



2022-2032 | INTERNATIONAL DECADE OF  
**Indigenous Languages**



**PanSALB**  
PAN SOUTH AFRICAN LANGUAGE BOARD

# ANNUAL **REPORT** **2022/** 2023

*“One nation many languages”*

[www.pansalb.org](http://www.pansalb.org)

# ANNUAL REPORT 2022/ 2023

RP300/2023  
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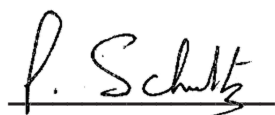
# LETTER TO THE SPEAKER OF PARLIAMENT

The Honourable Nosiviwe Mapisa-Nqakula Speaker of the National Assembly.

It brings me great pleasure to submit the annual report of the Pan South African Language Board (PanSALB) for the period 1 April 2022 to 31 March 2023.

This report has been meticulously prepared for submission to Parliament in accordance with Section 40(1) of the Public Finance Management Act and paragraph 18.2 of the Treasury Regulations. These provisions mandate the accounting officer to present an annual report containing audited financial statements and the report from the Auditor-General to Parliament.

Yours faithfully



**Mr. Lance Schultz**  
Chief Executive Officer  
Date: 31 August 2023



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# PART A

## GENERAL INFORMATION

## GENERAL INFORMATION

**REGISTERED NAME:**

Pan South African Language Board  
(PanSALB)

**REGISTRATION NUMBER:**

19814

**PHYSICAL ADDRESS:**

5<sup>th</sup> Floor Provisus Building,  
523 Stanza Bopape,  
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**EXTERNAL AUDITORS:**

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Lynwood Manor, PRETORIA, 0081

**COMPANY SECRETARY**

Adv. Karabo Sibanyoni  
**EMAIL:** karabo@pansalb.org

**BANKERS:**

ABSA

**ADDRESS:**

230 Van Der Walt Street, PRETORIA, 0002



## ACRONYMS

<b>AGSA</b>	Auditor-General of South Africa
<b>AFS</b>	Annual Financial Statements
<b>AOP</b>	Annual Operational Plan
<b>APP</b>	Annual Performance Plan
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>DPME</b>	Employee Performance Management and Development System
<b>DPSA</b>	Department of Public Service and Administration
<b>DSAC</b>	Department of Sport, Arts and Culture
<b>ENE</b>	Estimates of National Expenditure
<b>EPMDS</b>	Employee Performance Management and Development System
<b>ERP</b>	Enterprise Resource Planning
<b>FAL</b>	First Additional Languages
<b>HR</b>	Human Resources
<b>ICT</b>	Information and Communications Technology
<b>IIAL</b>	Incremental Introduction of African Languages
<b>LHR</b>	Linguistic Human Rights
<b>MEC</b>	Member of the Executive Council
<b>NLB</b>	National Language Body
<b>NLU</b>	National Lexicography Unit
<b>NT</b>	National Treasury
<b>PanSALB</b>	Pan South African Language Board
<b>PFMA</b>	Public Finance Management Act
<b>PLC</b>	Provincial Language Committee
<b>SAHRC</b>	South African Human Rights Commission
<b>SASL</b>	South African Sign Language
<b>SCM</b>	Supply Chain Management
<b>SGB</b>	School Governing Bodies
<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organization
<b>UOLA</b>	Use of Official Languages Act

## FOREWORD BY THE CHAIRPERSON OF THE BOARD

**PROF LOLIE MAKHUBU-BADENHORST**

Chairperson of the Board

*"In the next financial year, the institution will continue to strive towards creating a society that is compliant with language-related legislation, fostering strategic partnerships, and leading the charge in promoting multilingualism and ensuring the equitable use of official languages in the country"*



This annual report reflects on the performance of the Pan South African Language Board (PanSALB) during the financial year 2022/23. During the period under review, the institution continued to conduct various promotions and advocacy campaigns to protect, and promote, the use of mother tongue and the advancement of multilingualism in the country. This included hosting the PanSALB multilingualism awards, Deaf awareness month, PanSALB multilingualism conference, and Language Activism Month. The institution also conducted its inaugural South African Sign Language (SASL) Indaba to pave the way for the standardisation of SASL amidst the anticipated ascension of the Constitution Eighteenth Amendment Bill to include South African Sign Language as one of the official languages in the country.

