part of our grand plan to exit this undesirable pattern. The profusion of financial and operational instability begged that we adopt an incremental approach in cleaning up the institution. The key strategy has been a narrow focus on countable tangibles. We addressed each commensurate to our scant human and financial resources.

This approach is at work and is bearing early fruit. In fact, the 2015/16 AGSA's audit opinion is no longer a disclaimer but a qualification. This is a mark of progression and a solid springboard for a better 2016/17 audit opinion. The staff morale, performance and coexistence have improved considerably. The institution is moving towards normality. The institutional public visibility is laudable. We are on public media on language matters. We contribute to multilingual language policy matters at higher education. We are asked for advice on our core business. Our voice of authority is in the ascendant. This pace is intended to increase as complexity manifests.

There are legacy matters that constrict swift but quality progression towards a wholesome and healthy operating constitutional entity, though. The outstanding labour dispute relating to the 44 dismissed employees is a cause of great concern. We settled with 14 employees but would be in no position to settle with the remaining ones. The accumulative costs (since 2001 to date) of funding the NLUs is yet another financial strain. These units were established in 2001 without funding being transferred to PanSALB. The deficit accumulated since then to date has rendered PanSALB technically insolvent. The fact that a budgetary portion originally set aside for PLCs and NLBs is diverted to NLUs renders the former two structures ineffective. The further their allocation is cut, the worse their performance in carrying out the PanSALB mandate is. The situation is so dire that an approach has been made to the Minister of Arts and Culture, the National Treasury and the Office of the Speaker. We are still awaiting response to a request for a meeting to discuss our financial plight so as to solicit financial rescue. We shall trudge on, regardless.

Lack of funding further denotes that other critical vacant positions would not be filled, staff development shall remain a pipe dream and the cross-border multilingual enterprise shall remain curtailed. The overall performance of the institution shall potentially remain below average. The PanSALB constitutional mandate shall

be addressed scantily. Notwithstanding these impediments, we hope against hope for financial assistance and shall knock on all doors whilst working. We strive for excellence and shall pursue our intent assiduously, enlivening our solemn conviction that excellence does not need to broadcast itself because it is recognised by those who matter, namely language users. They matter. Absolutely!

The contribution made by the entire PanSALB community as reflected in this report is laudable. The collective interplay of everybody's effort from different vantage points is commendable. Mr Vukile Mbilini and Mr Sibusiso Nkosi acted as executives with aplomb and grace for the entire 2015/16 financial year. They executed their added responsibility selflessly without the slightest qualm. Their experience and institutional memory came in handy for me and PanSALB when hazy institutional moments surfaced. It is only human to acknowledge and thank these two colleagues: Ndiyabulela, Majola, Mpankomo. Nginyabonga Gadzeni. A totemic ideational tutelage in your individual mother languages is apropos. It is just right.

Ke a leboga. Khanimambo. Ndiyabulela.

A re šomeng!

Dr RRM Monareng
Chief Executive Officer



4. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the Annual Report are consistent with the annual financial statements audited by the Auditor-General of South Africa (AGSA).

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

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

The annual financial statements (Part D) have been prepared in accordance with the South African Standards of Generally Recognised Accounting Practise (SA standard of GRAP).

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 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 my 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 2016.

Yours faithfully



Dr RRM Monareng
Chief Executive Officer
31 July 2016



5. STRATEGIC OVERVIEW

5.1 Vision

To be the preeminent promoter, facilitator and enabler of multilingualism and language equality and rights in South Africa.

5.2 Mission

In pursuance of its vision, the PanSALB mission is to:

- Promote multilingualism
- Promote respect for and recognition of all languages, including previously marginalised languages
- Develop all South African languages, including those used for religious and other purposes
- Advocate for rights relating to language and the status of language
- Initiate, enable and conduct research in accordance with the PanSALB mandate

5.3 Values

PanSALB subscribes to the following values:

Values	Operating principles
Respect	Showing respect for all the languages used in South Africa. Treating each other with dignity and respect.
Equality	Ensuring equitable treatment of all official languages in South Africa.
Quality	Ensuring quality of language products and language use for all formerly marginalised official languages as well as the Khoi, Nama and San languages, and South African Sign Language.
Accountability	Being accountable for actions towards clients, stakeholders and one another.
Integrity	Pursuing openness, honesty and transparency in all our operations and activities.
Accessibility	Ensuring increased access to information on services to citizens in the language of their choice, with the focus on all formerly marginalised official languages as well as the Khoi, Nama and San languages and well as South African Sign Language.
Service orientation	Setting service standards and adhering to them. Demonstrating courteousness, promptness, efficiency and effectiveness.

6. LEGISLATIVE AND OTHER MANDATES

PanSALB derives its mandate primarily from the Constitution and the PanSALB Act. It also derives other aspects of its mandate from additional pieces of legislation as well as policies, directives and prescripts.

6.1 Constitutional mandate

Sections 6(5)(a) and (b) of the Constitution of the Republic of South Africa (Act No. 108 of 1996) provide for the establishment of a Pan South African Language Board as follows:

A Pan South African Language Board established by national legislation must:

- (a) promote and create conditions for the development and use of
 - (i) all official languages;
 - (ii) the Khoi, Nama and San languages; and
 - (iii) sign language; and
- (b) promote and ensure respect for
 - (i) all languages commonly used by communities in South Africa, including German, Greek, Gujarati, Hindi, Portuguese, Tamil, Telegu and Urdu; and
 - (ii) Arabic, Hebrew, Sanskrit and other languages used for religious purposes in South Africa.

Section 181 of the Constitution states the following about the rights of constitutional entities:

181 (2) These institutions are independent and subject only to the Constitution and the law, and they must be impartial and must exercise their powers and perform their functions without fear, favour or prejudice.

181 (3) Other organs of state, through legislative and other measures, must assist and protect these institutions to ensure theZindependence, impartiality, dignity and effectiveness of these institutions.

181 (4) No person or organ of state may interfere with the functioning of these institutions.

6.2 Legislative mandates

In addition to the Constitution, the following pieces of legislation also have either a direct or indirect bearing on PanSALB's mandate:

- The PanSALB Act (No. 59 of 1995 as amended in 1999)
- The Use of Official Languages Act (No. 12 of 2012)
- The Public Services Act (No. 103 of 1994 as amended in 2007)
- The Public Finance Management Act (No. 29 of 1999)
- The Companies Act (No. 71 of 2008)
- The Intergovernmental Relations Framework Act (No. 13 of 2005)
- The Promotion of Access to Information Act (No. 2 of 2000)
- The Labour Relations Act (No. 66 of 1996)
- The Basic Conditions of Employment Act (No. 75 of 1995)
- The Employment Equity Act (No. 55 of 1998)
- The Skills Development Act (No. 97 of 1998)

6.2.1 The PanSALB Act (No. 59 of 1995 as amended in 1999)

In terms of Section 8 of the Pan South African Language Board Act No. 59 of 1995 (as amended), the organisation is mandated to:

- make recommendations with regard to any proposed or existing legislation, practice or policy dealing directly or indirectly with language matters at any level of government, and with regard to any proposed amendments to or the repeal or replacement of such legislation, practice or policy;
- make recommendations to organs of state at all levels of government where it considers such action advisable for adopting performance measures aimed at promoting multilingualism within the framework of the Constitution;
- actively promote an awareness of multilingualism as a national resource;
- actively promote the development of previously marginalised languages;
- initiate studies and research aimed at promoting and creating conditions for the development and use of (i) all the official languages of South Africa, (ii) the Khoi and San languages and (iii) South African Sign Language;

- promote and ensure respect for all other languages commonly used by communities in South Africa;
- advise on the coordination of language planning in South Africa;
- facilitate cooperation with language-planning agencies outside South Africa;
- establish provincial language committees and national language boards to advise it on any language matter affecting a province or a specific language; and
- establish national lexicography units to operate as companies limited by guarantee under Section 21 of the Companies Act (No. 61 of 1973) and allocate funds to these units for the fulfilment of their functions.

In terms of Section 4 of the act, PanSALB is an independent organ of state subject only to the Constitution and its founding legislation, and it must perform its duties without fear, favour or prejudice. All organs of state are enjoined to cooperate with PanSALB and may not interfere with its functioning in the execution of its mandate.

The primary objective of PanSALB is to promote multilingualism in South Africa by:

- creating conditions for the development and equitable use of all official languages;
- fostering respect for and encouraging the use of other languages in the country; and
- encouraging the best use of the country's linguistic resources to enable South Africans to free themselves from all forms of linguistic discrimination, domination and division and to enable them to exercise appropriate linguistic choices for their own wellbeing as well as for national development.

6.2.2 The Use of Official Languages Act (No. 12 of 2012)

The Use of Official Languages Act No. 12 of 2012 came into operation on 2 May 2013. The objectives of the act are to:

- regulate and monitor national government's use of official languages for government purposes;
- promote parity of esteem and equitable treatment of official languages of the Republic;
- facilitate equitable access to services and information of national government;
- promote good language management by national government for efficient public service administration and to meet the needs of the public;
- require the adoption of a language policy by every national department, national public entity and national public enterprise;
- provide for the establishment and functions of a national language unit and provide for the establishment and functions of language units by every national department, national public entity and national public enterprise;
- provide for the monitoring of and reporting on the use of official languages by national government;
- facilitate intergovernmental coordination of language units; and
- provide for matters connected therewith.

6.2.3 The Public Service Act (No. 103 of 1994 as amended in 2007)

This act regulates and guides the functioning of national and provincial office bearers in the public service of the Republic of South Africa. Its purpose is to regulate the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service.

PanSALB, being a public entity established through the PANSALB Act, is therefore subject to the rules, regulations and prescriptions of the Public Service Act in the management of its employees and the work environment.

6.2.4 The Public Finance Management Act (PFMA) (No. 1 of 1999)

This act regulates financial management in the national and provincial governments. It aims to ensure that all revenue, expenditure, assets and liabilities of national and provincial departments and public entities are managed effectively and efficiently. The key objectives of the PFMA may be summarised as being to:

- Modernise the system of financial management in the public sector
- Enable public sector managers to manage but at the same time to be held more accountable
- Ensure the timely provision of quality information
- Eliminate waste and corruption in the use of public assets

It also sets out the responsibilities of persons entrusted with financial management in public sector institutions. PanSALB will therefore strive to ensure adherence to the act and all its concomitant regulations.

6.2.5 The Companies Act (No. 71 of 2008)

This act regulates the establishment and administration of all companies. These include both private sector companies as well as public entities. The objectives of the act are inter alia to:

- Provide for the incorporation, registration, organisation and management of companies
- Define the relationships between companies and their respective shareholders

In general, the provisions of the act do apply to PanSALB, although these provisions also have to be seen in the context of the PanSALB Act and other relevant legislation.

6.2.6 The Intergovernmental Relations Framework Act (No. 13 of 2005)

This act was passed to ensure that the principles of cooperative government as espoused in Chapter 3 of the Constitution are implemented. Hence, the act seeks to set up mechanisms to coordinate the work of all spheres of government in providing services, alleviating poverty and promoting development. The act thus provides for an institutional framework in order to facilitate coherent government, effective provision of services, monitoring and implementation of policy and legislation and the realisation of developmental goals as a whole. The objectives of the act are the promotion of the following principles of cooperative government:

- Coherent government (cohesiveness and cooperation)
- Effective provision of services
- Monitoring and implementation of policy and legislation
- Realisation of national priorities

The implication is, therefore, that to ensure that PanSALB can carry out its mandate, it will have to cooperate with relevant national and provincial departments as well as municipalities on issues of mutual relevance and interest.

6.2.7 The Promotion of Access to Information Act (No. 2 of 2000)

This act gives effect to the constitutional right of access to any information held by the State and any information that is held by another person that is required for the exercise or protection of any rights. As such, this act is a 'freedom of information law'. This act is enforced by the South African Human Rights Commission (SAHRC). Its objectives are to:

- Give effect to the constitutional right of access to information held by the state
- Give effect to this right, subject to justifiable limitations, in a manner that balances this right with other rights
- Give effect to the practice of a human rights culture and social justice
- Provide transparency, accountability and effective governance of public bodies

All public institutions, PanSALB included, have a critical role to play in ensuring the implementation of this act by:

- Receiving and responding to Promotion of Access to Information Act requests
- Compiling and submitting a Section 14 manual to the Commission
- Compiling and submitting Section 15 notices to the Minister of Justice

It is therefore imperative for PanSALB to take these obligations seriously. This will require that PanSALB put in place the requisite information management systems (including records management policies and file plans).

6.2.8 The Labour Relations Act (No. 66 of 1995)

This act was passed in 1995 and was subsequently amended in 1996 and 2002. Its key objectives are to:

- Give effect to and regulate the fundamental rights conferred by Section 23 of the Constitution
- Give effect to obligations incurred by the Republic as a member state of the International Labour Organization
- Provide a framework within which employees and their trade unions, employers and employers' organisations can collectively bargain and formulate industrial and labour policy
- Promote orderly collective bargaining at sector level and employee participation in decision making in the workplace in order to effectively resolve labour disputes.

As is the case with any other employer in the country, PanSALB is subject to this act in the conducting of its relations with employees.

6.2.9 The Basic Conditions of Employment Act (No. 75 of 1997)

The purpose of this act is to advance economic development and social justice by:

- Giving effect to and regulating the rights to fair labour practices as conferred by Section 23(1) of the Constitution
- Establishing and enforcing basic conditions of employment
- Giving effect to obligations incurred by the country as a member state of the International Labour Organization.

The obvious implication of this Act for PanSALB is that it must adhere to the provisions of the act in order to uphold at least the minimum requirements for fair working conditions.

6.2.10 The Employment Equity Act (No. 55 of 1998)

The purpose of the act is to achieve equity in the workplace by:

- Promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination
- Implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups in order to ensure their equitable representation in all occupational categories and levels in the workplace

The implication of this is that as PanSALB implements its process of filling its organisational structure, the provisions of this act will have to be borne in mind.

6.2.11 The Skills Development Act (No. 97 of 1998)

The purpose of this act is to:

- Provide an institutional framework to devise and implement national, sector and workplace strategies
- Develop and improve the skills of the South African workforce
- Integrate those strategies within the National Qualifications Framework
- Provide for learnerships that lead to recognised occupational qualifications
- Provide for the financing of skills development by means of a levy grant scheme and a National Skills Fund
- Provide for and regulate employment services

This act is very important in supporting employees to ensure the development of human resources (HR) capacity in order to raise competency and competitive levels in the country. Seen in this particular context, there are obviously implications for PanSALB.

6.3 Policy mandates

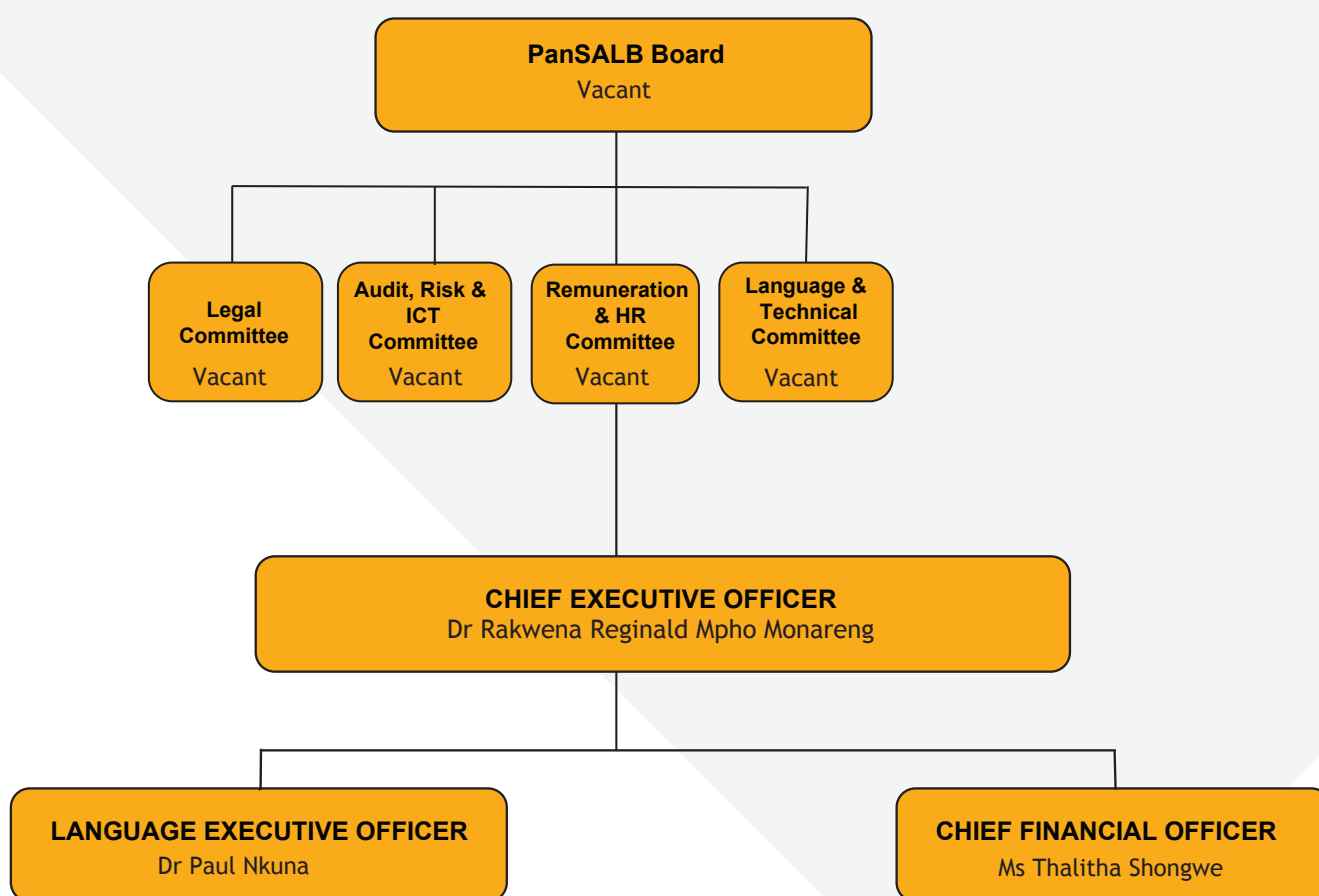
A number of policy pronouncements have a bearing on the work of PanSALB. Policy mandates are derived from supporting legislation and institutional, provincial and national policies. Examples are listed below:

- National Treasury regulations, prescripts and directives
- Public Service Regulations 2001 as amended
- Department of Labour's codes of good practice in the workplace
- Fraud prevention policies
- Applicable general public service policies on procurement/supply chain management, good governance and best practice
- King III Report on Corporate Governance
- Legal and regulatory imperatives for PanSALB functional areas
- Norms and rules for provincial language committees and national language boards, published in Government Gazettes: Board Notice 92 of 2005 and Board Notice 94 of 2005, respectively

For PanSALB to implement these policy mandates, it must follow the guidelines for establishing, monitoring and evaluating the performance of these structures.

There are no recent court rulings that have impacted on PanSALB's mandate or that may necessitate a fundamental change to its strategic direction.

7. ORGANISATIONAL STRUCTURE



8. EXECUTIVE MEMBERS

**Dr RAKWENA REGINALD
MPHO MONARENG**
Chief Executive Officer



Ms THALITHA SHONGWE
Chief Financial Officer



Dr PH NKUNA
Executive Head: Language



PART B:

SERVICE DELIVERY INFORMATION

9. SITUATIONAL ANALYSIS

9.1 Service delivery environment

A thorough situational analysis involving the detailed consideration of a number of pertinent issues was conducted as part of the process of drafting the Strategic Plan. This included key issues in relation to both the performance and organisational environments.

In the performance environment, key considerations included:

- The continued imperative to promote multilingualism
- The constantly changing dynamics and flux in relation to language discourse
- The need for PanSALB to take a leading role in directing and influencing language discourse

In the organisational environment, the key focus was on examining existing external and internal constraints to service delivery as well as opportunities for improved service delivery. The following challenges in relation to the organisational environment were identified:

- The need to draft a new Strategic Plan for 2015–2019
- The need to draft a new Annual Performance Plan for 2016–2017
- The need to review the organisational structure
- The need to embark on a thorough capacity-building programme

These challenges are addressed in greater detail in the ensuing sections of the Strategic Plan. A more detailed analysis is also provided in the sections dealing specifically with the performance and organisational environments.

9.2 Organisational environment

During the past five years, PANSALB has operated in an extremely turbulent and challenging environment. This has impeded PanSALB's ability to deliver fully on its mandate and undermined its ability to have the desired impact on society.

A number of factors have given rise to this turbulent environment. Amongst these are:

- Instability at Board and staff level
- Poor performance at governance level
- Organisational structure and capacity-related challenges
- Underfunding

9.2.1 Instability at Board and staff level

PanSALB has experienced considerable upheaval at Board and staff level in the past. The board has been dissolved twice. A large number of staff were also dismissed during this time. This has resulted in litigation against PanSALB. A further consequence has been high levels of staff instability and demotivation. The PanSALB Board is supposed to be composed of the following committees:

- Languages Committee: The purpose of this committee is to consider and advise the Board on language-related matters, especially regarding the NLBs, PLCs and NLUs.
- Human Resources, Remuneration and Alternative Dispute Resolution Committee: The purpose of this committee is to consider all important matters related to the human resources of PanSALB and to make recommendations to the Board on such matters.
- Audit, Risk and Information and Communications Technology (ICT) Committee: This committee is a standing Board committee established in terms of the PFMA. Internal audit reports go directly to the committee, which in turn reports to the Board.

- Legal Committee/Executive Committee: The purpose of this committee is to deal with actions brought against the Board and to take decisions on urgent matters between Board meetings.

9.2.2 Poor performance at governance level

One of the knock-on effects of this is instability is the poor audit report that has been issued by the Auditor-General for the past three years. These reports point to weaknesses in leadership, internal controls, financial and HR management, monitoring and evaluation, and risk management.

9.2.3 Organisational structure and capacity-related challenges

Another factor that is contributing to PanSALB's instability relates to the organisational structure of the institution. PanSALB is currently functioning with an organisational structure that was adopted a number of years ago. The organisational structure is therefore outdated. A new organisational structure capable of supporting the new Strategic Plan will consequently have to be developed. The intention is to have embarked on an inclusive process to develop an organisational process by no later than the end of the financial year 2015/16. The new structure will then be implemented systematically with the first funding being sought during the budget adjustment period in September 2016.

9.2.4 Underfunding

PanSALB has been hamstrung by underfunding since its inception. This has resulted in PanSALB's not being able to deliver fully on its very important mandate. The effect of this underfunding is captured in the resource constraints section of the Strategic Plan. The drafting of a new Strategic Plan and Annual Performance Plan is seen as an important step in refocusing PanSALB and ensuring that it is adequately funded to deliver on its mandate.

9.3 Key policy developments and legislative changes

Currently, no policy shifts and new initiatives are envisaged. PanSALB will continue monitoring the policy environment and make the necessary adjustments to both the Strategic Plan and the Annual Performance Plan in the event of substantive policy shifts.

A number of policy pronouncements have a bearing on the work of PanSALB. In addition to the Constitution and the PanSALB Act, the Norms and Rules for Provincial Language Committees (PLCs) and National Language Boards (NLBs) have been published in Government Gazettes: Board Notice 92 of 2005 and Board Notice 94 of 2005 respectively, published 30 September 2005. For PanSALB to implement these policy mandates, it must follow the guidelines for establishing, monitoring and evaluating the performance of these structures.

9.3.1 Relevant court rulings

There are no recent court rulings that have impacted on PanSALB's mandate, or that may necessitate a fundamental change to its strategic direction.

9.3.2 Planned policy initiatives

Currently there have been no new policy shifts and initiatives. The PanSALB will continue monitoring the policy environment and make the necessary adjustments to both the Strategic Plan and the APP in the event of substantive policy shifts..

9.4 Strategic outcome-oriented goals

The construction of these goals is informed by the National Treasury Framework (NTF). The goals capture the nucleus of both the PanSALB Act and constitutional mandate.

Strategic outcome - oriented goal 1	Creation of conditions for the development and use of the South African languages
Goal statement	Create settings that are conducive to nurturing language development, use and discourse within the multilingual interplay among and symbiotic coexistence of the official South African languages, Khoi, San and Nama, South African Sign Language and their associated varieties.
Strategic outcome - oriented goal 2	Advancement of the equitable use of all South African languages
Goal statement	Support the establishment of platforms that advance the equitable use of the languages cited in strategic outcome-oriented goal 1 (above) with a meaningful leaning towards the previously marginalised indigenous South African languages.
Strategic outcome - oriented goal 3	Establishment of a linguistic human rights ethos
Goal statement	Establish platforms to address linguistic human rights matters.
Strategic outcome - oriented goal 4	Establishment of research capacity
Goal statement	Initiate, facilitate and support research into a range of topics relevant to PanSALB's mandate.
Strategic outcome - oriented goal 5	Promotion of PanSALB's mandated deliverables
Goal statement	Promote the institution's performance and activities with regard to language development, language use/discourse and linguistic human rights to an array of stakeholders.
Strategic outcome - oriented goal 6	Creation of the organisation's sustainable institutional ability to deliver on the core business and comply with legislation, regulations and prescripts
Goal statement	Create a solid institutional and administrative base for PanSALB to carry out its mandate in relation to finance, information technology, human resources, institutional planning, and performance and risk management.

10. PERFORMANCE INFORMATION BY PROGRAMME

The strategic objectives together with their associated programmes are formulated using the National Treasury's 'Framework for Strategic Plans and Annual Performance Plans' (2010) as the point of reference. Each strategic objective is formulated in support of the strategic outcome-oriented goal, which gives measurable outputs. Outputs are formulated to support the main functions of PanSALB as per the Constitution and the PanSALB Act, as well as the Norms and Rules for the NLBs and PLCs and Memoranda of Incorporation for the NLUs. The plan is to maintain a strong sense of measurability. PanSALB conducts its activity through two broad programme areas, namely:

- Language use, development and equitability
- Administration and institutional support

10.1 Programme 1: Administration and Institutional Support

The purpose of this programme is mainly to provide administration and support services for the optimal functioning of PanSALB's core business. These services include the full array of corporate management services:

- Finance and Supply Chain Management
- Human Resource Management
- Marketing, Communication and Information Technology
- Institutional Performance and Governance

10.1.1 Subprogramme: Finance and Budget Services

The purpose of this objective is to ensure timeous and compliant procurement and finance and management processes. This is in line with the broader aim of ensuring that PanSALB puts in place sound financial management practices to ensure good corporate governance.

Finance and Budget Services

Subprogramme: Finance and Budget Services				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
To ensure PanSALB sustainability	Agreed budget allocations operated within, compliance with governance prescripts/imperatives and delivered to Finance and Budget Services	Maintained/managed internal auditors function vs. contracts Internal audit charter reviewed and approved Audit, Risk and ICT Committee meetings held Advertising for two additional members for Audit, Risk and ICT Committee Audit, Risk and ICT Committee charter approved Service providers paid on time/when due Salaries and statutes settled/paid on time Budgets compiled and approved Consolidated annual financial statements compiled and submitted on time Expenditure vs. budgets monitored	Internal audit function was performed and reports were submitted to management. Internal audit charter was presented to the Audit, Risk and ICT Committee was approved. Three Audit, Risk and ICT Committee meetings took place. Request was submitted to the Board to appoint two additional Audit, Risk and ICT Committee members. Audit, Risk and ICT Committee charter was presented to the Board before disbandment and was approved. All approved service providers were paid on time/when due. Employees and statutes were paid on time.	Some items were not achieved as the Board was disbanded

Subprogramme: Finance and Budget Services				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
		<p>Assets managed/reviewed</p> <p>Medium-term Expenditure Framework updated and submitted to the Department of Arts and Culture (DAC) and the Treasury</p> <p>Allocations for 11 NLUs approved and communicated</p> <p>Communication with the auditors of the 11 NLUs about the audit</p> <p>Annual risk assessment conducted as per strategy</p> <p>Risk framework developed</p> <p>Fraud prevention plan developed</p> <p>Lease agreements concluded</p> <p>Grants received managed</p> <p>Irregular and wasteful expenditure managed and monitored</p> <p>Asset register updated vs. GL</p> <p>Both internal and external auditors managed during audits</p> <p>Personal quarterly reports/performance managed</p> <p>Unspent conditional grants reported and invested</p> <p>Cash flow managed</p>	<p>Budgets were compiled and approved on time and communicated back to the stakeholders.</p> <p>Consolidated annual financial statements were compiled and submitted to the AGSA and National Treasury.</p> <p>Expenditure was monitored on a monthly basis per unit.</p> <p>Assets were aligned with finance through an asset register.</p> <p>Medium-term Expenditure Framework was prepared and submitted to the DAC and Treasury.</p> <p>Communication with 11 NLUs about their budgets allocation took place.</p> <p>Communication with auditors of the NLUs about the submission of their audited financial statements took place.</p> <p>Risk assessment was conducted.</p> <p>Risk framework policy was developed and presented to the Audit, Risk and ICT Committee.</p> <p>Fraud prevention plan was developed and presented to the Audit, Risk and ICT Committee and the Board.</p> <p>Lease agreements were calculated and monitored.</p> <p>All conditional grants received were monitored and complied with their conditions.</p> <p>Irregular and wasteful expenditure was managed and monitored/stopped.</p> <p>Auditors were managed.</p> <p>Cash flow was managed.</p>	

10.1.2 Subprogramme: Supply Chain Management

Subprogramme: Supply Chain Management				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
Sound financial management and supply chain services	Procurement plan submitted to relevant authorities (Audit, Risk and ICT Committee, Board, DAC and National Treasury) in line with prescribed timelines	Procurement plan submitted to relevant authorities (Board, Audit, Risk and ICT Committee, DAC and National Treasury)	Procurement plan signed and submitted.	N/A
Sound financial management and supply chain services	Number of progress reports against procurement plan submitted to relevant authorities (Audit, Risk and ICT Committee, Board, DAC and National Treasury) in line with PFMA-prescribed timelines	No baseline information	No baseline information	Instability within PanSALB management

10.1.3 Subprogramme - Corporate Services

The purpose of this programme is mainly to provide administration and support services for the optimal functioning of PanSALB's core business. These services include the full array of corporate management services:

Human Resource Management

The primary purpose of this objective is to ensure the recruitment, selection and placement of appropriate and competent staff as well as the ongoing capacitation of the PanSALB workforce.

Subprogramme: Corporate Services				
Strategic objective: Build and maintain the capability and capacity of the organisation to deliver on its mandate				
Key performance area	Performance indicator	Actual performance against target		Explanation of variance
		Target	Actual	
Ensure the development or review and implementation of PanSALB strategic and business plans	PanSALB Strategic Plan and Business Plan developed/reviewed	1 August 2014	The Strategic Plan and the Business Plan were reviewed and approved by the Board on 16 May 2015.	Due to change in leadership
	Organisational structure developed/reviewed and implemented	31 March 2015	Achieved on 19 August 2011. The organisational structure was also reviewed and no changes were made.	The organisation was still implementing the structure it had adopted in 2010.
	Corporate Services Operational Plan and work plans developed/reviewed and implemented	31 March 2015	Not achieved	Due to the fact that the Board adopted the strategy in May
Ensure the development of business, operational and management systems, business processes, workflows, standard operating procedures, policies and procedures	Business, operational and management systems, business processes, workflows, standard operating procedures, policies and procedures developed	30 September 2015	Not achieved	Change in leadership
Ensure the development, review and implementation of the HR Plan	HR Plan developed, reviewed and implemented	30 June 2015	Not achieved	Nonexistence of work plans and performance contracts caused the delay in the finalisation of the plan
Ensure the development, review and implementation of the HR Plan	Recruitment strategy developed and reviewed	30 June 2015	Not achieved	Nonexistence of work plans and performance contracts caused the delay in the finalisation of the strategy

Subprogramme: Corporate Services				
Strategic objective: Build and maintain the capability and capacity of the organisation to deliver on its mandate				
Key performance area	Performance indicator	Actual performance against target		Explanation of variance
		Target	Actual	
Ensure the development and implementation of a performance management system	Retention strategy developed and reviewed	30 June 2015	Not achieved	Nonexistence of work plans and performance contracts caused the delay in the finalisation of the strategy
	Performance management system developed and reviewed	30 June 2015	Not achieved	Nonexistence of work plans and performance contracts caused the delay in the finalisation of the system
	Performance management system implemented	30 March 2015	Not achieved	Due to the late completion of the strategy, which resulted in employees working without work plans and performance contracts
Ensure effective HR utilisation and development	HR programmes developed and implemented	30 July 2015	Not achieved	No training due to budgetary constraints
Ensure the development and implementation of efficient and effective HR practices and administration	HR administration system developed and implemented	30 July 2015	A Pastel HR system was purchased and is currently being installed and put into operation.	Due to some data oversights, the system could not be implemented in time.
Ensure the development of employee health and wellness programmes	Employee health and wellness programmes developed and implemented	30 June 2015	In April 2012, PanSALB entered into a contract with the Careways Group to provide a wellness programme.	Due to financial constraints, the contract started on 1 April 2012.

Marketing and Communication

The primary purpose of this objective is to market PanSALB and to communicate with relevant bodies and individuals and to ensure that PanSALB stakeholders are aware of its services.

Strategic objective: <i>Promote and ensure respect for all languages commonly used by communities in South Africa. Ensure the creation of conditions for the development and use of all official languages in South Africa with particular emphasis on previously marginalised languages.</i>				
Key performance area	Performance indicator	Actual performance against target		Explanation of variance
		Target	Actual	
Deliver marketing and communication services	Client satisfaction feedback	3% rating	Not achieved	Challenges with strategy and leadership changes
Facilitate language promotion	Percentage achievement of language promotion	100%	Partially achieved	Due to work overload and limited personnel, this key
Increase employee awareness of PanSALB activities	Rating on employee levels of awareness	3% rating	Not achieved	No rating was done because the organisational strategy and structure were implemented late.

Information and Communications Technology

The primary purpose of this objective is to ensure that PanSALB's core business is adequately supported through the provision of information technology services, platforms and sound applications

Subprogramme: Corporate Services				
Strategic objective: Build and maintain the capability and capacity of the organisation to deliver on its mandate				
Key performance area	Performance indicator	Actual performance against target		Explanation of variance
		Target	Actual	
Deliver ICT services	Satisfaction rating	3 rating	Not achieved	No rating was conducted due to the late review of the Annual Performance Plan and strategy.
Build an ICT infrastructure	Percentage system up-time	100%	90%	Infrastructure was built and network is stable in most cases.
Implement a language database	Percentage achievement of implementation milestones	100% achievement of language ICT infrastructure	Not achieved	Strategy was never cascaded to units.
Utilise systems for service delivery	Internal audit reliance report on the utilisation of systems	Compliance with internal audit reliance report on systems utilisation	Not achieved	Strategy was never cascaded to units.
Utilise business processes for service delivery	Internal audit reliance report on the utilisation of business process	Compliance with improvement internal audit reliance report on systems utilisation	Not achieved	Strategy was never cascaded to units

10.2 Programme 2: Language Services

The language use, development and equitability programme which constitutes the PanSALB's core mandate is divided into the following sub-programmes:

- Language development and use, which focuses on dictionary development and the activities of the NLUs, NLBs and PLCs.
- Equitability of language use, which focuses on establishing previously marginalised indigenous languages in public and private institutions
- Linguistic human rights, which focuses on the investigation of linguistic rights violations and reporting on the status of language rights
- Research, which focuses on conducting relevant research into language related issues in collaboration with reputable research institutions.
- Language promotion which focuses on the conducting of promotion of programme 1.

This programme is based on Section 6(5)(a) of the Constitution, which provides for the promotion and creation of conditions for the development and use of all official languages, the Khoi, Nama and San languages, and Sign Language; and Section 8 (8) (b) and (c) of the PanSALB Act which calls for the establishment of the NLBs and NLUs respectively, where the former are responsible for providing advice to the Board on language matters, whilst the latter are responsible for dictionary compilation. The prerequisite inherent within the two sections are enriched in this programme by extending attention to all South African Languages with a strong leaning towards indigenous South African languages and their associate varieties. A further focus on matters of language use and discourse is included.

10.2.1 Subprogramme: National Lexicography Units

The focus of the first section of sub programme is to continue with the development of dictionaries in the eleven languages and extend this activity further to the Khoi/San/Nama and Sign languages. The byline is that two additional National Language Units shall be established with the possibility for more as per the demand of the potential emergence of new languages. The strategic outcome-oriented goals and their associated strategic objectives, outputs and performance sets, are set out in the tables below.

National Lexicography Units

Measurable objective: To assist in the acceleration of the production of dictionaries and other products that could generate income for the NLUs in the near future and ensure appointment of new Board of Director members for all NLUs.

Strategic objective	Measure/indicator (number and type of dictionaries/ related products produced by each NLU)	Outputs	Performance against target		Reasons for variance
			Target	Actual	
To provide support to the NLUs and submit oversight reports on the status of dictionary development for each of the official South African languages	Silulu Sesiswati First Siswati monolingual dictionary Bilingual (Siswati - English) Tinyoni project book	Completed first Siswati monolingual dictionary Completed bilingual (Siswati -English) Tinyoni project book	Completed editing of first Siswati monolingual dictionary Completed Tinyoni project book with translated Tinyoni names into English	Letters 'A-H' edited = 3 480 new entries Manuscript with the translating language-related institutions and communities	Serious chronic understaffing As above
	Bilingual dictionary for isiZulu produced	Published relevant bilingual isiZulu - English dictionary for the Foundation Phase	Publication of bilingual isiZulu -English dictionary for the Foundation Phase in 2018	Letters 'A-J'	Due in March 2018
	Iziko Lesihlathululi-mezwi LesiNdebele produced atrilingual IsiNdebele-English-Afrikaans dictionary by Heritage Publishers and a monolingual isiNdebele dictionary	Republishes relevant dictionaries for isiNdebele Revised 2006 bilingual dictionary Compilation of the Pictorial Dictionary for the Foundation Phase	Republishing of the IsiNdebele-English-Afrikaans dictionary by Heritage Publishers To be completed in 2017-2018 To be completed in 2017-2018	Publishing contract between INN and Heritage Publishers signed In progress	N/A N/A N/A
	Afrikaans products	Comprehensive explanatory dictionary, the Woordboek van die Afrikaanse Taal, Volume 14 Online WAT improved Etimologiewoordeboek van Afrikaans combined with original version of 2003 produced and Supplement published in 2007 Lexikos Vol. 25 produced	Completed Volume 14 Completed Completed Completed	Letter 'S' 700+ 'new words' entries were completed Completed Completed	N/A N/A N/A N/A

	Ngula ya Xitsonga	Xitsonga monolingual dictionary Bilingual	Completed	Published 2016–2017	N/A
	Sefala sa Setswana	Setswana-English (and reverse) dictionary Proverbs and idioms dictionary	Completed In the pipeline since 2015	Sent to publishers on 30 September 2015	N/A

10.2.2 Subprogramme: Literature and Media

Subprogramme: Literature and Media				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
Develop policies and create conditions for increased publishing of quality literary materials	Workshops, seminars and training	Five workshops, seminars and training sessions	<p>Three authorship workshops and/or seminars on copyright and intellectual property rights were held in the Capricorn, Vhembe and Mopani districts of Limpopo to cater for all three formerly disadvantaged languages.</p> <p>One IsiNdebele writers workshop was conducted in Mpumalanga through the IsiNdebele Literature Technical Committee.</p> <p>An authorship workshop/seminar on copyright and intellectual property rights was held in Bloemfontein (Free State Province).</p>	N/A
Manage, coordinate and facilitate the provision of technical advice and support for authors, structures and other role-players and stakeholders	Provision of authorship and publishing information	Provide authorship and publishing information as and when required to enhance creative authorship and publishing	<p>Individual authors who called or wrote to the office were assisted with relevant available information they required.</p> <p>Supported the Department of Education with its meetings, workshops and seminars relevant to our mandate.</p> <p>Contributed to the literature manuscripts evaluation criteria laid down by the Centre for the Book within the National Library of South Africa.</p>	N/A
Comply with governance imperatives	Compliance with governance imperatives	Comply with governance imperatives as and when necessary	<p>Governance imperatives were complied with.</p> <p>The unit budget was spent wisely in observation of the PFMA.</p> <p>Gave support to PanSALB structures and the office of the CEO.</p>	N/A

10.2.3 Subprogramme: National Language Bodies

The emphasis of this section of sub-programme 1 is on the enhancement of the mandatory deliverables of thirteen National Language Bodies (NLBs) with regards to quality control. It focuses on the following:

- Language Standardisation (Developing rules and standards, spelling and orthography, for the functioning of languages, and promoting these rules and standards) in collaboration with the departments of Arts and Culture, and Basic and Higher Education;
- Terminology development (creation of conditions for the development and use of terminology, verification, authentication and popularisation of terminology including management of terminology in collaboration with the Departments of Arts and Culture, Basic and Higher Education);
- Promotion of the development of literature (creating conditions for the preservation and promotion of South African literary heritage and media in previously marginalised languages including Khoi, Nama and San languages and Sign Language, ensuring accelerated production of literary and media products, inculcation of the culture of reading and provision of support to authors, media practitioners, their respective guilds/associations, internal and external stakeholders as well as other role players).
- Language in education (providing support to the development of teaching and learning (support) materials and curricula in mother tongue using historically marginalised (oral, written and sign) languages); Translation and interpreting (ensuring quality of services). The strategic outcome-oriented goals and their associated strategic objectives, outputs and performance sets, are set out in the tables below.

National Language Bodies

Subprogramme: Language Furtherance and Use				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
To submit reports to the Board, through the Accounting Officer, on the status of language development and use for each of the official languages, the Khoi, Nama and San languages and South African Sign Language (SASL)	Number of NLBs reconstituted as required by the Norms and Rules: Filling of Vacancies	Vacancies within NLBs filled	Vacancies filled as per request by each NLB	No decision taken by the Board on the reconstitution and filling of vacancies
	Number of NLBs reconstituted as required by the Norms and Rules: Extension of Term of Office of NLBs	Term of office of NLBs extended to 31 March 2016	Term of office of NLBs extended to 31 March 2016	N/A
	Number of NLBs reconstituted as required by the Norms and Rules: Extension of Term of Office of NLBs	Term of office of NLBs extended to 31 March 2016	Term of office of NLBs extended to 31 March 2016	N/A
	Number of Chairpersons Forum meetings held as per the Norms and Rules: Two Chairpersons Forum meetings held per year	Two Chairpersons Forum meetings held in 2015–2016	Number of NLB Chairpersons Forum	A submission was made to the Board and no decision was taken on the Chairpersons Forum meetings.