The past financial year marked the commencement of the International Decade of Indigenous Languages (IDIL), as declared by UNESCO, to focus attention on endangered indigenous languages and the urgent need to preserve, revitalise and promote them. The institution also focused on creating a social compact by establishing strategic partnerships with key stakeholders that were formalised through signed Memorandum of Agreements (MOAs) to promote the furtherance of multilingualism in the country. Most notably, the partnerships with the South African Broadcasting Corporation (SABC) and The Market Theatre. The institution managed to increase its reach and visibility through various media platforms and community radio stations in the different provinces.

The institution executed its protection mandate through its Linguistic Human Rights (LHR) services. During the period under review, PanSALB successfully resolved 12 cases related to linguistic human rights and conducted a linguistic human rights dialogue that focused on the use of official languages within the South African Justice System. PanSALB continued to monitor the implementation of the Use of Official Languages Act by government departments, with a distinct emphasis on the use of the country's previously marginalised indigenous languages. Efforts are being made to strengthen the monitoring role of the institution. The PanSALB Act and the Use of Official Languages Act were reviewed, and

recommendations were made to parliament through the Ministry of Sport, Arts and Culture.

In order to capacitate the institutional workforce, PanSALB undertook an Organisational Design (OD) process to build the capacity required for the effective execution of its constitutional mandate. Despite limited resources, the institution managed to register a 64% performance outcome. The non-submission of annual reports by the national government departments on language policies and practices as required by legislation to PanSALB continues to negatively impact the work of the institution. Therefore, in fostering a language prescripts-compliant state, the institution will continue its drive to ensure more accountability by government institutions and state entities through employing varied strategic interventions.

PanSALB serves as the custodian of multilingualism to promote social cohesion and national unity in South Africa. Therefore, in the next financial year, the institution will continue to strive towards creating a society that is compliant with language-related legislation, fostering strategic partnerships, and leading the charge in promoting multilingualism and ensuring the equitable use of official languages in the country. We await with bated breath the officialisation of South African Sign Language to improve the Deaf community's access to services, information, and justice.

Let me take this opportunity to thank all PanSALB staff members, the Executive, and the Board for their continued support and dedication.



Prof Lolie Makhubu-Badenhorst  
Chairperson of the Board  
Pan South African Language Board  
Date: 31 August 2023

## OVERVIEW BY THE CHIEF CHIEF EXECUTIVE OFFICER

**MR. LANCE SCHULTZ**  
Chief Executive Officer

*“Although we have not yet fully recovered from the wounds caused by the ongoing pandemic, we remain vigilant and confident that we are on a better trajectory compared to the lockdown periods we endured for over two years”*





I am delighted to present the annual report on the fulfillment of our constitutional mandate for the 2022/23 financial year. It has been a remarkable and unforgettable year. The year commenced on a positive note, emerging from various COVID-19 waves. It was during these unprecedented times that the Pan South African Language Board demonstrated exemplary leadership. Looking back on the year, PanSALB made significant strides in promoting multilingualism.

During the year under review, we prioritised tasks that effectively supported recovery and long-term developmental sustainability within our linguistic landscape, in alignment with our predetermined objectives. PanSALB implemented a turnaround strategy to ensure the continued delivery of our constitutional mandate. Our objectives as PanSALB revolve around safeguarding the human rights of South Africans to freely use their preferred language. We have made significant progress in this regard. At the core of our mandate lies a clearly-defined direction outlined in our turnaround plan, accompanied by the unwavering commitment of our Board and staff, who work cohesively towards a common vision and mission, guided by the values already ingrained in our systems. Through this collaborative effort, we have successfully supported our diverse languages and transformed opportunities into impactful actions.

Across the board, several commitments (as per the Annual Performance Plan), have been fulfilled or are currently being met through our key turnaround plan. The actions we are undertaking to successfully achieve our strategic goals continue to foster the thriving of our indigenous languages. Simultaneously, the ongoing implementation of the plan upholds the distinctiveness of PanSALB's constitutional mandate.