Subprogramme: Language Furtherance and Use

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
	Board Notice 94 of 2005 (Norms and Rules for NLBs) reviewed/revised	Reviewed/revised Norms and Rules for NLBs approved by the	The process to review/ revise the Norms and Rules was initiated but not finalised	The process was put on hold by the CEO's Office until further notice.
	Number of NLB meetings held in line with the requirements of the Norms and Rules (for NLBs)	One planning meeting held by each of the 13 NLBs to develop an annual plan for 2015–2016	Eleven NLBs (Sepedi/Sesotho sa Leboa, Sesotho, Setswana, Siswati, Tshivenda, Xitsonga, English, isiNdebele, isiZulu, Khoi and San, and SASL) held one planning meeting each to develop their respective annual plans for the 2015–2016 financial year. The Afrikaans NLB developed the annual plan via teleconferencing. The isiXhosa NLB held no meetings and did not submit an annual plan.	The annual plan for the Siswati NLB was submitted during the fourth quarter and was not approved – it was too late to allow for implementation of meetings and projects. The Afrikaans NLB could also not hold a reporting meeting because there was a glitch in implementing the projects (see comments in one of the pages below).
		Approved annual plans for each of the 13 NLBs	Eleven approved annual plans.	Though the annual plan of the English NLB was submitted in June 2015, the NLB could not implement any of the projects because the Board had been dissolved before it could take a decision on the projects identified by the NLB.
	Number of meetings held and projects implemented per NLB, as prescribed by the Norms and Rules	Implementation of the approved annual plans by each of the 13 NLBs	<p>Sepedi/Sesotho sa Leboa NLB The NLB held one meeting out of two and implemented two projects (Workshop on Spelling and Orthography Rules and on Authentication of Agricultural Terms) as per the annual plan.</p> <p>Sesotho NLB Implemented the annual plan fully and also undertook a project as per the initiative of the Free State PLC (FSPLC).</p>	<p>The Workshop on Spelling and Orthography Rules and the last meeting (for reporting) could not take place due to a clash of dates with the PanSALB workshop.</p> <p>N/A</p> <p>N/A</p>

Subprogramme: Language Furtherance and Use

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			<p>Setswana NLB Implemented the annual plan fully and also undertook a project initiated by the FSPLC.</p> <p>Siswati NLB The NLB held only one meeting (the planning meeting)</p> <p>Tshivenda NLB The NLB held one meeting out of two and implemented one project out of three. The second project was partly completed.</p> <p>Xitsonga NLB The NLB held one meeting out of two and implemented two projects as per the approved annual plan.</p>	<p>The annual plan was submitted late (in February 2016), thus not allowing time for implementation. This was due to unforeseen circumstances.</p> <p>The one project on spelling and orthography was scheduled for completion in February 2016, but the meeting was called off because of the clash of dates with the PanSALB workshop.</p> <p>One meeting was not held due to a clash of dates with a workshop scheduled by PanSALB.</p>
			<p>Afrikaans NLB The NLB could not implement the annual plan.</p> <p>English NLB The annual plan was not approved.</p> <p>isiNdebele NLB The NLB held two meetings (one for planning and another for reporting) and implemented four out of five projects (Literature Development Workshop, awards ceremony to posthumously honour isiNdebele legends who had made numerous contributions to the promotion, development and use of isiNdebele – Messrs JS Mtsweni and BD Masango and Dr PB Skhosana, resuscitation of cooperation with the aMaNala and amaNzunza kingdoms and co-option of NLB experts to serve on the NLB).</p>	<p>Implementation delayed due to supply chain processes that were not complied with in sourcing language projects.</p> <p>Projects identified by the NLB needed a Board decision because they have implications for the principle of multilingualism (as per the draft PanSALB policy document on multilingualism).</p> <p>The project on the Introduction of isiNdebele as a language in Saaiplaas could not be implemented due to time constraints.</p>

Subprogramme: Language Furtherance and Use				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			<p>isiXhosa NLB The NLB held no meetings and submitted no annual plan.</p> <p>siZulu NLB The NLB held one meeting for planning and no reporting meeting. A special meeting was held with the CEO's Office, the NLBs Unit, the Literature and Media Section and the Language in Education Section to discuss the financial needs of the NLB that rendered the NLB ineffective and retarded progress.</p>	The annual plan was submitted with costs beyond the allocated budget, which the NLB emphasised needed to be implemented to address the backlog in language development and use due to the nonfunctioning of PanSALB for the past number of years.
			<p>Khoi and San NLB One meeting out of two held to develop the annual plan. None of the five approved projects were implemented.</p> <p>SASL NLB The NLB held one meeting out of two and implemented two projects out of five.</p>	<p>The NLB indicated that the allocated budget was sufficient for four meetings as per the Norms and Rules for NLBs. There was therefore no budget for projects.</p> <p>The NLB also indicated that the Sitting Fee paid by PanSALB is too low compared to what is paid by other organisations and that duties and responsibilities carried out by NLBs are demanding in terms of time, quality, expertise and research, which makes the payable fee not justified and not market related. This notion is shared by other NLBs.</p> <p>The second meeting and the implementation of two of the projects were called off due to</p>

<i>Subprogramme: Language Furtherance and Use</i>				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
				the clash of dates with the PanSALB workshop. In addition to the above, the development of the SASL Communication Charter took a great deal of time and other technical committees could not function as expected.
	Language standardisation Review/revision of spelling and orthography rules	At least five NLBs conducted consultative meetings on spelling and orthography rules with a view of reviewing the rules. The Khoi and San NLB developed an action plan on the development of spelling and orthography rules. The SASL NLB developed a draft SASL Communication Charter.	Consultative workshops on spelling and orthography as part of the review process Sesotho NLB The NLB hosted a two-day consultative workshop on spelling and orthography rules in Bloemfontein on 5 and 6 November 2015. Setswana NLB The NLB conducted two consultative workshops: <ul style="list-style-type: none"> • Mmamothlake in Seabe, Mpumalanga Province; and • Kimberley in the Northern Cape Province. Tshivenda NLB On 16 July 2015, the NLB reviewed the Tshivenda spelling and orthography rules but could not complete the process. It was agreed that the process would continue around November 2015, but this could not happen. A date in February 2016 was identified, but again this was called off. Xitsonga NLB The NLB conducted a Workshop on Xitsonga Spelling and Orthography Rules on 12 August 2015 in Tzaneen. The main purpose of the workshop was to popularise the rules among educators and curriculum advisers.	The November date was called off due to disturbances in institutions of higher education, and in February, plans were put off due to a clash in dates with the PanSALB workshop. The workshop was supposed to be held in Mpumalanga, but a suitable venue for the budgeted amount could not be found and the NLB then decided to host the workshop in Tzaneen, Limpopo. Workshops will be hosted in Gauteng and Mpumalanga in future.

Subprogramme: Language Furtherance and Use

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			<p>isiNdebele NLB The project to distribute isiNdebele spelling and orthography rules and isiNdebele dictionaries was postponed to a later date in 2016 due to time constraints.</p> <p>SASL NLB (a) The development of the SASL Communication Charter. The first draft of the SASL Communication Charter – the draft content outline – was developed. The draft document will be finalised, and then a window for inputs and comments from the entire SASLB will be opened and from there the document will follow the standard procedure of the consultative processes.</p> <p>(b) Standardisation of the South African National Anthem in SASL. The project could not be implemented.</p> <p>(c) Developing the White Paper on an Integrated National SASL Strategy to officialise SASL. The project was not implemented.</p>	<p>Time constraints.</p> <p>The initial process took longer than expected. The Project Plan will have to be adjusted accordingly. Funds allocated for this project were used to augment in the project for the development of the SASL Communication Charter.</p> <p>The planned meeting clashed with the PanSALB workshop, and by then a new submission could be made because of the six-week rule applicable to submissions.</p> <p>The planned meeting clashed with the PanSALB workshop, and by then a new submission could be made because of the six-week rule applicable to submissions.</p>
			<p>Other spelling and orthography workshops</p> <p>On 19 February 2016, the Sesotho, Setswana and isiXhosa NLBs conducted workshops on spelling and orthography rules for Sesotho, Setswana and isiXhosa respectively in Bloemfontein, Free State, per invitation by the FSPLC as part of the International Mother Language Day celebration.</p>	

Subprogramme: Language Furtherance and Use

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			The aim of the workshops was to introduce educators to and familiarise them with the revised spelling and orthography rules and to provide them with booklets of the rules to ensure that they (the educators) use the booklets as a teaching resource material.	
	Printing and distribution of spelling and orthography rules booklets in the nine official formerly marginalised languages (Sepedi/Sesotho sa Leboa, Sesotho, Setswana, Siswati, Tshivenda, Xitsonga, isiNdebele, isiXhosa and isiZulu).	Spelling and orthography rules booklets in the nine official former marginalised languages printed and distributed.	Process initiated but not finalised.	Project delayed by internal processes and unforeseen circumstances.
	<p>Terminology development</p> <p>Authentication of agricultural terminology by three NLBs (Sepedi/Sesotho sa Leboa, Tshivenda and Xitsonga). Verification and authentication of agricultural terminology by one NLB (Siswati).</p>	Authentication of terminology by at least four NLBs	<p>The following NLBs authenticated agricultural terminology:</p> <ul style="list-style-type: none"> • Sepedi/Sesotho sa Leboa; • Tshivenda (9 to 11 March 2016); and • Xitsonga (25 to 27 November 2015). <p>The Siswati NLB verified and authenticated the agricultural terminology.</p> <p>isiZulu NLB</p> <ul style="list-style-type: none"> • Verified the law studies terminology from 15 to 17 September 2015. • On 1 and 2 September 2015 it verified and on 3 and 4 September it authenticated the conservation terminology. • From 11 to 13 August 2015 it authenticated the environmental studies terminology. • From 27 to 30 November 2015 it verified and authenticated the physics and research terminology. • On 1 and 2 December 2015 it authenticated the law terminology. • On 3 and 4 December 2015 it authenticated the physics terminology. 	<p>N/A</p> <p>A request for verification and authentication came from the Mpumalanga Department of Sport, Arts, Culture and Recreation. Funding was also provided by the department with PanSALB paying the Sitting Fee.</p>

Subprogramme: Language Furtherance and Use				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			<p>The abovementioned projects undertaken by the isiZulu NLB were fully funded by the University of KwaZulu-Natal.</p> <p>The NLB also verified and authenticated the following terminology from the KwaZulu-Natal DAC:</p> <ul style="list-style-type: none"> • Biodiversity terminology on 9 and 10 November 2015. • Conservation terminology on 13 November 2015. <p>Both projects were fully funded by the KwaZulu-Natal DAC.</p>	
		One translation and interpreting workshop was conducted.	<p>Setswana NLB</p> <p>The NLB conducted a translation and interpreting workshop in Mahikeng. The workshop was aimed at raising awareness around translation as a profession and to develop and improve the skills of Setswana language practitioners in the fields of translation and interpreting. Organisations represented at the workshop included:</p> <ul style="list-style-type: none"> • Senior lecturers in translation and interpreting and Setswana language experts from North West University; • General Manager: South African Broadcasting Company (SABC) North West; and • North West Provincial Manager of the Itataise, Arts, Culture and Sports Organisation. <p>Decisions taken at the workshop are as follows:</p> <ul style="list-style-type: none"> • More funding is to be allocated for such workshops. • Similar workshops are to be conducted in other provinces. • A programme is to be put in place accompanied by the necessary resources to ensure that all 	

Subprogramme: Language Furtherance and Use				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			<p>translated documents are authenticated by the Setswana NLB.</p> <ul style="list-style-type: none"> The NLB has to continue engaging the Departments of Education and other organs of state about the necessity of monitoring translation and interpreting services as well as providing advice where necessary. 	
	Language in education		<p>SASL NLB Monitoring the development and implementation of the SASL Curriculum Assessment Policy Statement (CAPS)</p> <p>A meeting between the SASL NLB and the Department of Basic Education (DoBE) was held on 16 February 2016 to discuss issues related to the development and implementation of the SASL CAPS. From the decisions taken, the NLB decided that it would monitor the process based on key points agreed upon.</p> <p>Future plans</p> <p>Among the decisions taken regarding the CAPS, key was the need to establish an NLU for the development of SASL dictionaries and related products. Such a unit should work together with the DoBE in the development of SASL teaching and learning materials.</p> <p>For the next SASL NLB meeting, universities that offer SASL as a subject (University of the Witwatersrand, University of the Free State, North West University, University of Stellenbosch, University of Limpopo and University of Cape Town) are to be invited to make presentations on the possibility of establishing an SASL NLU in their institutions.</p>	

Subprogramme: Language Furtherance and Use				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
	Number of status reports on other language development and use projects and activities (miscellaneous)	Two status reports on other language development and use projects and activities (miscellaneous)	<p>isiZulu NLB On 24 November 2015, the NLB held a meeting with the CEO's Office, the NLBs Unit, the Literature and Media Section and the Language in Education Section to discuss the budget allocated for the NLB, the Sitting Fee and funding for projects such as <i>Izwi LoMzukazwe</i> (isiZulu Journal) and others identified by the NLB (as critical) in line with the PanSALB mandate and strategic objectives.</p>	<p>English NLB Projects identified by the NLB could not be implemented because there was no Board decision on these.</p> <p>Afrikaans NLB Literature projects identified by the NLB could not be implemented because supply chain processes were not followed in identifying the projects. The Supply Chain Management Section consulted with the National Treasury in an attempt to obtain an exception for the projects, but the process was not concluded.</p>
			<p>Sesotho NLB On 15 and 16 October 2016, the Sesotho NLB and the FSPLC embarked on a fact-finding and outreach initiative in Nquthu (an area dominated by a Sesotho-speaking community), KwaZulu-Natal. This was based on a complaint received by the Free State PanSALB Office from the Sesotho speakers of Nquthu through the PanSALB KwaZulu-Natal Provincial Office. The Sesotho community of Nquthu has been requesting assistance from the Sesotho National Language Body (SNLB) to deal with its challenges as the minority group in a province where isiZulu is the predominant language. A meeting with different stakeholders (the Nquthu Local Municipality, the House of Traditional</p>	

<i>Subprogramme: Language Furtherance and Use</i>				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			Leaders, nongovernmental organisations, community-based organisations and the KwaZulu-Natal Department of Education) was held.	Treasury in an attempt to obtain an exception for the projects, but the process was not concluded.
			<p>The findings confirmed the complaints submitted to PanSALB by the Sesotho-speaking community. These include the following:</p> <ul style="list-style-type: none"> • Learners from Sesotho-speaking families are taught in isiZulu because most schools in their communities offer isiZulu as a home language. • In some schools, Sesotho is taught by educators who did not study Sesotho as a subject. • Support for educators teaching Sesotho is almost nonexistent, especially in the Umzinyathi Education District. • Some Basotho surnames are written in isiZulu in identity documents (e.g. Motloung is Ndlovu, Tsotetsi is Sondezi, Motaung is Mndaweni, Khanye is Khanyi, Lephoto is Lumphondo, etc.). • Basotho people are forced to speak isiZulu in order to access services in most government departments, including the local municipality where the newsletter is written in isiZulu only. <p>In order to address the challenges experienced by the complainants, several recommendations were made with PanSALB committing to constantly monitoring the situation.</p>	

<i>Subprogramme: Language Furtherance and Use</i>				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			Key in these recommendations is the development of a language policy by the Nquthu Local Municipality.	
	Strategic partnerships established and maintained	Two NLBs established cooperation with other bodies.	<p>isiNdebele NLB The isiNdebele NLB held meetings on 15 October 2015 and 8 March 2016 to strengthen partnerships with two amaNdebele kingdoms – the Manala and amaNzunza.</p> <p>SASL NLB The NLB in its meeting of 15 February 2016 established cooperation with the DoBE in relation to SASL matters.</p>	<p>N/A</p> <p>N/A</p>

10.3 Programme 3: Provincial Offices

The emphasis of this section of sub-programme 1 is on the Pan South African Language Board's conception of the bill of right and the inculcation of human right culture is in the form of the linguistic human right within a multilingual symbiosis of all the South Languages. Of key importance is to moot to extinction the possibility of pockets induced monolingual society - a pseudo-multilingualism akin to the apartheid era. The quest for linguistic human right is a mandatory responsibility that is constitutionally conferred to this entity. The respect aspect required by section 6(5)(b) of the Constitution is here addressed from the right perspective- the right of existence, fair treatment etc. The programme addresses these by: Monitoring the use of previously marginalised languages and the availability of language resources, with special emphasis on translation and interpreting resources; resolving language rights violation; proposing amendment to the existing legislations or by-laws; and policies and procedures; Monitoring the development and promotion of multilingualism; advising provincial MECs and legislatures as well as local government about proposed and existing legislation, by-laws, policies and procedures; establishing and maintaining database of language role players, organisations, equipment, translation and interpretation facilities and resources. The responsibility of advancing the linguistic human rights agenda lies with the nine Provincial Language Committees and the linguistic human right unit.

10.3.1 Subprogramme: Mpumalanga Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
Ensure the sustainability of PanSALB	Compliance with governance imperatives	Comply with governance requirements as and when required	<p>Complied with governance requirements in terms of office administration and coordination.</p> <p>Complied with the PFMA regarding utilisation of the organisational resources.</p> <p>Contributed to the rebranding of PanSALB through good public relations management and community interactive projects.</p> <p>Staff motivational and plenary meetings were conducted.</p> <p>The office attended and contributed to a collaborative workshop organised on arts institutions and the Cultural and Creative Industries Federation of South Africa and hosted by the Department of Culture, Sport and Recreation.</p>	<p>N/A</p> <p>N/A</p>
Create awareness of language use	Awareness campaigns, training sessions, awards events, workshops and seminars	<p>One awards ceremony</p> <p>Two celebrations of an important day on the linguistic calendar</p> <p>One workshop</p> <p>Two awareness campaigns</p>	<p>An IsiNdebele literary awards ceremony was held in Kwamhlanga to celebrate pioneers in IsiNdebele writing.</p> <p>An International Mother Language Day celebration was held at Thembisile Hani Municipality in Mpumalanga (3 March 2016), and 100 people attended.</p> <p>A literature workshop was conducted by the IsiNdebele NLB in liaison with the Nkangala District Municipality.</p> <p>A creative writing workshop was conducted in the Nkangala District of Mpumalanga.</p> <p>The IsiNdebele NLB conducted a meeting between the Nzunza and Amanala kingdoms of the</p>	<p>N/A</p> <p>Financial constraints</p>

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			<p>Amandebeles in the interest of language use awareness.</p> <p>A reconciliatory meeting for the two Siswati writers' guilds (Umhlahlandlela and Umgogodla) was held to forge unity among the services for the Siswati language and its users.</p> <p>A Deaf Awareness Month campaign was conducted at Ermelo, Gert Sibande District.</p> <p>The Isindebele NLB conducted a language use business talk with the Ikwekwezi FM (SABC). This aimed at empowering the station with appropriate language use.</p> <p>The planned Deaf Awareness Big-walk did not take place due to financial constraints.</p>	
Coordination of PanSALB structures	Coordination and facilitation of PanSALB structures and their activities	<p>Two NLB meetings (Siswati)</p> <p>Two NLB meetings (IsiNdebele)</p> <p>Two PLC meetings</p>	<p>The Siswati NLB only managed to hold one meeting for terminology authentication in Nelspruit. Other meetings could not be held due to operational reasons.</p> <p>The IsiNdebele NLB managed to conduct two business meetings.</p> <p>The PLC managed to conduct two business meetings.</p>	N/A

10.3.2 Subprogramme: North West Provincial Office

Subprogramme: North West Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
Report on promotional initiatives and stakeholder engagement organised by PanSALB	Promotion of the use of languages with special emphasis on previously marginalised languages	13 April 2015	Held radio interview with Vaaltar FM on language symposium that was held on 26 March 2015 at Tlokwe City Council.	
		22 April 2015	Supported and attended the establishment of a publishing house hosted by the Department of	

<i>Subprogramme: North West Provincial Office</i>				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			Culture, Arts and Traditional Affairs (DCATA).	
		22 April 2015	Supported and attended the establishment of a publishing house hosted by the Department of Culture, Arts and Traditional Affairs (DCATA).	
		7 May 2015	Attended the budget speech for the DCATA.	
		14 May 2015	Attended a follow-up meeting on the establishment of a publishing house hosted by the DCATA.	
		12 June 2015	Supported and attended a provincial consultative meeting on heritage landscape organised by the DCATA at Bosman Museum, Groot Marico.	
		28 July 2015	Held a one-on-one meeting with the Setswana subject teacher from Barolong High School to discuss issues relating to the youth school debate.	
		31 July 2015	Attended the North West Forum for Institutions Supporting Democracy meeting coordinated by the South African Human Rights Commission at Rustenburg.	
		19 August 2015	Coordinated and attended a youth school debate at Barolong High School. The purpose of the event was to promote mother tongue debates in schools.	
		27 August 2015 15 September 2015	Held plenary meetings for Heritage Day celebrations at Vryburg.	
		1 & 16 September 2015	Attended task team plenary meetings for International Dictionary Day for Sefala at North-West University.	

Subprogramme: North West Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
		17 September 2015	Attended Setswana Indigenous Knowledge System and gala dinner hosted by the Department of Education.	
		19 September 2015	Attended and supported Deaf Awareness Seminar hosted by the DCATA at the Hotel School, Mmabatho.	
		30 September 2015	Attended and supported International Translation Day celebrations hosted by the DCATA at the Hotel School, Mmabatho.	
		8 October 2015	Attended and facilitated a stakeholder relations meeting at Vryburg for Heritage Day celebrations.	
		13 October 2015	Held a bilateral meeting with the Deputy Director of Language Services, DCATA, to align provincial projects/activities.	
		14 October 2015	Coordinated and attended Heritage Day celebrations at Banquet Hall, Vryburg: Annual Khoi-San celebrations.	
		16 October 2015	Coordinated and attended Deaf Awareness Campaign and International Translation Day celebrations at Kgakala	
		20 October 2015	Attended Good Public Protector Governance's Week at Public Protector, Riviera Park.	
		21 October 2015	Attended and participated in the seminar for Setswana language hosted by the North-West	
		3 & 10 February 2016	Assisted the Plenary Committee in preparation for International Mother Language Day celebrations sanctioned by the DCATA at Ottosdal, Tswaing Local Municipality.	
		12 February 2016	Attended and addressed a media press conference organised by the Itataise, Arts, Culture and Sports Organisation in conjunction with the SABC and PanSALB at the SABC.	

<i>Subprogramme: North West Provincial Office</i>				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
		19 February 2016	Attended and rendered administrative support at the International Mother Language Day celebrations at Ottosdal, Tswaing Local Municipality.	
		16 & 25 February 2016	Attended and coordinated plenary meetings for provincial celebration of International Mother Language Day and matric awards ceremony/gala dinner at Saveria House, Mahikeng Local Municipality, and Setlagole, Ratlou Local Municipality, respectively.	
		8 March 2016	Coordinated and facilitated workshop on translation and interpreting conducted by the SNLB Technical Committee for Translation and Interpreting at the Golden Leopard Resort, Mahikeng Local Municipality.	
Report on promotional initiatives and stakeholder engagement organised by PanSALB	Promotion of use of languages with a special emphasis on previously marginalised languages	9 March 2016 10 March 2016	Honoured/awarded top language achievers in matric 2015. Issued certificates, Ipads and cheques at Boeresaal, Setlagole, Ratlou Local Municipality. Celebrated International Mother Language Day together with language stakeholder at Boeresaal, Setlagole, Ratlou Local Municipality.	
		17 March 2016	Attended and supported the opening of the House of Traditional Leaders at North West Legislature, Ga Rona.	
		23 March 2016	Attended and facilitated stakeholder relations meeting with the SABC North West Management Team at the regional	
Reports on initiatives by the NLBs for the promotion and creation of conditions for the development and use of official languages, with the focus on formerly marginalised	Language use and development projects. Language use and development advisory service use	19 & 20 Nov 2015	Coordinated and attended a conference on the promotion of multilingualism advocacy in local and provincial government at Elgro Hotel, Potchefstroom.	

Subprogramme: North West Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
indigenous languages, Khoi, Nama and San languages and SASL		13 & 14 August 2015	Coordinated and attended the North West PLC (NWPLC) capacity-building workshop at Dikhololo Conference Centre, Brits. Discussion theme: language imperatives.	
Delivery of financial management and supply chain to PanSALB	Compliance with governance imperatives	14 April 2015 NWPLC and PanSALB provincial offices	Held monthly staff meeting to discuss provincial office administration.	
		22 & 23 April 2015 Management staff	Attended a workshop and participated in the drafting of the Strategic Plan for the organisation at Pomona Hotel, Kempton Park.	
		22 April 2015	Updated the office of the Member of the Executive Council (MEC) on the achievements of the NWPLC –2014/15.	
		6–8 May 2015	Attended a Management Committee meeting at PanSALB Head Office.	
		12 May 2015	Coordinated the meeting between the Acting CEO of PanSALB, North West provincial staff and chairpersons of structures in the North West.	
		16 May 2016	Attended and participated in the Strategic Development Plan with the Board of PanSALB at Head Office.	
		12–14 June 2015	Attended and coordinated an NWPLC general meeting at Thagamoso Lodge, Zeerust.	
		24–26 June 2015	Attended and coordinated an SNLB general meeting at Orion Hotel, Rustenburg.	
Delivery of financial management and supply chain to PanSALB	Compliance with governance imperatives	21 July 2015	Held a provincial administrative meeting for NWPLC and PanSALB.	
		22 & 23 July 2015	Attended a Management Committee meeting at Hotel 224, Pretoria.	
		9 October 2015	Coordinated a provincial staff meeting with the Acting CEO of PanSALB.	
		28 & 29 October 2015	Attended and participated in a corporate governance workshop at the Premier Hotel, Pretoria.	

Subprogramme: North West Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
		3–5 November 2015	Attended and participated in the drafting and adoption of the Strategic Plan of the organisation at Head Office.	
Delivery of financial management and supply chain to PanSALB	Compliance with governance imperatives	21 January 2016	Attended a Management Committee meeting at Southern Sun Hotels Head Office.	
		29 & 30 January	Attended and facilitated an NWPLC general meeting at the Protea Hotel, Klerksdorp.	
		28 January 2016 25 February 2016 31 March 2016	Coordinated monthly provincial staff meetings.	
		14 & 15 March 2016	Attended a Management Committee meeting and participated in the finalisation of the Strategic Plan for the organisation at Southern Sun Hotels Head Office.	
		16 March 2016	Attended and coordinated an NWPLC executive meeting at Saveria House, Mahikeng Local Municipality.	

10.3.3 Subprogramme: KwaZulu-Natal Provincial Office

Subprogramme: KwaZulu-Natal Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
Monitor the existence and implementation of the language policy	Meeting	Guide and assist in the formulation and implementation of the language policy at both local and provincial government levels.	Not achieved	
Create awareness of language use	Meeting	Facilitate and advise on the representation of Abathwa in the KwaZulu-Natal PLC (KZNPLC). Monitor the capacitation of translators and interpreters.	Not achieved	
	Meeting		Not achieved	

Subprogramme: KwaZulu-Natal Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
Promotion of multilingualism	Awareness	International Deaf Awareness Month (distributed PanSALB information brochure)	Achieved	
	Celebration	International Translation Day celebration in Ndwedwe on 1 October 2015 (distributed promotional material)	Achieved	
	Celebration	International Mother Tongue Day celebration in Umvoti (Greytown) on 22 February 2016	Achieved	
	Celebration	International Mother Tongue Day Colloquium		
	Meeting	Four PLC special meetings	Not achieved	Financial constraints
	Meeting	Two PLC special meetings	Not achieved	Financial constraints
Deliver language products and services that create an environment conducive to languages		Verification of environmental studies terminology 5–7 May 2015	Achieved	
		Verification of conservation terminology 1–2 September 2015	Achieved	
		Verification of law terminology 15–17 September 2015	Achieved	
		Verification of UKZN physics and research terminology 27, 29–30 October 2015	Achieved	
		Verification of biodiversity terminology 9–10 November 2015	Achieved	
		Verification of research terminology 27–30 November 2015	Achieved	
		Authentication of environmental studies terminology on 11–13 August 2015	Achieved	

Subprogramme: KwaZulu-Natal Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
		Authentication of biodiversity and conservation terminology on 11–13 November 2015	Achieved	
		Authentication of law terminology on 1–2 December 2015	Achieved	
		Authentication of physics terminology on 3–4 December 2015	Achieved	
Create awareness of language use	Meetings	<p>Stakeholders' indaba (Department of Education, National Heritage Council, DAC, USIBA, Innovative Pharmaceutical Association South Africa, South African Democratic Teachers' Union, National Teachers' Union, etc.)</p> <p>Check content of isiZulu and verify and authenticate books</p> <p>Monitor the language levels used at schools (first and second additional languages)</p> <p>Language in education policy 2009 Language (audit implementation on national language policy) (Phase 2)</p> <p>NLB norms and rules Literature development workshops/campaign (1)</p> <p>Stakeholders' indaba Literature development workshops/campaign (2)</p> <p>Stakeholders' indaba Literature development workshops/campaign (3)</p> <p>Stakeholders' indaba Literature development workshops/campaign (4)</p>	Not achieved	

Subprogramme: KwaZulu-Natal Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
		IsiZulu NLB meeting on 23–24 July 2015 to draft the Annual Plan 2015/2016	Achieved	
		IsiZulu NLB meeting on 23–24 November 2015	Achieved	

10.3.4 Subprogramme: Free State Provincial Office

Subprogramme: Free State Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
Language development and use	A two-day consultative workshop for the revision of the Sesotho spelling rules and orthography booklet of 2008 on 5–6 November 2016.	A consultative workshop targeting Sesotho educators, heads of department, language practitioners, linguists, and so on with the objective of revising and popularising the SNLB booklet.	Achieved	
Equitability of language use	Presentations made at municipal intergovernmental meetings to assist municipalities in the Lejweleputswa District to draft language policies.	Municipalities are assisted to draft language policies.	Achieved	
Linguistic human rights	An investigation on the language rights violations of the Sesotho community in Nquthu, 15–16 October 2015.	Conduct a two-day fact-finding mission in Nquthu on challenges faced by the Sesotho community.	Achieved	
Language promotion	The International Translation Day celebration dialogue for language practice students aimed at promoting languages and translation and interpreting as professions was held on 30 September 2015.	Host the International Translation Day celebration event.	Achieved	
Equitability of language use	Presentation of awards to the six top language learners in the official languages spoken in the Free State at the Matric Well Done Function and the schools.	Visit the schools and make a presentation and present awards to the top language learners, educators and schools	Achieved	
Language promotion	The International Mother Day celebration workshop	Host the International Mother Tongue Day	Achieved	

Subprogramme: Free State Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
	aimed at promoting mother tongue education and quality control of previously marginalised languages, 19 February 2016.	celebration event.	Achieved	
Language promotion	Rural Multilingualism Outreach Campaign to promote multilingualism and inform the community of Qwaqwa about its language rights and the importance of home languages on 3 March 2016.	Facilitate the Rural Multilingualism	Achieved	
Language development and use	Two FSPLC meetings held on 11 September 2015 and 4 March 2016 respectively to monitor the development and promotion of multilingualism and advise the MEC.	Outreach Campaign in Qwaqwa. Hold at least four FSPLC meetings in a financial year.	Two meetings held	More meeting could not be hosted due to financial constraints.
Language development and use	A seminar on copyright and literature production to empower writers regarding the new CAPS on 18 March 2016.	Literature seminar on the CAPS.	Achieved	

10.3.5 Subprogramme: Limpopo Provincial Office

Subprogramme: Limpopo Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
Deliver language products and services that create an environment conducive to languages	Provincial coordination Services	<p>Hold Tshivenda NLB meeting to finalise the updating of spelling and orthography rules for Tshivenda.</p> <p>Hold meeting for Sepedi/Sesotho sa Leboa NLB.</p> <p>Host workshop for spelling and orthography rules for Xitsonga NLB in Mopani District.</p> <p>Induct Limpopo PLC (LPLC) after the MEC has inaugurated it.</p>	<p>Tshivenda NLB meeting held to finalise the updating of spelling and orthography rules for Tshivenda 16–17 July 2015.</p> <p>Held meeting for Sepedi/Sesotho sa Leboa NLB at Magoebaskloof Hotel 30–31 July 2015.</p> <p>Hosted workshop for spelling and orthography rules for Xitsonga NLB at Former Giyani College of Education in Mopani District on 12 August 2015.</p> <p>Inauguration of LPLC was held on 31 August 2015 and induction was held at Coach House Hotel in Mopani District on 23–24 September 2015.</p>	

Subprogramme: Limpopo Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
		<p>Hold LPLC meeting to plan for PLC projects and activities for 2015/16.</p> <p>Arrange for Memorandum of Understanding to be signed between the LPLC and the Department of Sport, Arts and Culture (DSAC) signed.</p> <p>Hold LPLC special meetings if necessary.</p> <p>Host workshop for authentication of Xitsonga agricultural terminology lists from the DSAC.</p> <p>Host workshop for spelling and orthography rules for Sepedi/Sesotho sa Leboa NLB at Tivumbeni Multipurpose Centre in Mopani District.</p> <p>Host agricultural terminology authentication workshop for Tshivenda and Sepedi/Sesotho sa Leboa NLB.</p> <p>Hold meeting for Xitsonga NLB</p>	<p>LPLC meeting held at Coach House Hotel in Mopani District. Plans for 2016/17 were identified on 25 September 2015.</p> <p>Memorandum of Understanding between LPLC and DSAC signed. The DSAC funded the LPLC with R50 000 for projects and one special meeting.</p> <p>LPLC special meeting held with DSAC funding on 4 March 2016.</p> <p>Hosted workshop for authentication of Xitsonga agricultural terminology lists from the DSAC on 25–27 November 2015.</p> <p>Hosted workshop for spelling and orthography rules for Sepedi/Sesotho sa Leboa NLB at Tivumbeni Multipurpose Centre in Mopani District on 29 July 2015.</p> <p>Hosted agricultural terminology Authentication workshop for Tshivenda and Sepedi/Sesotho sa Leboa NLB on 9–11 March 2016.</p> <p>Held meeting for Xitsonga NLB at Hotel@Tzaneen on 13–14 August 2015.</p>	
Deliver language products and services that create an environment conducive to languages	Equitable promotion of language use and research	<p>Host language competitions: reading, writing and poetry sessions.</p> <p>Hold meeting with representatives of Sekgosese Circuit.</p> <p>Celebrate Mandela Day at Phaudi</p>	<p>Collaborated with Limpopo Department of Education, under Mankweng cluster during language competitions: reading, writing and poetry sessions held on 24 July 2015 at Mankgaile Primary School.</p> <p>Held meeting with representatives of Sekgosese Circuit and PanSALB sponsored the events with certificates on 8 July 2015.</p> <p>Mandela Day celebrated at Phaudi Primary School</p>	

Subprogramme: Limpopo Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
		Primary School with Chapter 9 institutions.	with Chapter 9 institutions, learners and educators of Phaudi on 20 July 2015.	
		Participate in the Nal'ibali event in support of stakeholder relations.	In support of stakeholder relations, PanSALB participated in the Nal'ibali event on International Literacy Day, 8 September 2015.	
		Host seminars on copyright and literature production for the new curriculum in collaboration with the Literature and Media focus area.	Hosted three seminars on copyright and literature production for the new curriculum in collaboration with the Literature and Media focus area in Vhembe District on 17 September 2015, Capricorn District on 2 October 2015 and Mopani District on 9 October 2015.	
		Host International Translation Day celebration on 30 September 2015.	International Translation day was celebrated in the form of a gala dinner at Meropa Casino, Capricorn District, on 30 September 2015.	
		Host a stakeholders workshop at the University of Limpopo.	Hosted a stakeholders workshop at the University of Limpopo in collaboration with the DSAC, the Department of Justice, Limpopo Hansard, NLUs and the University of Limpopo on 13 October 2015.	
		Host Linguistic Human Rights Campaign in Mopani District.	Hosted Linguistic Human Rights Campaign at Kheodi High School in Bolobedu, funded by the DSAC, on 23 March 2016.	
		Host International Mother Tongue Day celebration and awards ceremony for the best performing schools and educators.	Hosted International Mother Tongue Day celebration and awards ceremony for the best performing schools and educators in African languages in Limpopo Province on 25 February 2016.	

10.3.6 Subprogramme: Gauteng Provincial Office

Subprogramme: Gauteng Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
Deliver language products and services that create an environment conducive to languages	Provincial coordination services	<p>Coordinate and hold four Gauteng PLC (GPLC) meetings.</p> <p>Hold two GPLC executive meetings.</p> <p>Hold two English NLB meetings.</p>	<p>The GPLC held four meetings on 25–26 June 2015, 21 July 2015, 3 December 2015 and 16 March 2016.</p> <p>One executive meeting was held on 18 February 2016.</p> <p>One English NLB meeting was held on 20 June 2015</p>	<p>Funds were not available to hold the second meeting.</p> <p>The business plan for the English NLB was never approved by the Board.</p>
Create awareness of language use	Equitable promotion of language use and development	<p>Host Gauteng Schools Multilingual Debate in September.</p> <p>Host Gauteng Deaf Schools Debate during Deaf Awareness Month. Host activities for Deaf Awareness Month in September.</p> <p>Host International Translation Day celebrations on 30 September 2015.</p> <p>Establish one reading club in the third quarter.</p>	<p>Gauteng Schools Multilingual Debate was hosted in collaboration with the Gauteng Department of Sport, Arts, Culture and Recreation on 19 September 2015 at Centurion Hall.</p> <p>A workshop to train the adjudicators for the Deaf Schools Debate was hosted on 10 September 2015.</p> <p>The Gauteng Deaf Schools Debate was held on 23 September 2015 at Constitutional Hill.</p> <p>Participated in the Annual Deaf Summit held at Kibler Park on 29 September 2015 in collaboration with DeafSA.</p> <p>Held the Deaf Awareness Workshop at Orange Farm on 25 November 2015.</p> <p>International Translation Day celebrations were hosted on 29 September 2015 at Eginisweni Secondary School in Ivory Park.</p> <p>A reading club was established at Modderbee Correctional Centre on 20 November 2015.</p>	<p>The Deaf Awareness Workshop was held in November and not in September because of logistical delays at the municipality.</p>

Subprogramme: Limpopo Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
		Host five consultative workshops in discussion of the Gauteng Provincial Languages Bill in the five districts of Gauteng.	Four workshops were held on 17 September 2015 at Ekurhuleni Metro Municipality, 21 October 2015 at Sedibeng District Municipality, 22 October 2015, at City of Tshwane Municipality and 6 November 2015 at City of Johannesburg Municipality.	No workshop could be held at the West Rand District Municipality because of poor attendance from the community.
		Participate in the Annual Read Aloud Day activities on 24 February 2016.	Hosted Read Aloud Day celebrations at Diepsloot Combined School on 24 February 2016 in support of the Nal'ibali Reading Campaign.	
		Host International Mother Language Day celebrations on 21 February 2016.	International Mother Language Day was celebrated on 21 February 2016 at the Methodist Church in Johannesburg in collaboration with the Department of Sport, Arts, Culture and Recreation. Another celebration was hosted on 26 February 2016 at Jordan Secondary School.	
			A gala dinner was hosted as awards ceremony in recognition of 2015 matric top achievers in all Gauteng official languages and Gauteng language activists.	

10.3.7 Subprogramme: Western Cape Provincial Office

Subprogramme: Western Cape Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
Ensure that all languages are used equitably	To receive, analyse and provide advice about the linguistic human rights complaint from Mr Wiseman Gabavana	Received, analysed and provided advice about the linguistic human rights complaint from Mr Wiseman Gabavana.	The actual service that was delivered by the department in nonfinancial terms	Achieved
	Provision of Western Cape Education Department (WCED) creative writing workshop and provision of support to WCED creative writing project	Provision of WCED creative writing workshop		Achieved

Subprogramme: Western Cape Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
	To draft and submit the language policy template to the PLC manager at Head Office	Drafting and submission of the language policy template to the PLC manager at Head Office		Achieved
	Teleconferencing with CEO	Teleconferencing with CEO		Achieved
	Staff meeting	Staff meeting		Achieved
	To attend consultation meeting with old age home at iKamva Labantu	Attended consultation meeting with old age home at iKamva Labantu		Achieved
	Nominations and circulation of the Western Cape PLC (WCPLC)	Nominations and circulation of the WCPLC		Achieved
	Introduction and brief induction of the new WCPLC	Introduction and brief induction of the new WCPLC		Achieved
	Weekly staff meeting	Weekly staff meeting		Achieved
	Attendance of strategy session development workshop at Head Office	Attended a strategy session development workshop at Head Office.		Achieved
	Submission of the first quarterly report	Submitted the first quarterly report.		Achieved
	Submission of the second quarterly report	Submitted the second quarterly report.		Achieved
	Submission of the quarterly assessment forms	Submitted quarterly assessment forms.		Achieved
	Send the second quarterly assessment for all Western Cape staff members to HR as well as Iwandile's performance contract and job profiles.	Sent the second quarterly assessment for all Western Cape staff members to HR as well as Iwandile's performance contract and job profiles.		Achieved
	To attend the progress meeting for the creative writing project in collaboration with the WCED and other stakeholders	Attended the progress meeting for the creative writing project in collaboration with the WCED and other stakeholders.		Achieved
	To attend the Western Cape Language Forum meeting	Attended the Western Cape Language Forum meeting.		Achieved

Subprogramme: Western Cape Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
	Provision of support of the municipal language policy development, implementation, oversight and monitoring – attendance of the provincial communication technical meetings	Provided support of the municipal language policy development, implementation, oversight and monitoring – attendance of the provincial communication technical meetings.		Achieved
	Ongoing office staff meeting	Ongoing office staff meeting		Achieved
	Discussion of Kadar Asmal, the 2015/16 PanSALB Strategic Plan and the Management Committee meeting	Discussed Kadar Asmal, the 2015/16 PanSALB Strategic Plan and the Management Committee meeting.		Achieved
	To attend a consultative meeting on the development of an SASL framework for the Western Cape	Attended a consultative meeting on the development of an SASL framework for the Western Cape.		Achieved
	To attend the PanSALB one-day discussion meeting at Head Office	Attended the PanSALB one-day discussion meeting at Head Office.		Achieved
	Attendance of the Thusong Outreach Programme for municipalities in Klappmuts	Attended the Thusong Outreach Programme for municipalities in Klappmuts.		Achieved
	To attend a meeting for the Chapter 9 institutions – education officers	Attended a meeting for the Chapter 9 institutions – education officers.		Achieved
	To attend a children's literacy discussion forum with the Swedish Minister of Culture at the Homecoming Centre at the District Six Museum.	Attended a children's literacy discussion forum with the Swedish Minister of Culture at the Homecoming Centre at the District Six Museum.		Achieved
	To attend a staff meeting with the Acting CEO	Attended a staff meeting with the Acting CEO.		Achieved
	To host a staff meeting	Hosted a staff meeting.		Achieved

Subprogramme: Western Cape Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
	To attend an HR teleconferencing meeting/discussion of submission of performance contracts and assessment forms	Attended an HR teleconferencing meeting/discussion of submission of performance contracts and assessment forms.		Achieved
	To attend a meeting with curriculum advisers at the Cape Teaching and Leadership Institute	Attended a meeting with curriculum advisers at the Cape Teaching and Leadership Institute.		Achieved
	To attend the Provincial Language Forum (PLF) meeting and terminology session	Attended the PLF meeting and terminology session.		Achieved
	To attend a consultative workshop on the development of an SASL framework for the Western Cape	Attended a consultative workshop on the development of an SASL framework for the Western Cape.		Achieved
	To attend a Sign Language Colloquium in support of the development of SASL	Attended a Sign Language Colloquium in support of the development of SASL.		Achieved
	To attend the three-day Sixth Funda Mzantsi Championship in George in support of language development and utilisation and stakeholder mobilisation	Attended the three-day Sixth Funda Mzantsi Championship in George in support of language development and utilisation and stakeholder mobilisation.		Achieved
	To attend a meeting with Nama stakeholders at Good Hope Castle	Attended a meeting with Nama stakeholders at Good Hope Castle.		Achieved
	To attend the strategic meeting at Head Office	Attended the strategic meeting at Head Office.		Achieved
	Attend the Non-nationals and Human Rights Roundtable	Attended the Non-nationals and Human Rights Roundtable.		Achieved
	To attend the isiXhosa Colloquium by the Department of Cultural Affairs and Sport (DCAS) in support of the development and utilisation of isiXhosa	Attended the isiXhosa Colloquium by the DCAS in support of the development and utilisation of isiXhosa.		Achieved

Subprogramme: Western Cape Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
	Provision of support in the development and utilisation of the Nama language	Hosted a preparatory meeting for the envisaged Nama workshop in the fourth quarter with the Nama Activist Group on 14 October 2015.		Achieved
	Ongoing PanSALB Western Cape staff meeting	Ongoing PanSALB Western Cape staff meeting		Achieved
	Host the CEO's visit to the PanSALB Western Cape Provincial Office	Hosted the CEO's visit to the PanSALB Western Cape Provincial Office.		Achieved
	To attend the WCPLC cultural awards adjudication meeting in the Archives Building, Roeland Street	Attended the cultural awards adjudication meeting in the Achieves Building, Roeland Street, on 11 November 2015.		Achieved
	To attend the creative writing project meeting at the Cape Teaching and Leadership Institute, Kuilsriver	Attended the creative writing project meeting at the Cape Teaching and Leadership Institute, Kuilsriver.		Achieved
	Ongoing PanSALB Western Cape staff meeting	Ongoing PanSALB Western Cape staff meeting		Achieved
	Host the CEO's visit to the PanSALB Western Cape Provincial Office	Hosted the CEO's visit to the PanSALB Western Cape Provincial Office.		Achieved
	To attend the WCPLC cultural awards adjudication meeting in the Archives Building, Roeland Street	Attended the cultural awards adjudication meeting in the Achieves Building, Roeland Street, on 11 November 2015.		Achieved
	To attend the creative writing project meeting at the Cape Teaching and Leadership Institute, Kuilsriver	Attended the creative writing project meeting at the Cape Teaching and Leadership Institute, Kuilsriver.		Achieved
	To attend the Amaza production at ArtsCape	Attended the Amaza production at ArtsCape.		Achieved
	To attend the Community of Learning Principals event	Attended the Community of Learning Principals event.		Achieved