I am particularly proud to report that we remain hard at work to enable a successful roll out of the SASL officialisation. In pursuit of this objective, we have organised numerous SASL workshops nationwide, provided support for the adoption of the SASL Charter, and achieved the standardisation and launch of the national anthem in SASL, among other notable initiatives. Additionally, I am pleased to announce that the first audio-visual dictionary in the

N|uu language, one of the Khoi Nama and San languages facing extinction, will soon be published.

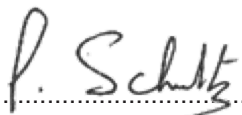
In the following financial year, the organisation will intensify its efforts to ensure that Government and state entities are held accountable for aligning their policies with and contributing to the transformative agenda outlined in our Constitution. Non-compliance with linguistic legislative frameworks carries significant consequences for society at large and affects citizens' access to socio-economic opportunities provided by the Government. Effective communication with citizens is a fundamental principle of a democratic society. Therefore, it is essential that we are deliberate in serving our people in their own languages, enabling them to respond to Government messages effectively.

The language services work that we undertake within PanSALB is only a part of the broader narrative embraced by most stakeholders and role players. Over the past months, we have benefitted immensely from vital collaborations and strategic partnerships with organisations supporting democracy, various Government departments, municipalities, and speech communities.

The valuable knowledge, expertise, and ongoing support of our key stakeholders and other social partners are crucial in achieving our strategic goals, and I eagerly anticipate maintaining these relationships as time progresses. I would also like to express my gratitude to our visionary board and their advisory structures (i.e., the national language bodies, the provincial language committees, and the national lexicographic units) for their tremendous efforts as we collectively strive to fulfill our constitutional mandate.

Although we have not yet fully recovered from the wounds caused by the ongoing pandemic, we remain vigilant and confident that we are on a better trajectory compared to the lockdown periods we endured for over two years. In the words of the State President, His Excellency Mr. Cyril Ramaphosa: "We are hopeful that the worst is behind us, and we are confident that there are only better days ahead. Now is the time to get our country back on track." It is indeed the time to heal, recover, and rebuild.

In conclusion, although the institution may still face challenges at a strategic level and lacks enforcement powers in the legislative framework, we are steadfast in our commitment to creating a fair and thriving society where individuals can enhance their social and economic conditions through the use of their languages. PanSALB is strategically positioned to ensure that previously marginalised languages and those facing extinction are utilised and developed as a national resource in an equitable manner.



Mr. Lance Schultz  
Chief Executive Officer  
Pan South Africa Language Board  
Date: 31 August 2023

# STATEMENT OF RESPONSIBILITY

## RESPONSIBILITY FOR 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.

The annual report is complete, accurate and is free from any omissions.

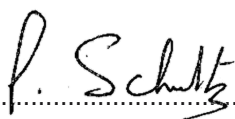
The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The annual financial statements (Part F: Financial Information) have been prepared in accordance with the generally recognised accounting practice standards applicable to constitutional institutions.

The accounting officer is responsible for the preparation of the annual financial statements and for the judgements made on this information.

The accounting officer is responsible for establishing and implementing a system of internal controls 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 were commissioned 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 constitutional institution for the financial year ended 31 March 2023.



**Mr. Lance Schultz**

Chief Executive Officer

Pan South African Language Board

Date: 31 August 2023



**6.1 VISION**

The custodian of multilingualism to promote social cohesion in South Africa.

**6.2 MISSION**

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

- promote multilingualism
- create conditions for the development and use of all South African official languages including the Khoi, Nama and San languages and the South African Sign Language
- promote respect and recognition for all languages, including previously marginalised languages and all other languages commonly used by South African communities
- promote the development of previously marginalised languages
- advocate for rights relating to language and the status of language
- initiate, enable and conduct research in accordance with the PanSALB mandate





## 6.3 VALUES

PanSALB subscribes to the following values:

VALUES	OPERATING PRINCIPLES
<b>Professionalism</b>	Commitment, dedication, punctuality, competence and professional conduct in our work. Treating each other with dignity and respect.
<b>Integrity</b>	Open, honest and transparent in all our operations and activities.
<b>Accountability</b>	Accountable for actions towards clients, stakeholders and one another. Ensuring quality of language products and language use for all formally marginalised official languages as well as the Khoi, Nama and San Languages and South African Sign Language.
<b>Transparency</b>	Provide clients and stakeholders with access to accurate, relevant and timely information.