Subprogramme: Western Cape Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
	To attend the WCPLC and subcommittee meeting	Attended the WCPLC and subcommittee meeting.		Achieved
	To attend the introduction of the new CEO in Stellenbosch (Buro van die WAT)	Attended the introduction of the new CEO in Stellenbosch (Buro van die WAT).		Achieved
	To host and attend the Africa Day and the Centre of Science and Technology (COSAT) outreach visit – brief session for PanSALB trophy presentation at COSAT	Hosted and attended the Africa Day and COSAT outreach visit – brief session for PanSALB trophy presentation at COSAT.		Achieved
	To accept the invitation to discuss the Provident Fund	Accepted the invitation to discuss the Provident Fund.		Achieved
	Attendance of the Ikamva Labantu Book Club competition meeting in preparation of the competition envisaged to be undertaken in the fourth quarter of the current fiscal year	Attended the Ikamva Labantu Book Club competition meeting in preparation of the competition envisaged to be undertaken on 26 October 2015.		Achieved
	To attend the Creative Writing Competition meeting in collaboration with the WCED and other stakeholders at the Centre for the Book	Attended the Creative Writing Competition meeting in collaboration with the WCED and other stakeholders at the Centre for the Book.		Achieved
	To attend the joint subcommittee meeting at the DCAS	Attended the joint subcommittee meeting at the DCAS		Achieved
	To attend the WCPLC meeting	Attended the WCPLC meeting.		Achieved
	To attend the Western Cape PLF meeting	Attended the Western Cape PLF meeting.		Achieved
	To facilitate a partnership meeting at the Amaza production with Artscape	Facilitated a partnership meeting at the Amaza production with Artscape.		Achieved
	To host Day 1 and Day 2 book club reading project	Hosted Day 1 and Day 2 book club reading project.		Achieved
	To host an international translation and interpreting workshop.	Hosted an international translation and interpreting workshop.		Achieved

Subprogramme: Western Cape Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
	To conduct an outreach visit of Pollsmoor Prison with the intent of providing SASL training to the officials in the next financial year as envisaged by the Department of Correctional Services	Conducted an outreach visit of Pollsmoor Prison with the intent of providing SASL training to the officials in the next financial year as envisaged by the Department of Correctional Services.		Achieved
	To attend the CommTech Forum meeting in Witzenberg (Tulbagh) Day 2	Attended the CommTech Forum meeting in Witzenberg (Tulbagh) Day 2.		Achieved
	To attend the language development meeting at Ikamva Labantu in Woodstock	Attended the language development meeting at Ikamva Labantu in Woodstock.		Achieved
	To send the Western Cape Provincial Office Projects Plan to Head Office	Sent the Western Cape Provincial Office Projects Plan to Head Office.		Achieved
	To provide support for the development and utilisation of SASL – provision of SASL basic training for the Western Cape Provincial South African Police Service and the Regional Department of the Correctional Services	Provided support for the development and utilisation of SASL – provided SASL basic training for the Western Cape Provincial South African Police Service and the Regional Department of the Correctional Services.		Achieved
	To host International Mother Tongue Day celebration 2016	Hosted International Mother Tongue Day celebration 2016.		Achieved
	To attend the brief session for PanSALB trophy presentation at DF Malan High School	Attended the brief session for PanSALB trophy presentation at DF Malan High School.		Achieved
	To attend DeafSA Internal Imbizo at Mfuleni SAPS Delft Nature Reserve	Attended DeafSA Internal Imbizo at Mfuleni SAPS Delft Nature Reserve.		Achieved
	To coordinate the Afrikaans NLB project submission	Coordinated the Afrikaans NLB project submission.		Achieved
	To attend the PLF meeting and the launch of the Code of Conduct at the DCAS	Attended the PLF meeting and the launch of the Code of Conduct at the DCAS.		Achieved
	To attend the World Read Aloud Day celebration	Attended the World Read Aloud Day celebration.		Achieved

Subprogramme: Western Cape Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
	To facilitate the final response to the complaint by Mr Gabavana from the office of the Acting CEO	Facilitated the final response to the complaint by Mr Gabavana from the office of the Acting CEO.		Achieved
	To attend the CommTech Forum meeting in Witzenberg (Tulbagh) Day 1	Attended the CommTech Forum meeting in Witzenberg (Tulbagh) Day 1.		Achieved
	To submit the newsletter articles to Head Office	Submitted the newsletter articles to Head Office.		Achieved
	To facilitate, coordinate and submit SASL inputs to the DCAS	Facilitated, coordinated and submitted SASL inputs to the DCAS.		Achieved
	To coordinate information from municipalities on the status of language policies	Coordinated information from municipalities on the status of language policies.		Achieved
	To attend the isiXhosa Workshop	Attended the isiXhosa Workshop.		Achieved
	To attend the XhosAfrika network meeting	Attended the XhosAfrika network meeting.		Achieved
	To compile a draft summary report on the status of language policies in municipalities	Compiled a draft summary report on the status of language policies in municipalities.		Achieved
	To attend the launch of the disability Toolkit for the private sector	Attended the launch of the disability Toolkit for the private sector.		Achieved
	To attend adjudication of the Reading and Spelling Bee competition at Sipiwo Primary School, Harare, Khayelitsha	Attended adjudication of the Reading and Spelling Bee competition at Sipiwo Primary School, Harare, Khayelitsha.		Achieved
	To host a creative writing project meeting in collaboration with the WCED and other stakeholders	Hosted a creative writing project meeting in collaboration with the WCED and other stakeholders.		Achieved

Subprogramme: Western Cape Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
	To host the SASL awards ceremony at Pollsmoor Prison, Tokai	Hosted the SASL awards ceremony at Pollsmoor Prison, Tokai.		Achieved
	To attend the Careways reinduction workshop	Attended the Careways reinduction workshop.		Achieved
	To attend and participate in the Forum of Institutions Supporting Democracy meeting at the SAHRC	Attended and participated in the Forum of Institutions Supporting Democracy meeting at the SAHRC.		Achieved
	To facilitate the Afrikaans NLB query on submission of funded projects	Facilitated the Afrikaans NLB query on submission of funded projects.		Achieved
	Provision of coordination of the Afrikaans NLB project submissions	Provided coordination of the Afrikaans NLB project submissions.		Achieved
	To attend the Castle 350 human rights commemoration	Attended the Castle 350 human rights commemoration.		Achieved

10.3.8 Subprogramme: Northern Cape Provincial Office

Subprogramme: Northern Cape Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
Language development and use	Four successful meetings with the Sefala NLU	Meeting with the Sefala sa Setswana NLU	Attended a special meeting session with the Sefala NLU Chairperson and Editor-in-Chief and discussions centred on the NLU's work, progress and Setswana language developments – 14 May 2015.	Achieved six monitoring visits due to lack of funding to reach other regions in the province.
	Meeting minutes, report and attendance register are available	Language awareness sessions	Delegated and attended the Sefala sa Setswana NLU meeting held in Kimberley and noted progress, developments and challenges relating to the Setswana language and operations of the unit – 16 May 2015.	
	2015 Africa Day celebrations report Attendance registers, minutes and reports are available	2015 Africa Day celebrations	Held an information meeting with Dr EP Lekhela Secondary School learners, creating awareness of the importance of our	

Subprogramme: Northern Cape Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			languages, careers, studies, opportunities, bursaries and the value of mother tongue education – 20 May 2015.	
	Monitoring reports, attendance registers and school questionnaires available	Four meetings with Moeletsi wa Basotho	Held a special meeting with the Moeletsi wa Basotho Steering Committee and discussions centred on the promotion of Sesotho in the province, celebration of the Sesotho language, culture and heritage, and the need to establish Sesotho preschools and cultural villages – 28 May 2015.	
	Meeting report, agenda and attendance registers available	Distribution of Sefala sa Setswana NLU Questionnaire	Held another meeting with the Basotho and discussions centred on the establishment of the Basotho Active Group for the promotion, development, preservation, research and teaching of the Basotho and Sesotho language in the province – 9 June 2015.	
	Report and attendance registers for the 2015 June Month Youth Summit on Languages, Nation Building and Social Cohesion are available	Fifteen visits monitoring incremental introduction and teaching of indigenous African languages at Northern Cape schools	Support, coordination and collection of the Sefala sa Setswana Survey Questionnaire with educators, speakers, researchers and planners of the Setswana language, advancing the work of the Sefala sa Setswana Dictionary Unit – 18–19 June 2015.	
	Invitation to, programme of and report on the NWPLC Language Imperatives Workshop available	Two meetings planned for PanSALB CEOs to meet members of PanSALB structures in the province	Fact-finding visit to Newton and Endeavour primary schools in Kimberley, monitoring and assessing developments by the DoBE pilot project on the introduction and teaching of indigenous African languages – 22 Jun 2015.	
	Setswana spelling and orthography rules booklets, attendance registers and report available	Host the 2015 June Month Youth Summit on Languages, Nation Building and Social Cohesion	Fact-finding visit to Herlear Primary School in Kimberley, monitoring and assessing developments by the DoBE pilot project on the introduction and teaching of indigenous African languages – 23 Jun 2015.	
	PanSALB/Independent Electoral Commission (IEC) Democracy Awareness Workshop report, programme and attendance registers are available	Meeting with the Northern Cape DoE Deputy Chief Language Specialist		
	Khoi and San NLB General Meeting minutes and attendance registers are available	Host Setswana NLB meeting		
		Host the PanSALB/IEC Democracy Awareness Workshop		
		Host the Khoi and San NLB General Meeting		
	NCPLC General Meeting minutes and attendance registers are available	Host the NCPLC General Meeting		
		Support the NWPLC's Khoi and San languages and heritage celebrations		
	Sesotho NLB Spelling and Orthography Consultative	Sesotho NLB Spelling and Orthography Consultative		

Subprogramme: Northern Cape Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
	<p>Workshop attendance registers, invitation and report are available</p> <p>Afrikaans and Multilingualism Seminar by the Afrikaanse Taalraad attendance registers, programme and invitation are available</p> <p>Northern Cape Department of Correctional Services Language Imperatives Workshop attendance register, programmes, invitation, files, report, photos and letter of appreciation are available</p>	<p>Workshop invitation</p> <p>SABC television and radio interviews</p> <p>Support the NWPLC Multilingualism Conference</p> <p>Host a Language Imperatives Workshop for the Northern Cape Department of Correctional Services</p>	<p>Fact-finding visit to Kimberley Junior School and Eureka Primary School in Kimberley, monitoring and assessing developments by the DoBE pilot project on the introduction and teaching of indigenous African languages – 24 June 2015.</p> <p>Fact-finding visit to Warrenton Primary School in Warrenton and Andalusia Primary School in Jan Kemp Dorp, monitoring and assessing developments by the DoBE pilot project on the introduction and teaching of indigenous African languages – 25 June 2015.</p> <p>Organised a meeting for the PanSALB Acting CEO and members of PanSALB structures (Khoi and San NLB and Northern Cape PLC) in the Northern Cape aimed at creating an organisational climate conducive to and support for the promotion and development of our languages and advancement of the PanSALB mandate provincially and nationally – 29 June 2015.</p> <p>Initiated and hosted the June Month Youth Summit on Languages, Nation Building and Social Cohesion with the aim to create awareness, to involve the youth and to educate them on language issues around the country, as was the case with the 1976 youth, and lobby their support – 30 June 2015.</p> <p>Attended a special meeting with the Sefala sa Setswana Editor-in-Chief on the promotion and development of Setswana nationally and programmes by the Sefala NLU for the Northern Cape – 3 July 2015.</p>	

Subprogramme: Northern Cape Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			<p>Attended a special meeting with a learner/matriculant from Tshireleco High School, creating awareness of the importance and value of our languages with emphasis on language studies, careers, bursaries and other opportunities (employment) – 7 July 2015.</p> <p>Fact-finding visit to Staats Primary School in Kimberley, monitoring and assessing developments by the DoBE pilot project on the introduction and teaching of indigenous African languages – 30 July 2015.</p> <p>Invited to, attended and facilitated the NWPLC Language Imperatives Workshop held at Brits, North West, to advance the PanSALB mandate and to support the NWPLC – 13–15 August 2015.</p> <p>Initiated and attended a special meeting with the Northern Cape DoE Deputy Chief Language Specialist to request a workshop platform to engage Setswana language educators and expose them to and train them on the new/revised Setswana spelling and orthography rules by the PanSALB Setswana NLB – 20 August 2015.</p> <p>Attended a special strategic partnership meeting with the Sefala sa Setswana NLU Editor-in-Chief primarily on the marketing and promotion of PanSALB NLUs' Dictionary Units. Learned about the work that the units are doing, new Setswana terms coined and their literal meanings – 9 September 2015.</p>	

Subprogramme: Northern Cape Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			<p>Invited to and attended the PanSALB NLUs' Dictionary Presentation to the Northern Cape Provincial Legislature Portfolio Committee on Sports, Arts, Culture and Education with the aim to advance the PanSALB mandate and to support the NLUs' work – 10 September 2015.</p> <p>Assisted with and co-hosted the Setswana NLB Spelling and Orthography Rules Workshop in Kimberley in close partnership with the Northern Cape DoE and Setswana educators to promote, advance and market the work of PanSALB and its structures – 11 September 2015.</p> <p>Initiated and co-hosted the PanSALB/IEC Democracy Awareness Workshop at Barkley West and shared information with stakeholders, reflecting on our mandates, roles, functions and constitutional obligations – 16–17 September 2015.</p> <p>Organised and hosted the Khoi and San NLB General Meeting in Pretoria to create a platform to discuss and resolve issues and to offer advice to the Board on the Khoi and San languages – 18–20 September 2015.</p> <p>Organised and hosted the NCPLC General Meeting in Kimberley to create a platform to discuss and resolve issues and to offer advice to the Board and the MECs responsible on provincial language issues and challenges – 29 September 2015.</p> <p>Invited to and attended a special NWPLC plenary meeting at Vryburg in an advisory capacity on the</p>	

Subprogramme: Northern Cape Provincial Office				
Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			<p>Khoi and San languages for planning heritage celebrations to promote those languages provincially in the North West Province – 1 October 2015.</p> <p>Invited to and attended a special NWPLC plenary meeting at Vryburg in an advisory capacity on the Khoi and San languages for planning heritage celebrations to promote those languages provincially in the North West Province – 8 October 2015.</p> <p>Invited to and assisted with the organisation of the NWPLC's Khoi and San languages and heritage celebrations at Vryburg with participants from the North West and Northern Cape provinces – 14 October 2015.</p> <p>Organised and ensured that the NCPLC delegated the NCPLC Sesotho representative to attend the Sesotho NLB Spelling and Orthography Consultative Workshop at Bloemfontein, thereby ensuring integration of work by PanSALB structures provincially and nationally – 5–6 November 2015.</p> <p>Organised and hosted the PanSALB CEOs special meeting platform and visiting members serving in PanSALB structures to create a working environment conducive to the promotion, advancement and development of languages within a healthy and supportive organisation as agents of change and language activists – 11 November 2015.</p> <p>Invited to and attended the Afrikaans and Multilingualism Seminar by the Afrikaanse Taalraad at the Sol Plaatje University to</p>	

Subprogramme: Northern Cape Provincial Office

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
			<p>promote, defend, influence and ensure understanding of the PanSALB mandate and position in such situations – 11 November 2015.</p> <p>Organised and arranged with the Northern Cape SABC for the PanSALB CEO's interview on the promotion, development and mandate of PanSALB as a way of educating and creating awareness – 12 November 2015.</p> <p>Invited to and facilitated the NWPLC Multilingualism Conference held at Potchefstroom to educate and influence people and to promote, advance and market the PanSALB mandate, services and products – 18–20 November 2015.</p> <p>Kept an office appointment with the Northern Cape Department of Correctional Services Communication Officer to organise a Language Imperatives Workshop for said department on service delivery matters relating to departmental language policy, language plan, support, translation and interpreting services as well as employment of language practitioners – 10 February 2016.</p> <p>Organised and facilitated the Department of Correctional Services Language Imperatives Workshop mainly to educate people and create awareness of the importance of languages and their effects on the departmental service delivery obligations and policies – 23–24 February 2016.</p> <p>Attended a meeting with Mr Terrence Ball who is the Marketing Manager for</p>	

PART C:

GOVERNANCE

11. GOVERNANCE

11.1 Introduction

The PanSALB will continue to practice principles of good governance as outlined in the King Report and the Protocol. PanSALB will exercise strict compliance with legislation such as the Constitution (Act 102 of 1996); PanSALB Act of 1995 (Act 59 of 1995) as amended in 1999 (Act 10 of 1999); PFMA, Labour Relations Act, 1995 (Act No. 6 of 1995, Preferential Procurement Policy Framework Act, (Act No. 5 of 2000), and other relevant legislation.

It should be noted that PanSALB acknowledges that the

- Constitution is the supreme law governing PanSALB and that all other laws are subject to the Constitution;
- The PFMA is also a higher authority than all other enabling legislation.

PanSALB will comply with the applicable legislation as far as it does not contradict the Constitution and the PFMA.

11.2 Portfolio Committees

In 15 November 2015 PanSALB appeared before the Portfolio Committee on Arts and Culture to discuss issues of governance and related matters.

11.3 The Board

In terms of Section 1.1 of Treasury Regulations the Executive Authority of PanSALB as a constitutional entity is the Chairperson and this is in contrast to the Executive Authority of a public entity which is the Minister. The Board comprises of 12 non-executive members and one executive member. The mandate of the Board includes:

- Ensuring that the objectives of the shareholders are achieved.
- Approving a viable Strategic Plan.
- Contributing to, and adopting, a business plan.
- Striving to achieve the financial viability of the organisation.
- Ensuring that there is an effective risk management system in place.
- Ensuring that annual financial statements are prepared for each financial year and that they fairly represent the affairs of the organisation.
- Complying with legislation and applicable best practice.
- Being responsive to perceptions that affect the reputation of the organisation.

11.4 Committees of the Board

The PanSALB Board is the accounting authority and is supported by four board committees, namely the:

- a) Languages and Technical Committee
- b) Human Resources, Remuneration and Alternative Dispute Resolution Committee
- c) Audit, Risk and ICT Committee
- d) Legal Committee/EXCO.

These committees consist of members with vast experience and knowledge. In addition, the Audit and Risk Committee includes external members, in line with the provisions of the Public Finance Management Act (PFMA).

11.4.1 Language Committee

The purpose of this committee is to consider and advise the Board on language matters, especially regarding the NLBs, PLCs and NLUs.

11.4.2 Human Resources, Remuneration and Alternative Dispute Resolution Committee

The purpose of this committee is to consider all important matters related to the human resources of PanSALB and to make recommendations to the Board on such matters.

11.4.3 Audit, Risk and ICT Committee

The Audit, Risk and ICT Committee is a standing board committee and is established in terms of the PFMA. Internal audit reports go directly to the Audit, Risk and ICT Committee, which in turn reports to the Board. The committee became dormant after the Minister of Arts and Culture dissolved the Board. Two of its members serve on this committee.

11.4.4 Legal Committee

The purpose of the Legal Committee is to deal with legal matters brought against the Board and to take decisions on urgent matters between board meetings.

11.5 The Accounting Authority

The Accounting Authority of PanSALB as a constitutional entity is the Chief Executive Officer of PanSALB as noted in Section 36 of the PFMA. The Accounting Authority of PanSALB is therefore not the Board of PanSALB as would be the case for a public entity.

PART D:

HUMAN RESOURCE MANAGEMENT

12. HUMAN RESOURCES MATTERS AT PANSALB

12.1 Overview

The information contained in this part of the Annual Report is developed in line with Public Service Regulations (Chapter 1, Part III J.3 and 4).

During the reporting period, human resources oversight and control mechanisms have been improved in the areas of developing submissions for recruitment processes in the organisation.

12.1.1 Recruitment

During the reporting period, additional staff members were recruited. This is mainly because the organisation needed to realign its business operations with organisational strategy.

12.1.2 Building employees' capacity and capabilities

A skills audit will be conducted during the 2015-16 financial year. The skills audit will produce a competency profile that will provide valuable information regarding core critical competencies and scarce skills within the organisation. This workforce competency profile will inform strategic human resources planning.

A workplace plan will identify skills development interventions required to address competency gaps within the organisation.

12.1.3 Employee wellness

PanSALB is committed to promoting good quality of work life and creating a healthy and conducive working environment for its workforce. The services of the Employee Wellness Programme are outsourced to ensure employees' full confidence in using the programme.

12.1.4 Performance management

In 2013 PanSALB reviewed the Performance Management and Development System (PMDS) to link individual performance with organisational performance. However, due to internal processes the Performance Incentive has not yet been awarded to those employees who qualify.

12.1.5 Human resources challenges

The following are the human resources challenges experienced:

- Budgetary constraints on the ability of PanSALB to provide training to employees.
- Budgetary constraints on acquiring electronic software to perform human resources functions.

These challenges will be addressed as priorities in the 2016-17 financial year, in line with PanSALB's organisational strategy.

12.2 Human resources oversight statistics

The following tables summarise final audited personnel-related expenditure, by programme and salary band, and equity statistics in the organisation.

12.2.1 Personnel cost by programme

Programme	Personnel expenditure (R'000)	Personnel expenditure as % of total expenditure (R'000)	Number of employees	Average personnel cost per employee (R'000)
Leadership	3,253	8%	2	1,626
Corporate Services	8,946	22%	7	1,278
Finance and SCM Budget Services	4,473	11%	13	344
Language Services and Linguistic Rights	15,451	38%	39	396
Legal Services	8,540	21%	2	4,270
TOTAL	40,663	100%	63	

12.2.2 Personnel cost by salary band

Level	Personnel expenditure (R'000)	% of personnel expenditure to total personnel cost	Number of employees	Average personnel cost per employee (R'000)
Senior Management (Level 13-16)	15,615	38.4%	12	1,301
Highly Skilled Supervision (Level 9-12)	16,347	40.2%	23	710
Highly Skilled Production (Level 6-8)	7,564	18.6%	17	444
Skilled (Level 3-5)	1,139	2.8%	11	103
Unskilled (Level 1-2)	0.00	0%	0	0.00
TOTAL	40,663	100%	63	

12.2.3 Employment and vacancies

Programme	2015 -16 approved posts	2015 -16 number of employees	2015-16 vacancies	% of vacancies
Senior Management (Level 13-16)	35	12	23	30.3%
Highly Skilled Supervision (Level 9-12)	62	23	39	51.3%
Highly Skilled Production (Level 6-8)	26	17	9	11.8%
Skilled (Level 3-5)	16	11	5	6.6 %
Unskilled (Level 1-2)	0	0	0	0%
TOTAL	139	63	76	100%

12.2.4 Employment changes

Salary band	Employment at beginning of period	Appointments	Terminations	Employment at end of period
Senior Management (Level 13-16)	14	1	3	12
Highly Skilled Supervision (Level 9-12)	24	2	3	23
Highly Skilled Production (Level 6-8)	14	3	0	17
Skilled (Level 3-5)	11	1	1	11
Unskilled (Level 1-2)	0	0	0	0
TOTAL	63	7	7	63

12.2.5 Reasons for staff leaving

Reason	Number	% of total numberof staff leaving
Death	0	0%
Resignation	3	42.8 %
Dismissal	0	0
Retirement	2	28.6%
Ill health	0	0
Expiry of contract	2	28.6 %
Other	0	0
TOTAL	7	100%

12.2.6 Labour relations: misconduct and disciplinary action

Nature of disciplinary action	Number
Verbal warning	0
Written warning	0
Final written warning	0
Dismissal	0

12.2.7 Equity targets and employment equity status

Levels	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Senior Management (Level 13-16)	7	0	0	0	0	0	0	0
Highly Skilled Supervision (Level 9-12)	12	0	0	0	0	0	0	0
Highly Skilled Production (Level 6-8)	2	0	0	0	0	0	0	0
Skilled (Level 3-5)	1	0	0	0	0	0	0	0
Unskilled (Level 1-2)	0	0	0	0	0	0	0	0
TOTAL	22	0	0	0	0	0	0	0

Levels	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Senior Management (Level 13-16)	5	0	0	0	0	0	0	0
Highly Skilled Supervision (Level 9-12)	10	0	0	0	0	0	1	0
Highly Skilled Production (Level 6-8)	15	0	0	0	0	0	0	0
Skilled (Level 3-5)	10	0	0	0	0	0	0	0
Unskilled (Level 1-2)	0	0	0	0	0	0	0	0
TOTAL	41	0	0	0	0	0	1	0

Levels	Disabled staff			
	Male		Female	
	Current	Target	Current	Target
Senior Management (Level 13-16)	0	0	0	0
Highly Skilled Supervision (Level 9-12)	0	0	1	0
Highly Skilled Production (Level 6-8)	0	0	0	0
Skilled (Level 3-5)	0	0	0	0
Unskilled (Level 1-2)	0	0	0	0
TOTAL	0	0	1	0

PART E:

FINANCIAL INFORMATION

Report of the auditor-general to Parliament on Pan South African Language Board

Report on the consolidated and separate financial statements

Introduction

1. I have audited the consolidated and separate financial statements of the Pan South African Language Board and its subsidiaries set out on pages 86 to 134 which comprise the consolidated and separate statement of financial position as at 31 March 2016, the consolidated and separate statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget information with actual information for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the consolidated and separate financial statements

2. The accounting officer is responsible for the preparation of these consolidated and separate financial statements in accordance with South African Standards of Generally Recognised Accounting Practise (SA standard of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No 1 of 1999) (PFMA), and for such internal control as the accounting authority determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and separate financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated and separate financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated and separate financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Qualified opinion

6. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion paragraphs, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Pan South African Language Board (PanSALB) and its subsidiaries as at 31 March 2016 and their financial performance and cash flows for the year then ended, in accordance with SA standards of GRAP and the requirements of PFMA.

Basis for qualified of opinion

Staff cost, other operating expenditure, lease rentals on operating lease and irregular expenditure - Restatement in corresponding figures

7. I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figure for staff cost, other operating expenditure, lease rentals on operating lease and irregular expenditure in the consolidated financial statements. As described in note 36 the restatement was made to rectify a prior year misstatement, but the restatement could not be substantiated by supporting audit evidence. I was unable to confirm the restatement by alternative means. Consequently, I was unable to determine whether any adjustment to corresponding figure of staff cost at R65 691 000, other operating expenditure at R15 644 000, lease rentals on operating lease at R4 858 000 and irregular expenditure at R31 001 000 as stated in the consolidated and separate financial statements was necessary. There is a consequential impact on the prior year error surplus for the period and on the accumulated surplus in the consolidated and separate financial statements.

Cash Flow Statement

8. The cash flow statement of the constitutional institution is materially misstated, due to incorrect calculations of the cash flow items and non-compliance with the Standard of GRAP 2. The effect on the consolidated financial statements was that the following cash flow items were overstated, grants receipts at R2 710 000 and payments to suppliers at R2 808 000.

Property Plant and Equipment

9. I was unable to obtain sufficient appropriate audit evidence for property, plant and equipment (PPE) and depreciation and amortisation, as the institution did not provided auditors with process and procedures used to assess and review the useful lives. In addition I was unable to confirm the restatements and carrying amount of PPE, depreciation and amortisation amounting to R3 890 000 (2015: R2 493 000) as disclosed in note 15 to the AFS. I was not able to confirm these restatements by alternative means. Consequently I was unable to determine whether any adjustments relating to PPE at R3 890 000 (2015: R2 493 000), depreciation and amortisation stated at R1 543 000 (2015: R 826 000) in note 15 and in the statement of financial performance of the separate financial statements was necessary

Irregular Expenditure

10. The irregular expenditure is not complete as management did not include all irregular expenditures incurred for the current year as required by section 40(3) (b) (i) of the PFMA. Irregular expenditure which pertains to non-compliance with supply chain management was not reported as required. Consequently, Irregular expenditure was under stated by R 621 949 in note 39 of the separate financial statements.

Emphasis of matters

11. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

12. As disclosed in note 36 to the consolidated and separate financial statements, the corresponding figures for 31 March 2015 have been restated as a result of errors discovered during 2016 in the consolidated and separate financial statements of PanSALB at, and for the year ended, 2015.

Significant uncertainties

13. With reference to note 25 to the consolidated and separate financial statements, the institution is the defendant in a labour lawsuit; the matter is with the Commission for Conciliation, Mediation and Arbitration (CCMA) and Labour court, the settlement is estimated to be R18.2 million.

Report on other legal and regulatory requirements

14. 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 findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report, non-compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters..

Predetermined objectives

15. I am unable to report on the usefulness and reliability of the performance information, as the annual performance report of the entity was not prepared as required by section 40(3)(a) of the PFMA.

Compliance with legislation

16. I performed procedures to obtain evidence that the entity had complied with applicable legislation regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

Pan South African Language Board, 1995 (Act No.59 of 1995) (PanSALB Act)

17. The Minister did not appoint the Board for the financial year as required by section 5 of the PanSALB Act. Subsequently the following were not fulfilled:

- The board did not establish and gazette six provincial language committees as required by section 8(8) (a) of the PanSALB Act.
- The board did not establish and gazette four national language bodies as required by Section 8(8) (b) of the PanSALB Act.
- The board did not exercise oversight and monitoring responsibilities over the National Lexicography Unit's as required by section 8(8)(c) of the PanSALB Act.

Annual financial statements

18. The separate and consolidated financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1) (a) and (b) of the PFMA. Some material misstatements identified by the auditors in the submitted separate and consolidated financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements resulted in the separate and consolidated financial statements receiving a qualified audit opinion.

Strategic and performance management

19. A strategic plan for the 2015 - 2019 was not prepared by PanSALB as required by Treasury Regulation 5.1.1.
20. Quarterly reports were not prepared and submitted to the Executive authority as required by Treasury regulation 5.3.1.
21. Performance against predetermined objectives was not reported as required by section 40(3) (a) of the PFMA.
22. Effective, efficient and transparent systems of risk management and internal control with respect to performance information and management was not in place as required by section 38(1) (a) (i) of the PFMA.

Expenditure management

23. Effective steps were not taken to prevent irregular expenditure as required by section 38(1)(c)(ii) of the Public Finance Management Act and Treasury Regulation 9.1.1. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred as indicated in the basis for qualification paragraph.
24. Effective steps were not taken to prevent fruitless and wasteful expenditure, amounting to R 506 000 as disclosed in note 38 of the AFS, as required by section 38(1)(c)(ii) of the Public Finance Management Act and Treasury Regulation 9.1.1.
25. Effective internal controls were not in place for payment approval and processing, as required by Treasury Regulation 8.1.1.

Procurement and contract management

26. Goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations, as required by Treasury Regulation 16A6.1.
27. Contracts were awarded to bidders who did not submit a declaration of past supply chain practices such as fraud, abuse of SCM system and non-performance, which is prescribed in order to comply with Treasury regulation 16A9.2.

28. Sufficient appropriate audit evidence could not be obtained that awards were only made to suppliers who submitted a declaration of past supply chain practices such as fraud, abuse of SCM system and non-performance, which is prescribed in order to comply with Treasury regulation 16A9.2
29. Sufficient appropriate audit evidence could not be obtained that all extension or modification to contracts were approved by a properly delegated official as required by section 44 of the PFMA
30. IT related goods and services, classified as mandatory, were not procured through SITA as required by Treasury Regulation 16A6.3 (e).

Internal control

31. I considered internal control relevant to my audit of the financial statements, performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for qualified opinion, the findings on the performance report and the findings on non-compliance with legislation included in this report.

Leadership

32. PanSALB operated without a Chief Executive Officer for the first two months of the financial period and operated without a Chief Finance Officer for the whole financial period therefore resulting in instability in leadership.
33. The PanSALB board was disbanded during the financial period.

Financial and performance management

34. The consolidated and separate financial statements were not adequately reviewed for completeness and accuracy prior to submission thereof for audit purposes resulting in material misstatements.
35. The constitutional entity did not submit Annual Performance Report, Strategic plan and Annual performance plan for audit purposes.
36. The constitutional entity did not provide the process and procedures used to assess and review the useful life to confirm the restatements and carrying amount of PPE; depreciation and amortisation.

Governance

37. Audit Committee did not reach the required number of members to be considered as an effective audit committee (only had 2 members) as of 1st of October 2015 and therefore there was no effective oversight responsibility exercised in regards to financial and performance reporting and compliance as well as related internal controls.

Auditor General

Pretoria
31 July 2016



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Pan South African Language Board

Consolidated Annual Financial Statements for the year ended 31 March 2016



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Abbreviations

GRAP Generally Recognised
Accounting Practice



Statement of Responsibility

The Accounting Officer is responsible for the preparation, integrity and fair presentation of the annual consolidated financial statements of the Pan South African Language Board (PanSALB). The financial statements presented on pages 88 to 134 have been prepared in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board and in the manner required by the Public Finance Management Act (PFMA).

The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates. The Accounting Officer also prepared the other information included in the annual report and is responsible for both its accuracy and its consistency with the financial statements.

The going concern basis has been adopted in preparing the financial statements. The Accounting Officer has no reason to believe that PanSALB will not be a going concern in the foreseeable future based on forecasts and available cash resources. The consolidated financial statements were approved and signed by the Accounting Officer on 31 May 2016.

The board was disbanded by the Minister of Arts and Culture on 12 January 2016 and as a result the audit committee was also dissolved. The CEO is currently the appointed Accounting Officer for the entity.



Dr RRM Monareng
Chief Executive Officer

Pan South African Language Board

Consolidated Annual Financial Statements for the year ended 31 March 2016

Statement of Financial Performance

		Consolidated		PanSALB	
Figures in Rand thousand	Note(s)	2016	2015 Restated*	2016	2015 Restated*
Revenue					
Revenue from exchange transactions					
Sales		489	438	-	-
Other income	5	575	200	-	-
Interest received	11	1,159	635	630	175
Total revenue from exchange transactions		2,223	1,273	630	175
Revenue from non-exchange transactions					
Transfer revenue					
Government grants & subsidies	2	93,692	92,438	93,542	92,188
Gifts, sponsorships and donations		2,709	2,749	-	-
Total revenue from non-exchange transactions		96,401	95,187	93,542	92,188
Total revenue		98,624	96,460	94,172	92,363
Expenditure					
Staff costs	7	(59,160)	(65,691)	(41,971)	(49,684)
Administrative expenses	6	(12,028)	(5,160)	(10,536)	(3,461)
Depreciation and amortisation		(1,747)	(1,044)	(1,543)	(826)
Impairment loss	35	(404)	(8)	(404)	(8)
Finance costs	10	(222)	(38)	(219)	(38)
Lease rentals on operating lease		(5,365)	(4,858)	(4,582)	(4,146)
Repairs and maintenance		(52)	(60)	(3)	(32)
Transfers and subsidies paid		-	-	(18,548)	(16,756)
Sale of goods/Inventory		(93)	(90)	-	-
Other operating expenses	9	(15,675)	(15,644)	(13,315)	(13,713)
Total expenditure		(94,746)	(92,593)	(91,121)	(88,664)
Operating surplus		3,878	3,867	3,051	3,699
Loss on assets		(57)	(271)	(52)	(271)
Fair value adjustments	34	98	114	-	-
		41	(157)	(52)	(271)
Surplus for the year		3,919	3,710	2,999	3,428
Attributable to:					
PanSALB		2,999	3,428	2,999	3,428
NLUs		920	282	-	-
		3,919	3,710	2,999	3,428

* See Note 36

Statement of Financial Position as at 31 March 2016

		Consolidated		PanSALB	
Figures in Rand thousand	Note(s)	2016	2015 Restated*	2016	2015 Restated*
Assets					
Current assets					
Cash and cash equivalents	12	17,303	13,980	15,435	11,751
Inventories	13	1,237	1,255	-	-
Receivables from exchange transactions	14	1,078	1,023	379	246
Other financial assets	17	7,590	6,499	-	-
Receivables from non-exchange transactions	30	64	461	64	461
		27,272	23,218	15,878	12,458
Non-current assets					
Property, plant and equipment	15	4,379	3,068	3,890	2,493
Intangible assets	16	211	154	83	134
Other financial assets	17	1,694	1,571	-	-
		6,284	4,793	3,973	2,627
Total Assets		33,556	28,011	19,851	15,085
Liabilities					
Current liabilities					
Payables from exchange transactions	18	7,846	6,153	6,558	4,599
Finance lease obligations	19	774	102	774	102
Other financial liabilities	31	1,461	1,381	1,381	1,381
Unspent conditional grants and receipts	32	4,305	6,441	4,068	6,191
		14,386	14,077	12,781	12,273
Non-current liabilities					
Finance lease obligations	19	1,407	-	1,407	-
Retirement benefit obligation	20	5,703	5,663	-	-
		7,110	5,663	1,407	-
Total Liabilities		21,496	19,740	14,188	12,273
Net Assets		12,060	8,271	5,663	2,812
Net Assets					
PanSALB					
Accumulated surplus		5,663	2,812	5,663	2,812
PanSALB		5,663	2,812	5,663	2,812
NLUs		6,397	5,459	-	-
Total Net Assets		12,060	8,271	5,663	2,812

* See Note 36

Statement of Changes in Net Assets

Figures in Rand thousand	Accumulated deficit	PanSALB	NLU's	Consolidated net assets
PanSALB				
Opening balance as previously reported	(934)	(934)	-	(934)
Adjustments				
Correction of errors	318	318	-	318
Balance at 01 April 2014 as restated*	(616)	(616)	-	(616)
Changes in net assets				
Surplus for the year	3,428	3,428	-	3,428
Total changes	3,428	3,428	-	3,428
Opening balance as previously reported	2,723	2,723	-	2,723
Adjustments				
Correction of errors	(59)	(59)	-	(59)
Restated* Balance at 01 April 2015 as restated*	2,664	2,664	-	2,664
Changes in net assets				
Surplus for the year	2,999	2,999	-	2,999
Total changes	2,999	2,999	-	2,999
Balance at 31 March 2016	5,663	5,663	-	5,663

* See Note 36

Pan South African Language Board

Consolidated Annual Financial Statements for the year ended 31 March 2016

Cash Flow Statement

		Consolidated		PanSALB	
Figures in Rand thousand	Note(s)	2016	2015 Restated*	2016	2015 Restated*
Cash flows from operating activities					
Receipts					
Sale of goods and services		1,102	640	-	-
Grants and donations		94,266	101,629	91,419	98,380
Interest income		1,159	635	630	175
Other receipts		2,709	2,749	-	-
		99,236	105,653	92,049	98,555
Payments					
Staff costs		(58,861)	(64,776)	(41,647)	(49,574)
Suppliers		(34,669)	(31,570)	(27,083)	(24,884)
Finance costs		(222)	(38)	(219)	(38)
Transfers and subsidies paid		-	-	(18,548)	(16,756)
		(93,752)	(96,384)	(87,497)	(91,252)
Net cash flows from operating activities	21	5,484	9,269	4,552	7,303
Cash flows from investing activities					
Purchase of property, plant and equipment	15	(3,084)	(246)	(2,947)	(151)
Purchase of other intangible assets	16	(120)	-	-	-
Increase in loans receivable		(1,116)	(882)	-	-
Net cash flows from investing activities		(4,320)	(1,128)	(2,947)	(151)
Cash flows from financing activities					
Increase in other financial liabilities		80	439	-	439
Net finance lease movement		2,079	(474)	2,079	(474)
Net cash flows from financing activities		2,159	(35)	2,079	(35)
Net increase/(decrease) in cash and cash equivalents		3,323	8,106	3,684	7,117
Cash and cash equivalents at the beginning of the year		13,980	5,874	11,751	4,634
Cash and cash equivalents at the end of the year	12	17,303	13,980	15,435	11,751

* See Note 36

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand thousand						
PanSALB						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Interest received - investment	-	-	-	630	630	Interest earned on cash and cash equivalents invested
Revenue from non-exchange transactions						
Transfer revenue						
Government grants & subsidies	87,338	-	87,338	93,542	6,204	Additional grants received from Lottery and the recognition of DAC rental benefit
Total revenue	87,338	-	87,338	94,172	6,834	
Expenditure						
Compensation of employees	(41,960)	-	(41,960)	(41,971)	(11)	Increase in acting allowances Note 7
Administration	(5,850)	-	(5,850)	(10,536)	(4,686)	Legal costs incurred Note 6
Depreciation and amortisation	-	-	-	(1,543)	(1,543)	Note 15 and 16
Impairment loss/ Reversal of impairments	-	-	-	(404)	(404)	Note 35
Finance costs	(170)	-	(170)	(219)	(49)	Interest paid on leased assets
Lease rentals on operating lease	(4,400)	-	(4,400)	(4,582)	(182)	Renewal of rental leases
Repairs and maintenance	-	-	-	(3)	(3)	Immaterial
Transfers and Subsidies	(18,279)	-	(18,279)	(18,548)	(269)	Transfers to NLUs
Goods and services	(16,679)	-	(16,679)	(13,315)	3,364	Savings were used for legal costs
Total expenditure	(87,338)	-	(87,338)	(91,121)	(3,783)	
Operating surplus	-	-	-	3,051	3,051	
Loss on disposal of assets and liabilities	-	-	-	(52)	(52)	Note 15
Surplus	-	-	-	2,999	2,999	

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand thousand						
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-	-	-	2,999	2,999	

Accounting Policies

The following are the principal accounting policies of the entity which are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated:

1. Basis of preparation

These consolidated annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These consolidated annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

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

1.1 Presentation currency

These consolidated annual financial statements are presented in South African Rand, which is the functional currency of the economic entity.

1.2 Consolidation

The consolidated financial statements include the financial information of the National Lexicography Units (NLUs), which are named in the notes to the financial statements. The NLUs are Non Profit Companies, representing the 11 official languages of South Africa, are situated at and administered by the respective universities. The units were consolidated according to GRAP 6.

Basis of consolidation

Consolidated consolidated annual financial statements are the consolidated annual financial statements of the economic entity presented as those of a single entity.

The consolidated consolidated annual financial statements incorporate the consolidated annual financial statements of the controlling entity and all controlled entity which are controlled by the controlling entity.

Control exists as per Section 8 (8) (c) of the PanSALB Act, which requires PanSALB to establish units to operate as non profit companies, and PanSALB shall allocate funds to the units for the fulfilment of their functions; provided that the memorandum of incorporation of such units shall include the following principles:

- (i) The unit is accountable to PanSALB for moneys allocated to it.
- (ii) The unit shall abide by the policies of PanSALB.
- (iii) The unit shall adhere to the principles of promoting language development.

The consolidated annual financial statements of the controlling entity and its controlled entities used in the preparation of the consolidated consolidated annual financial statements are prepared as of the same reporting date.

Adjustments are made when necessary to the consolidated annual financial statements of the controlled entities to bring their accounting policies in line with those of the controlling entity.

All intra-entity transactions, balances, revenues and expenses are eliminated in full on consolidation.

Minority interests in the net assets of the economic entity are identified and recognised separately from the controlling entity's interest therein, and are recognised within net assets. Losses applicable to the minority in a consolidated controlled entity may exceed the minority interest in the controlled entity's net assets. The excess, and any further losses applicable to the minority, are allocated against the majority interest except to the extent that the minority has a binding obligation to, and is able to, make an additional investment to cover the losses. If the controlled entity subsequently reports surpluses, such surpluses are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.

Minority interests in the surplus or deficit of the economic entity is separately disclosed.

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty

In preparing the consolidated annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the consolidated 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 consolidated annual financial statements. Significant judgements include:

Trade receivables and/or loans and receivables

PanSALB assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to PanSALB for similar financial instruments.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The economic entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

PanSALB determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, PanSALB considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 20.

Effective interest rate

The economic entity used the prime interest rate to discount future cash flows.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

Accounting Policies

1.4 Property, plant and equipment (continued)

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the economic entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses which is carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Accounting Policies

1.4 Property, plant and equipment (continued)

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset.

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.

Property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited in revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	5 - 20 years
Motor vehicles	Straight line	10 - 17 years
Office equipment	Straight line	5 - 17 years
IT equipment	Straight line	3 to 5 years
Leasehold improvements	Straight line	5 to 20 years
Leased assets	Straight line	Lease period
Books	Straight line	Indefinite life

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

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

Accounting Policies

1.4 Property, plant and equipment (continued)

Assets which the economic entity holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

1.5 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the economic entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

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 economic entity; and
- the cost or fair value of the asset can be measured reliably.

The economic 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.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

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.

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.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

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

Item	Useful life
Computer software	3 - 5 years

1.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

Accounting Policies

1.6 Financial instruments (continued)

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that the entity designates at fair value at initial recognition.

Accounting Policies

1.6 Financial instruments (continued)

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Loans to (from) PanSALB include loans to and from controlling entities, fellow controlled entities, controlled entities, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Loans to PanSALB are classified as loans and receivables.

Loans from PanSALB are classified as financial liabilities measured at amortised cost.

Trade and other receivables are categorised as financial assets and are initially recognised at fair value and subsequently carried at amortised cost. Amortised cost refers to the initial carrying amount, plus interest, less repayments and impairments. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. Impairments are determined by discounting expected future cash flows to their present value. Amounts that are receivable within 12 months from the reporting date are classified as current. Current assets will be classified as noncurrent when they are expected to be either realised, consumed or sold, as part of the normal operating cycle even when they are not expected to be realised within twelve months of the reporting date.

An impairment of trade receivables is accounted for by reducing the carrying amount of trade receivables through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance within operating expenses. When a trade receivable is uncollectible, it is written off. Subsequent recoveries of amounts previously written off are credited against operating expenses in the Statement of Financial Performance.

Financial liabilities consist of payables from exchange transactions and borrowings. They are categorised as financial liabilities held at amortised cost, are initially recognised at fair value and subsequently measured at amortised cost which is the initial carrying amount, less repayments, plus interest.

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The entity categorises cash and cash equivalents as financial assets.

Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with PanSALB's accounting policy for borrowing costs.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class

Other financial assets
Cash and cash equivalent
Receivables from exchange transactions

Category

Financial asset measured at amortised cost
Financial asset measured at fair value
Financial asset measured at fair value

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class

Payables from exchange transactions
Finance lease obligations
Retirement benefit obligation

Category

Financial liability measured at amortised cost
Financial liability measured at fair value
Financial liability measured at fair value

Accounting Policies

1.6 Financial instruments (continued)

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The entity assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Accounting Policies

1.6 Financial instruments (continued)

Derecognition

Financial assets

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If the entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the entity has retained substantially all the risks and rewards of ownership of the transferred asset, the entity continue to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the entity recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Accounting Policies

1.6 Financial instruments (continued)

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Dividends or similar distributions relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Distributions to holders of residual interests are recognised by the entity directly in net assets. Transaction costs incurred on residual interests are accounted for as a deduction from net assets. Income tax [where applicable] relating to distributions to holders of residual interests and to transaction costs incurred on residual interests are accounted for in accordance with the International Accounting Standard on Income Taxes.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

1.7 Leases as lessee

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.8 Prepayments

Prepayments are recognised when the resources that have been transferred meet the criteria for recognition as an asset.

Accounting Policies

1.9 Standards, amendments to standards and interpretations issued but not yet effective

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the entity:

GRAP 18- Segment Reporting - issued February 2011. This new standard of GRAP: Establishes principles for reporting financial information by segments. The impact of implementing this standard is expected to be immaterial in the context of this entity's operations and the entity is not required to apply this standard.

GRAP 20 - Related Party Disclosures - Issued June 2011. This new standard of GRAP ensures that a reporting entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

GRAP 105 - Transfer of Functions between entities under common control - Issued November 2010. This new standard of GRAP establishes accounting principles for the acquirer and transferor in a transfer of functions between entities under common control.

GRAP 106 - Transfer of Functions between entities not under common control - Issued November 2010. This new standard establishes accounting principles for the acquirer in a transfer of functions between entities not under common control.

GRAP 107 - Mergers - Issued November 2010. This new standard establishes accounting principles for the combined entity and combining entities in a merger.

Improvements to Standards of GRAP - Improvements are proposed to following standards of GRAP: GRAP 1-4, 9-14, 16-17, 19 and 100 as part of the ASB's improvement project. The impact of implementing this standard is expected to be immaterial in the context of this entity's operations.

The following GRAP standards were applied for the current financial year:

GRAP 25 - Employee Benefits - issued November 2009. The new standard of GRAP dealing with the requirements around accounting and disclosure of employee benefits including short term, long term and post retirement employee benefits. The impact of implementing this standard is expected to be immaterial in the context of this entity's operations.

1.10 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to PanSALB.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Accounting Policies

1.11 Impairment of cash-generating assets

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the economic entity; or
- (b) the number of production or similar units expected to be obtained from the asset by the economic entity.

Criteria developed by the economic entity to distinguish cash-generating assets from non-cash-generating assets are as follow:

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The economic entity assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the economic entity estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the economic entity also test a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the economic entity estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the economic entity applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the economic entity:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;

Accounting Policies

1.11 Impairment of cash-generating assets (continued)

- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the economic entity expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the economic entity recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the economic entity determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the economic entity use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Accounting Policies

1.11 Impairment of cash-generating assets (continued)

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

1.12 Impairment of assets

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the economic entity; or
- (b) the number of production or similar units expected to be obtained from the asset by the economic entity.

Criteria developed by the economic entity to distinguish non-cash-generating assets from cash-generating assets are as follow: [Specify criteria]

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

Accounting Policies

1.12 Impairment of assets (continued)

The economic entity assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the economic entity estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also test a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the economic entity recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The economic entity assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the economic entity estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.13 Payables from exchange transactions

Payables from exchange transactions are transactions in which one entity has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash) to another entity in exchange.

Accounting Policies

1.14 Contingencies

Contingent assets and contingent liabilities are not recognised.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognised in the financial statements of the period in which the change occurs. If an inflow of economic benefits or service potential has become probable, an entity discloses the contingent asset.

A contingent liability is:

- (a) a possible obligation 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 within the control of the entity; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

1.15 Related parties

PanSALB operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Key management is defined as being individuals with the authority and responsibility for planning, directing and controlling the activities of PanSALB, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions. PanSALB regards all individuals at senior management as related parties per the definition of the financial reporting standards.

Close family members of key management personnel are considered to be those family members who may be expected to influence, or be influenced by, management in their dealings with PanSALB.

1.16 Retirement benefit costs

The entity operates a defined contribution plan. The plan is generally funded by payments from the entity and employees. Payments to defined contribution retirement benefit plans are charged to the income statement in the year to which they relate.

The cost of short-term employee benefits including salaries (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

Bureau of the Woordboek van die Afrikaanse Taal NPC provides for post-retirement medical and group life insurance contributions in relation to current and retired employees. The expected costs of these benefits are accounted for by using the projected unit credit method. Under this method, the expected costs of these benefits are accumulated over the service lives of the employees. The valuation of this obligation is carried out by independent qualified actuaries at least once every three years.

All actuarial gains and losses due to experience as well as adjustments to the original plan are recognised in the statement of comprehensive income over the average remaining service lives of employees.

1.17 Provisions

Provisions are recognised when:

- the economic entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

Accounting Policies

1.17 Provisions (continued)

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

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

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

Contingent assets and contingent liabilities are not recognised.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognised in the financial statements of the period in which the change occurs. If an inflow of economic benefits or service potential has become probable, an entity discloses the contingent asset.

Unless the possibility of any outflow in settlement is remote, an entity shall disclose for each class of contingent liability at the reporting date a brief description of the nature of the contingent liability and, where practicable:

- (a) an estimate of its financial effect;
- (b) an indication of the uncertainties relating to the amount or timing of any outflow; and
- (c) the possibility of any reimbursement.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The economic entity recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the economic entity for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the economic entity considers that an outflow of economic resources is probable, an economic entity recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

1.18 Revenue recognition

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Accounting Policies

1.18 Revenue recognition (continued)

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

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrues to the entity directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable, excluding indirect taxes, rebates and discounts.

Revenue from exchange transactions is only recognised once all of the following criteria have been satisfied:

- a) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- b) The amount of revenue can be measured reliably; and
- c) It is probable that the economic benefits or service potential associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest revenue is recognised on a time proportion basis.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods are passed to the consumer.

Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Grants, transfers and donations

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

Conditions on transferred assets require that the entity either:

- Consume the future economic benefits or service potential of the asset as specified; or
- Return future economic benefits or service potential to the transferor in the event that the conditions are breached

Royalties

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

1.19 Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost.

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand and deposits held on call with banks.

Accounting Policies

1.20 Comparative information

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there is a change in accounting estimate, the adjustment is made prospectively.

1.21 Events after the reporting date

If the entity receives information after the reporting date, but before the financial statements are authorised for issue, about conditions that existed at the reporting date, it shall update disclosures that relate to these conditions, in the light of the new information.

If non-adjusting events after the reporting date are material the entity shall disclose the nature of the event and an estimate of its financial effect or a statement that such an estimate cannot be made.

1.22 Irregular and fruitless and wasteful expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

When confirmed, irregular expenditure must be recorded in the notes to the financial statements. The amount to be recorded in the notes must be equal to the value of the irregular expenditure incurred unless it is impracticable to determine the value thereof. Where such impracticability exists, the reasons therefore must be provided in the notes. Irregular expenditure must be removed from the notes when it is either:

- (a) condoned by National Treasury or the relevant authority;
- (b) it is transferred to receivables for recovery; or
- (c) it is not condoned and is irrecoverable.

A receivable related to irregular expenditure is measured at the amount that is expected to be recovered and must be de-recognised when the receivable is settled or subsequently written off irrecoverable.

Fruitless and wasteful expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

1.23 Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

1.24 Budget information

Economic Entity is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by economic entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 01/04/2015 to 31/03/2016.

The consolidated 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.

Accounting Policies

1.24 Budget information (continued)

Comparative information is not required.

Notes to the Consolidated Annual Financial Statements

Figures in Rand thousand	Consolidated		PanSALB	
	2016	2015	2016	2015
2. Government grants & subsidies				
National Department - Arts and Culture	90,905	86,847	90,905	86,847
Department of Arts and Culture - Mpumalanga	150	250	-	-
Provincial Department - Mpumalanga Grant conditional	182	125	182	125
Lottery Grant	2,455	4,613	2,455	4,613
Gauteng Legislature	-	603	-	603
	93,692	92,438	93,542	92,188
3. Sales				
Books	189	199	-	-
CD-Roms	266	216	-	-
Dictionaries	34	23	-	-
Total	489	438	-	-
4. Gifts, sponsorships and donations				
Donations	2,709	2,749	-	-
5. Other income				
Other income	22	80	-	-
Royalties	530	96	-	-
Workshop facilitation	23	24	-	-
Total	575	200	-	-
6. Administrative expenditure				
Administration and management fees - third party	3,282	1,870	2,283	719
Auditor's remuneration	2,942	2,232	2,456	1,719
Auditor's remuneration - External audit fees	2,601	1,913	2,115	1,400
Auditor's remuneration - Internal audit fees	341	319	341	319
Board and audit committee remuneration	498	456	498	456
Staff training and development	1	4	-	-
Bad debts written off	1	15	-	-
Legal fees	5,304	583	5,299	567
Total	12,028	5,160	10,536	3,461

Pan South African Language Board

Consolidated Annual Financial Statements for the year ended 31 March 2016

Notes to the Consolidated Annual Financial Statements

	Consolidated		PanSALB	
Figures in Rand thousand	2016	2015	2016	2015
7. Staff costs				
Salaries	49,374	53,185	34,350	40,797
Basic	42,497	44,259	28,081	32,158
Acting allowances	984	256	984	256
Leave pay provision charge	989	560	595	498
Overtime payments	51	-	51	-
Bonus	1,205	1,524	991	1,299
Travel, motor car, accommodation, subsistence and other allowances	3,648	6,586	3,648	6,586
Housing subsidy	1,577	1,423	1,577	1,423
Employer social contributions	6,868	9,289	6,044	7,464
Medical aid	2,058	2,794	1,653	2,403
UIF	138	307	114	281
WCA	40	40	40	40
SDL	16	9	-	-
Provision for post-retirement employee benefit	(224)	765	-	-
Defined pension contribution plan	4,837	5,373	4,237	4,740
Other payroll levies	3	1	-	-
Directors' remuneration - NLU's	1,341	1,794	-	-
Total	59,160	65,691	41,971	49,684
Number of staff members	110	107	66	63
8. Transfers and subsidies				
Subsidies				
National Lexicography Units (Note 26)	-	-	18,548	16,756
9. Other operating expenses				
Advertising	394	43	394	43
Computer expenses	163	94	-	-
Consulting and professional fees	3,538	4,552	3,212	4,051
Consumables	93	66	39	45
Entertainment	5	28	-	-
Motor vehicle expenses	19	8	6	-
Travel and accommodation	1,813	1,650	582	527
Utilities - Other	1,849	1,626	1,821	1,605
National Language Bodies	1,419	75	1,419	75
Provincial Language Committees	1,052	461	1,052	444
Project - Language in Education	405	1,735	405	1,735
Translation and Interpretation	-	673	-	673
Literature and Media	2,457	2,717	2,457	2,717
Lexicography Development	14	-	14	-
Linguistic Human Rights	25	6	25	6
Co-operation with other bodies	1,066	682	1,066	682
Communications and marketing	529	34	415	10
Other project expenses	41	156	41	156
Other expenses	793	1,038	367	944
Total	15,675	15,644	13,315	13,713
10. Finance costs				
Other interest paid	222	38	219	38

Notes to the Consolidated Annual Financial Statements

	Consolidated		PanSALB	
Figures in Rand thousand	2016	2015	2016	2015
11. Interest received				
Bank	874	433	630	175
Bank deposits	285	202	-	-
	1,159	635	630	175

12. Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term, highly liquid investments that are held with registered banking institutions with maturities of three months or less and that are subject to insignificant interest rate risk. The carrying amount of these assets approximates to their fair value.

Cash on hand	1	1	-	-
Bank balances	4,089	5,743	2,649	3,857
Short-term deposits	13,213	8,236	12,786	7,894
Total	17,303	13,980	15,435	11,751

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating				
F2	17,303	13,980	15,435	11,751

Cash and cash equivalents pledged as collateral

Securities held by Absa bank on investment account	70	70	70	70
Total financial assets pledged as collateral for contingent liabilities	-	70	-	70
Terms and conditions				

13. Inventories

Finished goods	1,237	1,255	-	-
Opening balance	1,255	1,296	-	-
Issued (expensed) - consumables	(18)	(41)	-	-
Total	1,237	1,255	-	-

14. Receivables from exchange transactions

Trade debtors	128	166	-	-
Deposits	323	241	323	241
Other receivables	608	616	56	5
Prepaid expenses	19	-	-	-
Total	1,078	1,023	379	246

The receivables are not considered to be impaired unless specifically provided for. The risk exposure of receivables has been disclosed in note 23.

Notes to the Consolidated Annual Financial Statements

	Consolidated		PanSALB	
Figures in Rand thousand	2016	2015	2016	2015

15. Property, plant and equipment

Consolidated	2016			2015		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Office equipment	538	(265)	273	637	(336)	301
Motor vehicles	1,373	(1,097)	276	1,373	(977)	396
IT equipment	2,782	(2,066)	716	2,722	(1,745)	977
Furniture and fixtures	2,771	(1,825)	946	2,767	(1,710)	1,057
Lease improvement / Research	71	(64)	7	71	(63)	8
Donated Assets	9	(5)	4	9	(5)	4
Cell Phones	480	(187)	293	366	(162)	204
Leased equipment	2,321	(460)	1,861	677	(556)	121
Library books	29	(26)	3	29	(29)	-
Total	10,374	(5,995)	4,379	8,651	(5,583)	3,068

PanSALB	2016			2015		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Office equipment	320	(166)	154	319	(147)	172
Motor vehicles	1,055	(798)	257	1,055	(709)	346
IT equipment	1,585	(1,065)	520	1,483	(698)	785
Furniture and fixtures	2,203	(1,402)	801	2,156	(1,295)	861
Donated Assets	9	(5)	4	9	(5)	4
Cell Phones	480	(187)	293	366	(162)	204
Leased equipment	2,321	(460)	1,861	677	(556)	121
Total	7,973	(4,083)	3,890	6,065	(3,572)	2,493

Reconciliation of property, plant and equipment - Consolidated - 2016

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Office equipment	301	11	(5)	(34)	-	273
Furniture and fixtures	1,057	48	-	(159)	-	946
Motor vehicles	396	-	-	(120)	-	276
IT equipment	977	225	-	(479)	(7)	716
Lease improvement / Research	8	-	-	(1)	-	7
Donated Assets	4	-	-	-	-	4
Cell Phones	204	480	(26)	(365)	-	293
Leased equipment	121	2,317	(26)	(551)	-	1,861
Library books	-	3	-	-	-	3
	3,068	3,084	(57)	(1,709)	(7)	4,379

Notes to the Consolidated Annual Financial Statements

	Consolidated		PanSALB	
Figures in Rand thousand	2016	2015	2016	2015

15. Property, plant and equipment (continued)**Reconciliation of property, plant and equipment - Consolidated - 2015**

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total	-
Office equipment	385	3	(43)	(40)	(4)	301	
Furniture and fixtures	1,200	55	(67)	(127)	(4)	1,057	
Motor vehicles	521	-	-	(125)	-	396	
IT equipment	1,247	188	(161)	(297)	-	977	
Lease improvements / Research	10	-	-	(2)	-	8	
Donated Assets	5	-	-	(1)	-	4	
Cell phones	330	-	-	(126)	-	204	
Leased equipment	372	-	-	(251)	-	121	-
	4,070	246	(271)	(969)	(8)	3,068	

Reconciliation of property, plant and equipment - PanSALB - 2016

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total	
Office equipment	172	1	-	(19)	-	154	
Furniture and fixtures	861	47	-	(107)	-	801	
Motor vehicles	346	-	-	(89)	-	257	
IT equipment	785	102	-	(360)	(7)	520	
Donated Assets	4	-	-	-	-	4	
Cell Phones	204	480	(26)	(365)	-	293	
Leased equipment	121	2,317	(26)	(551)	-	1,861	
	2,493	2,947	(52)	(1,491)	(7)	3,890	

Reconciliation of property, plant and equipment - PanSALB - 2015

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total	
Office equipment	239	-	(43)	(20)	(4)	172	
Furniture and fixtures	1,011	-	(67)	(79)	(4)	861	
Motor vehicles	438	-	-	(92)	-	346	
IT equipment	989	151	(161)	(194)	-	785	
Donated Assets	5	-	-	(1)	-	4	
Cell phones	330	-	-	(126)	-	204	
Leased equipment	372	-	-	(251)	-	121	
	3,384	151	(271)	(763)	(8)	2,493	

Notes to the Consolidated Annual Financial Statements

	Consolidated		PanSALB	
Figures in Rand thousand	2016	2015	2016	2015

16. Intangible assets

Consolidated	2016			2015		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	695	(484)	211	575	(421)	154

PanSALB	2016			2015		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	487	(404)	83	487	(353)	134

Reconciliation of intangible assets - Consolidated - 2016

	Opening balance	Additions	Amortisation	Total
Computer software	154	120	(63)	211

Reconciliation of intangible assets - Consolidated - 2015

	Opening balance	Amortisation	Total
Computer software	282	(128)	154

Reconciliation of intangible assets - PanSALB - 2016

	Opening balance	Amortisation	Total
Computer software	134	(51)	83

Reconciliation of intangible assets - PanSALB - 2015

	Opening balance	Amortisation	Total
Computer software - licences	235	(101)	134

17. Other financial assets

Designated at fair value

Investments

Investments consists of funds invested within the long term investment pool of Stellenbosch University as well as a fixed deposit held with Standard Bank. The fixed deposit earns interests at a fixed rate of 8.53% per annum, payable on 9 June 2017 (maturity date) Standard Bank holds a short term local debt rating of F1+(ZAF), and an AA(zaf) long term local debt rating as on 31 March 2016.

1,694	1,571	-	-
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Notes to the Consolidated Annual Financial Statements

Figures in Rand thousand	Consolidated		PanSALB	
	2016	2015	2016	2015
17. Other financial assets (continued)				
At amortised cost				
Rhodes University The loan is unsecured and there are no fixed terms of repayment	268	13	-	-
University of Pretoria The loan is unsecured and there are no fixed terms of repayment.	4,089	3,568	-	-
University of Fort Hare The loan is unsecured and bears interest at variable rates. There are no fixed terms of repayment.	374	125	-	-
Stellenbosch University This loan is unsecured and not subject to any fixed terms of repayment. Interest is calculated at a floating rate linked to the prime overdraft rate. The rate at year-end was 4.90% (2013 : 4.90%)	2,110	1,867	-	-
University of Venda The loan represents monies received by the university, but not yet utilised by the TNLU. The loan bears no interest and has no fixed repayment terms.	-	335	-	-
North - West University The loan is unsecured and there are no fixed terms of repayment.	749	591	-	-
	7,590	6,499	-	-
Total other financial assets	9,284	8,070	-	-
Non-current assets				
Designated at fair value	1,694	1,571	-	-
Current assets				
At amortised cost	7,590	6,499	-	-
18. Payables from exchange transactions				
Accruals	2,418	1,001	2,254	810
Leave and bonuses	3,238	2,853	2,983	2,533
Operating lease payables	273	134	256	131
Other payables	1,851	1,014	1,029	3
Trade payables	66	1,151	36	1,122
Total	7,846	6,153	6,558	4,599

The fair value of trade and other payables approximates their carrying amounts.

Leave and bonuses are classified as accruals in accordance with the policy adopted by PanSALB.

Notes to the Consolidated Annual Financial Statements

	Consolidated		PanSALB	
Figures in Rand thousand	2016	2015	2016	2015
19. Finance lease obligations				
Minimum lease payments due				
- within one year	949	108	949	108
- in second to fifth year inclusive	1,570	-	1,570	-
	2,519	108	2,519	108
less: future finance charges	(338)	(6)	(338)	(6)
Present value of minimum lease payments	2,181	102	2,181	102
Present value of minimum lease payments due				
- within one year	774	102	774	102
- in second to fifth year inclusive	1,407	-	1,407	-
	2,181	102	2,181	102
Non-current liabilities	1,407	-	1,407	-
Current liabilities	774	102	774	102
	2,181	102	2,181	102

It is the entity's policy to lease photocopiers, cellphones and the switchboards under finance leases.

The average lease term is 3 to 5 years.

Interest rates are linked to prime at the contract date. All leases escalate at 15% p.a. and no arrangements have been entered into for contingent rent.

The entity's obligations under finance leases are secured by the lessor's charge over the leased assets. Refer note 15.

20. Employee benefit obligations

Post-retirement employee benefits

The Afrikaans NLU accounts for actuarially determined future medical and group life insurance benefits and provide for the expected liability in the statement of financial position

The most recent valuation was done on 31 March 2015. The next valuation will be done on or before 31 March 2018. A medical cost inflation rate of 9.6% (2015: 8.4%) and a discount rate of 10.1% (2015: 8.6%) and insurance premium inflation rate of 7.6% (2015: 6.4%) were assumed. The average retirement age was set at 60 years (2015: 60 years).

The amounts recognised in the statement of financial position are as follows:

Carrying value				
Opening balance	(5,663)	(4,898)	-	-
Current service cost	(96)	(106)	-	-
Interest cost	(473)	(450)	-	-
Contributions	305	279	-	-
Actuarial profit/(loss)	224	(488)	-	-
	(5,703)	(5,663)	-	-

Notes to the Consolidated Annual Financial Statements

Figures in Rand thousand	Consolidated		PanSALB	
	2016	2015	2016	2015
21. Cash generated from operations				
Surplus	3,919	3,710	2,999	3,428
Adjustments for:				
Depreciation and amortisation	1,747	1,044	1,543	826
Loss on sale of assets and liabilities	57	271	52	271
Fair value adjustments	(98)	(114)	-	-
Impairment loss	404	8	404	8
Movements in retirement benefit assets and liabilities	40	765	-	-
Changes in working capital:				
Inventories	18	41	-	-
Receivables from exchange transactions	(55)	(139)	(133)	(18)
Other receivables from non-exchange transactions	1	(461)	1	(461)
Payables from exchange transactions	1,587	(2,297)	1,809	(2,942)
Unspent conditional grants and receipts	(2,136)	6,441	(2,123)	6,191
	5,484	9,269	4,552	7,303

22. Operating lease arrangements

This committed expenditure relates to property and will be financed by available bank facilities, retained surpluses, rights issue of shares, issue of debentures, mortgage facilities, existing cash resources, funds internally generated, etc.

The entity as lessee

The entity has operating leases for offices over periods between 24 and 60 months. At the statement of financial position date the entity had outstanding commitments under non-cancellable operating leases, which fall due as follows:

Minimum lease payments due				
- within one year	1,869	1,062	1,869	1,062
- in second to fifth year inclusive	3,954	2,438	3,954	2,438
Total	5,823	3,500	5,823	3,500

23. Risk management**Maximum credit risk exposure**

Credit risk consists mainly of cash deposits, cash equivalents and receivables. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Securities of R 70,000 are held by Absa bank on investment account.

Management evaluates credit risk relating to receivables on an ongoing basis. If debtors are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the debtor, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board.

Exposure to credit risk

The maximum exposure to credit risk at the reporting date was:

Receivables – unrated	1,310	1,716
Cash and equivalents: F2 and F3 – rating	17,303	13,980
Total	18,613	15,696

Notes to the Consolidated Annual Financial Statements

	Consolidated		PanSALB	
Figures in Rand thousand	2016	2015	2016	2015

23. Risk management (continued)

Credit quality of financial assets

The following analysis provides information about the entity's exposure to credit risk:

Receivables

- Neither past due nor impaired	1,310	1,716
Neither past due nor impaired	-	-

Cash and equivalents

Neither past due nor impaired	17,303	13,980
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Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

Exposure to liquidity risk

The following are the maturities and contractual cash flows of other financial liabilities which have been undiscounted.

Consolidated

At 31 March 2016

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Borrowings	774	1,407	-	-
Other financial liabilities	1,461	-	-	-
Trade and other payables	7,289	-	-	-
Retirement benefit obligation	-	5,703	-	-

At 31 March 2015

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Borrowings	102	-	-	-
Other financial liabilities	1,381	-	-	-
Trade and other payables	6,270	-	-	-
Retirement benefit obligation	-	5,663	-	-

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.

24. Consolidation

The entity exercises control over the National Lexicography Units mentioned in note 26. The financial results of these enterprises have been consolidated into the financial statements of Pan South African Language Board.

Notes to the Consolidated Annual Financial Statements

Figures in Rand thousand	Consolidated		PanSALB	
	2016	2015	2016	2015

25. Contingent Liabilities

PanSALB disregarded the employment contract of 44 employees appointed during the turn around strategy. These employees have instituted legal proceedings against PanSALB with the CCMA and Labour Court. The matter is still in progress. Subsequently some of these employees have agreed to settle. PanSALB estimates the total settlement to be approximately R 18,2 million and further legal costs and disbursements are expected to be R500,000.

The disbanded PanSALB board members have instituted legal proceedings against both the Minister of Arts and Culture and PanSALB. The matter is still in progress. This is not a claim for monetary award and no further legal costs or disbursements are expected to be incurred. Furthermore the disbanded board members have instituted a claim against PanSALB for the appointment of employees. The legal costs are estimated to be R500,000.

The Senior Legal Advisor has instituted legal proceedings against the appointment of the CEO. The applicant seeks a declaratory order to set aside PanSALB's decision to appoint Dr Monareng as its CEO. He also wants the court to declare the advertisement of the post of the CEO unlawful and invalid, and to ultimately declare Dr Monareng's appointment and decisions as unlawful and invalid. PanSALB is opposing the application. The matter is still ongoing and the legal costs are expected to be R500,000.

The legal proceeding by the Senior Legal Advisor against PanSALB is still ongoing. He is claiming damages arising from his unlawful dismissal in June 2010. PanSALB has entered an intention to defend. The amount of the claim is estimated to be R 10,8 million.

The entity providing consulting services for the lottery scholarship has instituted legal proceedings against PanSALB. The parties have agreed that PanSALB will pay the costs. The Judge has made an order for PanSALB to pay the party costs. The date for the taxation of the bills of costs is to be determined. At the taxation the Taxing Master will determine the amount that PanSALB must pay. The costs are expected to be R100,000.

A candidate employee, who was not short-listed when interviewed, has instituted legal proceedings against PanSALB. The matter is still in progress. After receiving the application, as required, PanSALB lodged the record of the proceedings that led to the appointment of Dr Monareng as the CEO of PanSALB. The applicant subsequently filed her supplementary affidavit. PanSALB is opposing the application. Legal costs and disbursements are expected to be R500,000.

Various employees have disputed their job grading and are seeking job grading promotions. The matter has been referred to the CCMA and is still in progress. The legal costs and disbursements are expected to be R200,000.

26. Related parties

PanSALB board members

Prof MR Madiba (Chairperson)
Prof W Carstens
Ms N Levin
Mr White
Dr P Nkuna
Mr JJ Blose
Mr Jama
Dr PA Phindana
Ms S Mayenge
Mr J Mnisi
Mr ER Makgele
Mr HS Theys

PanSALB interim board members

Dr MM Balintulo (Chairperson)
Ms AN Damane (Deputy Chairperson)
Mr MT Makhweyane
Mr L Matsila
Dr GM Tawane
Adv SS Botha

Pan South African Language Board

Consolidated Annual Financial Statements for the year ended 31 March 2016

Notes to the Consolidated Annual Financial Statements

Figures in Rand thousand	Consolidated		PanSALB	
	2016	2015	2016	2015
26. Related parties (continued)				
Audit, risk and ICT committee members for PanSALB	Mr M Mathose (Chairperson) Mr X Khumalo Ms S Manyenge Dr PH Nkuma Mr JJ Blose			
Members of key management for PanSALB	Chief Executive Officer Acting Chief Financial Officer Senior managers Directors of NLUs			
Non-profit entities receiving grants from PanSALB	National Lexicography Units (NLUs)			
Entity under the directorship of Mr JJ Blose	Sanda Sizwe Investment (Pty) Ltd			
Associate of close family member to Mr JJ Blose	Mrs OZ Blose (PanSALB's Chief Language Practitioner)			
Department within the same sphere of government	National Department - Arts and Culture Mpumalanga Provincial Department - Sports, Arts and Culture			
Related party balances				
Other financial liabilities				
National Department - Arts and Culture			1,381	1,381
Related party transactions				
Grants received from related parties				
National Department – Arts and Culture			90,905	86,847
Department of Arts and Culture - Mpumalanga			182	125
			91,087	86,972
Remuneration				
Directors remuneration - NLUS			1,341	1,794
Board and audit committee remuneration (refer to note 6 and annexure)			498	456
Other operating expenses				
Sandra Sizwe Investments (Pty) Ltd			95	40
Transfers and subsidies paid to the National Lexicography Units				
National Lexicography Units				
Bureau of the Woordboek van die Afrikaanse Taal NPC			1,662	1,510
Dictionary Unit for South African English NPC			1,662	1,510
Iziko Lesihlathululi-Mezwi Sesindebele NPC			1,662	1,510
Isixhosa National Lexicography Unit			1,662	1,510
Isikhungo Sesichazamazwi Sesizulu			1,662	1,510
Sesiu sa Sesotho Lexicography Unit NPC			1,662	1,510
Sesotho Sa Leboa Dictionary Unit NPC			1,928	1,656
Setswana National Lexicography Unit NPC			1,662	1,510
Silulu Sesiswati Lexicography Unit NPC			1,662	1,510
Tshivenda National Lexicography Unit NPC			1,662	1,510
Xitsonga National Lexicography Unit NPC			1,662	1,510
Total			18,548	16,756

Notes to the Consolidated Annual Financial Statements

	Consolidated		PanSALB	
Figures in Rand thousand	2016	2015	2016	2015

26. Related parties (continued)**Senior Management remuneration 2016**

	Salary	Expense allowances	Other benefits	Total
Chief Executive Officer - Dr RRM Monareng	567	-	279	846
Executive Head - Corporate Services - Mr SP Nkosi	260	144	128	532
Acting Chief Executive Officer - Adv Z Feni	147	59	74	280
Acting Chief Financial Officer - Mr AV Mbilini	611	4	302	917
Total	1,585	207	783	2,575

Senior Management remuneration 2015

	Salary	Expense allowances	Other benefits	Total
Caretaker Chief Executive Officer - Mr M Zwane (contract expired June 2014)	324	130	111	565
Acting Chief Executive Officer - Ms K Mbele (July 2014 -30 September 2014)	115	54	31	200
Executive Head Corporate Services - Ms K Mbele	401	158	109	668
Executive Head Monitoring and Evaluation - Dr D Thokoane	368	27	220	615
Executive Head Languages - Dr N Mali	446	124	192	762
Acting Chief Executive Officer- Adv Z Feni (appointed 01 November 2014)	239	110	140	489
Acting Chief Financial Officer- Mr AV Mbilini	568	36	401	1,005
Total	2,461	639	1,204	4,304

27. Events after the reporting date

The entity is waiting the new appointment of the board by the Minister after the subsequent disbanding the of the board on the 12 January 2016. The newly appointed board will also appoint the audit committee.

The entity also filled the positions of Chief Financial Officer and Executive Head of Languages subsequent to 31 March 2016.

On the 19th of July 2016 National Treasury condoned irregular expenditure amounting to R 37 million incurred as a result of not following the normal bidding process since the Accounting Authority complied with section 51(e)(i)(iii) of the Public Finance Management Act.

28. Impairment of financial assets

Except as disclosed in the annual financial statements, the entity is not aware of any other events or circumstances, which will result in the impairment of financial assets for the year ended 31 March 2016.

Notes to the Consolidated Annual Financial Statements

Figures in Rand thousand

29. Key sources of estimate uncertainty and judgements

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement are 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. Significant judgements include:

The determination of the useful lives and residual values of property, plant and equipment; and intangible assets with finite useful lives. The useful lives and residual values of assets are based on management's estimation of the asset's condition, expected condition at the end of the period of use, its current use, expected future use and the entity's expectations about the availability of finance to replace the asset at the end of its useful life. In evaluating the how the condition and use of the asset informs the useful life and residual value management considers the impact of technology and minimum service requirements of the assets.

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets.

Provisions were recognised and management determined an estimate based on the information available.

Contingencies recognised require estimates and judgements made by management and is normally the amount that the entity would rationally pay to settle the obligation or to transfer it to a third party at the reporting date. Management's judgements are based on similar transactions and, in some cases, reports from independent experts. Any events after the reporting date are considered and, where relevant, included. Contingent assets are assessed on a continuous basis and when inflows of resources become virtually certain the related asset is recognised in the notes to the annual financial statements.

30. Receivables from non-exchange transactions

Other receivables from dismissed employees	461	461	461	461
Provision for impairment	(397)	-	(397)	-
	64	461	64	461

31. Other financial liabilities**At amortised cost**

Department of Arts and Culture Caretaker CEO salary	1,381	1,381	1,381	1,381
University of Fort Hare The loan is unsecured and bears interest at variable rates. There are no fixed terms of repayment.	80	-	-	-
	1,461	1,381	1,381	1,381

Total other financial liabilities	1,461	1,381	1,381	1,381
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Current liabilities

At amortised cost	1,461	1,381	1,381	1,381
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Notes to the Consolidated Annual Financial Statements

	Consolidated		PanSALB	
Figures in Rand thousand	2016	2015	2016	2015
32. Unspent conditional grants and receipts				
Unspent conditional grants and receipts comprises of:				
Unspent conditional grants and receipts				-
Provincial Department - Sports, Arts and Culture - Free State	237	250	-	-
Department of Arts and Culture - Mpumalanga (including interest received)	112	129	112	129
Lottery Fund (including interest received)	3,583	5,713	3,583	5,713
Gauteng Legislature (including interest received)	373	349	373	349
	4,305	6,441	4,068	6,191
33. Cost of sales				-
Sale of goods				
Cost of goods sold	93	90	-	-
34. Fair value adjustments				
Investment - Stellenbosch University				
• Other financial assets (Designated as at FV through P&L) (Refer to note 17)	98	114	-	-
35. Impairment of assets				
Impairments				
Property, Plant and Equipment	8	8	8	8
Property, plant and equipment was assessed for impairment and items not in a good condition were impaired.				
Debt - dismissed employees	396	-	396	-
The carrying value of computers and cell phones that were still in the possession of employees who had left the entity was assessed for recoverability and a provision for possible impairment was made.				
	404	8	404	8

Notes to the Consolidated Annual Financial Statements

	Consolidated		PanSALB	
Figures in Rand thousand	2016	2015	2016	2015

36. Prior period errors

The following errors identified have been corrected retrospectively and the comparative figures have been restated accordingly:

- PanSALB and Dictionary Unit for South African English NPC receivables incorrectly disclosed as payables for the year ended 31 March 2015 were rectified.
- Dictionary Unit for South African English NPC's bank account incorrectly disclosed as other financial assets instead of cash and cash equivalents for the year ended 31 March 2015 was rectified.
- The cost price and accumulated depreciation until 31 December 2014 of computers and cell phones in the possession of PanSALB employees who were disregarded was derecognised and a receivable from non-exchange transactions was recognised.
- The useful lives of PanSALB computers that were written off to zero book value at 31 March 2015 were corrected as at 1 April 2014 resulting in a decrease in accumulated depreciation at 1 April 2014 and a decrease in depreciation for the year ended 31 March 2015.
- Loss on disposal of PanSALB's assets for the year ended 31 March 2015 incorrectly recognised as depreciation was rectified.
- Errors identified with the alignment of the useful lives of the NLUs assets including intangible assets to PanSALB was rectified for the year ended 31 March 2015 resulting in an increase in accumulated depreciation as at 1 April 2014, an increase in depreciation for the year ended 31 March 2015 and a decrease in the NLUs accumulated surplus.
- Setswana's computer equipment incorrectly disclosed as intangible assets for the year ended 31 March 2015 was reallocated to property, plant and equipment.
- Sesindebele's deferred income for the year 31 March 2015 incorrectly disclosed as other financial assets was reallocated to unspent unconditional grants.
- Errors identified on PanSALB's finance lease liability calculations for the year ended 31 March 2015 were rectified resulting in an increase in finance costs and a decrease in the finance lease liability. The cash flow statement was also amended accordingly.
- Accruals not recognised for the year ended 31 March 2015 for PanSALB, Isixhosa and Sesindebele were rectified.
- Errors identified on PanSALB's leave, bonus and operating lease schedules for the year ended 31 March 2015 were rectified.
- Municipal charges and rental paid by the Department of Arts and Culture on PanSALB's behalf was recognised as expenses and grants received for the year ended 31 March 2015. The cash flow statement was also amended accordingly.
- Tshivenda's employee costs incorrectly disclosed as operating expenses for the year ended 31 March 2015 was rectified.
- PanSALB's audit committee remuneration and Sesiswati's bad debts disclosed under operating expenses for the year ended 31 March 2015 was reallocated to administrative expenses.
- Operating lease rentals previously included in other operating expenses for the year ended 31 March 2015 is now separately disclosed on the face of the Statement of Financial Performance.
- Telephone and photocopy charges included in operating lease rentals for the year ended 31 March 2015 was reallocated to other operating charges.
- Errors identified on the cash flow statement for the year ended 31 March 2015 was amended.

The total net effect of the prior period error(s) is as follows:

Statement of Financial Position

Receivables from exchange transactions	-	9	-	1
Cash and cash equivalents	-	342	-	-
Property, plant and equipment	-	(430)	-	(200)
Receivables from non-exchange transactions	-	461	-	461
Other financial assets	-	(92)	-	-
Unspent conditional grants	-	(250)	-	-
Intangible assets	-	10	-	-
Finance leased obligations	-	169	-	169
Payables from exchange transactions	-	(395)	-	(342)
Accumulated surplus - 1 April 2014	-	(318)	-	(318)
NLUs surplus adjustment	-	265	-	-

Notes to the Consolidated Annual Financial Statements

	Consolidated		PanSALB	
Figures in Rand thousand	2016	2015	2016	2015
36. Prior period errors (continued)				
Statement of Financial Performance				
Government grants & subsidies	-	(1,351)	-	(1,351)
Staff costs	-	1,008	-	152
Other operating expenses	-	(4,071)	-	(2,540)
Loss on disposal	-	30	-	30
Depreciation	-	(21)	-	(154)
Finance costs	-	4	-	4
Administrative expenses	-	(41)	-	(58)
Lease rentals on operating lease	-	4,858	-	4,146
NLUs surplus adjustment	-	(187)	-	-
Cash flow statement				
Cash flow from operating activities				
Other receipts and sales	-	107	-	-
Grants and transfers	-	2,999	-	1,352
	-	3,106	-	1,352
Cash flow from operating activities				
Employee costs	-	(1,292)	-	95
Suppliers	-	(3,085)	-	(1,518)
	-	(4,377)	-	(1,423)
Cash flow from financing activities				
Net finance lease movement	-	(169)	-	(169)
Loans receivable	-	(231)	-	-
	-	(400)	-	(169)

37. Going concern

The consolidated annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. The entity has committed funds from National Treasury for the following 3 years. Management has embarked on a strategic planning exercise and developed a fundraising strategy; which includes identifying new avenues for generating additional revenue.

The entity will also continue providing the NLUs with funding from its committed funds in accordance with the PanSALB Act.

38. Fruitless and wasteful expenditure

Interest charged on late payments to suppliers and legal costs	-	-	506	604
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The above matter has been investigated and the interest was incurred as a result of inadequate cashflows available during the year to settle suppliers when they became due. No further disciplinary steps were taken

Notes to the Consolidated Annual Financial Statements

	Consolidated		PanSALB	
Figures in Rand thousand	2016	2015	2016	2015
39. Irregular expenditure				
Opening balance restated	-	-	31,001	22,102
Add: Irregular Expenditure - current year	-	-	8,318	8,899
	-	-	39,319	31,001

Analysis of expenditure awaiting condonation per age classification

Current year	-	-	8,318	8,899
Prior years	-	-	31,001	22,102
	-	-	39,319	31,001

Details of irregular expenditure – current year

	Disciplinary steps taken/criminal proceedings	
Irregular expenditure incurred as a result of institutions procuring goods or services by means other than through competitive bids and where reasons for deviating from inviting competitive bids have not been recorded and approved by the accounting officer. (Contravention of Treasury Regulation 16A6.4)	All matters are currently under investigation. Steps have been taken to rectify the irregularity and re-apply for condonation.	8,318

Details of irregular expenditure for the current year (not condoned)

Legal consultants	5,470
Travel and banqueting for meetings held	46
ICT	2,013
Projects Expenses	789
	8,318

Pan South African Language Board

Consolidated Annual Financial Statements for the year ended 31 March 2016

The board members for PanSALB was disbanded on 12 January 2016.

The following directors were appointed for both years ending 31 March 2015 and 31 March 2016 at the undermentioned NLUs:

Bureau of the Woordeboek van die Afrikaanse Taal NPC

- Prof. A Schoonwinkel (Chairman)
- Dr W.F. Botha
- Dr L.E. Combrink
- Prof. L.G. de Stadler
- Prof. R.H. Gouws
- Mr. H.A.J. Lombard
- Dr. M. Pienaar
- Mr. R.A. Stevens

Dictionary Unit for South African English NPC

- S.E.H Driver
- M.M. Hackley
- T.L. Amos
- R.D. Adendorff
- M. Hendricks
- R.H. Kaschula
- J.D. Linnegar
- E.J. Wolvaart

Iziko Lesihlathululi-Mezwi Sesindebele NPC

- Mr. P.J. Masilela (Chairperson)
- Mr. D.S. Masanabo (Deputy Chairperson)
- Mr. L.T. Mnguni
- Mr. J. Mthimunya
- Mr. P.G. Mabena
- Mr. V.S. Ndala
- Ms. K.S. Mahlangu (Editor in Chief_)

Isixhosa National Lexicography Unit

- Dr. M. Jadezweni (Chairperson)
- Dr. P.N. Mkonto
- Prof. D.N. Jafta
- Dr. O.S. Dzingwa (resigned)
- Mr. M. Tanda
- Dr. S.S. Mdaka
- Ms. N. Tyolwana (resigned)
- Dr. T. Nstinga (resigned)

Isikhungo Sesichazamazwi Sesizulu NPC

- Justice S.J. Ngwenya (Chairman)
- Mr. M.A. Simelane (Financial Officer)
- Prof. A.M. Maphumulo
- Dr. M.O. Mtshali
- Mr. B.N. Mchunu
- Ms. L. Makhubu (Deputy Chairperson)
- Mr. M. Mbatha (CEO and Editor in Chief)
- Ms. L. Mahonga
- T.R.G. Ntombela
- Mr. N.M. Dubazane
- Ms. T. Dlamini

Sesiu sa Sesotho Lexicography Unit NPC

- Prof. M.A. Moleleki
- Prof. H.M. Thipa
- Mr. C.M. Mahase
- Mr. M.J. Motsapi

Sesotho Sa Leboa Dictionary Unit NPC

- Dr. S.J. Chokoe

Pan South African Language Board

Consolidated Annual Financial Statements for the year ended 31 March 2016

- Mrs. K.M. Makgopa
- Ms. M.K. Malepe
- Dr. M.V. Mojela
- Dr. D.N. Lekganyane
- Dr. S. Mogale
- Mr. S.J. Dolamo
- Mr J.R. Matlala

Setswana National Lexicography Unit NPC

- N.J. Phalatse (Chairperson)
- D.J. Molefe (Deputy Chairperson)
- G.B Mareme (Editor in Chief)
- R.D. Paadi
- B.D. Sebolao
- K.A. Mhlongo
- G.M. Tlaletsi

Silulu Sesiwati Lexicography Unit NPC

- P.M. Lubisi
- A.D. Shongwe
- J.J. Thwala
- B.V. Mbongela
- L.R. Ntsane
- O.A. Bhiya
- J.P. Shongwe

Tshivenda National Lexicography Unit NPC

- Prof. M.J Mafela
- Adv. K.S. Negota
- Mr. S.L. Thsikota
- Prof. N.M. Musehane
- Mr. T.E. Maphangwa
- Dr. I.P. Demana
- Mr. N.C. Netshisaulu
- Mr. A.S. Tshithukhe

Xitsonga National Lexicography Unit

- Mrs. N.C. Shilote (Chairperson)
- Mr. M.J. Baloyi (Deputy Chairperson)
- Mr. M.J Hlongwane
- Mrs. M.L. Bilankulu
- Mr. S.E. Mushwana
- Mr. X.E. Mabaso
- Mr. S.W.T. Machumele
- Prof. N.C.P. Golele
- Mr. H.T. Mashele (Executive Director)

The supplementary information presented does not form part of the consolidated annual financial statements and is unaudited