## 6.4 MEASURING IMPACT

### *Priority 6: Social Cohesion and Safe Community*

The organisation employs multiple approaches to contribute to social cohesion. It is widely acknowledged that language is a fundamental instrument for the welfare of any society, combating language-based exclusions, and fostering a sense of belonging for all.

Among other matters, PanSALB has placed emphasis on promoting multilingualism and ensuring equitable use of official languages, aiming to foster respect and a sense of belonging for every speech community, and striving for a socially cohesive society. In its pursuit of social inclusion, PanSALB supports individuals and groups in their participation in societal activities by safeguarding linguistic human rights and by encouraging the development and adherence to language policies.

# PanSALB MULTILINGUALISM AWARDS

15 June 2022

The Galleria Conference and Events,  
Sandton, Johannesburg



## LEGISLATIVE AND OTHER MANDATES

The PanSALB mandate is primarily derived from the Constitution of the Republic of South Africa (Act No. 108 of 1996) and the PanSALB Act. Other aspects of the mandate stem from additional sections of legislation as well as policies, directives and prescripts.

### 7.1 CONSTITUTIONAL MANDATE

Sections 6(5) (a) and (b) of the Constitution of the Republic of South Africa (Act 108 of 1996) provide for the establishment of a Pan South African Language Board as follows:

- The Pan South African Language Board established by national legislation must promote and create conditions for the development and use of
  - all official languages
  - the Khoi, Nama and San languages
  - sign language
- promote and ensure respect for
  - all languages commonly used by communities in South Africa, including German, Greek, Gujarati, Hindi, Portuguese, Tamil, Telegu and Urdu
  - 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:
  - 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.
  - Other organs of state, through legislative and other measures, must assist and protect these institutions to ensure their independence, impartiality, dignity and effectiveness.
  - No person or organ of state may interfere with the functioning of these institutions.

### 7.2 LEGISLATIVE MANDATES

In addition to the Constitution, the following portions of legislation have a direct or an 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)

### **7.2.1 The Public Finance Management Act (PFMA) (Act 1 of 1999)**

This Act regulates financial management in the national and provincial governments. It aims to ensure effective and efficient management of all revenue, expenditure, assets and liabilities of national and provincial departments and public entities. The key objectives can be summarised as follows:

- Modernise the system of financial management in the public sector.
- Enable public sector managers to be held accountable.
- Ensure the timely provision of quality information.
- Eliminate waste and corruption in the use of public assets.

Furthermore, the Act sets out the responsibilities of persons entrusted with financial management in public sector institutions. PanSALB will strive to ensure adherence to the Act and all its concomitant regulations.

### **7.2.2 The Intergovernmental Relations Framework Act (No. 13 of 2005)**

The Act was enacted to ensure the effective implementation of the principles of cooperative government, as articulated in Chapter 3 of the Constitution. The Act aims to establish mechanisms for coordinating the efforts of all government spheres in delivering services, reducing poverty, and fostering development. This legislation establishes an institutional framework to facilitate a cohesive government, efficient service provision, monitoring, policy and legislation implementation, and achievement of developmental objectives. The objectives of the Act are to promote the following principles of cooperative government:

- Coherent government (cohesiveness and cooperation),
- effective provision of services,
- monitoring and implementation of policy and legislation, and
- realisation of national priorities.

For PanSALB's mandate to be carried out, the organisation needs to cooperate with relevant national and provincial departments and municipalities on issues of mutual relevance and interest.

### **7.2.3 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 held by another person that is required for exercising or protecting any rights; as such it is a 'freedom of information law'.

The Act is enforced by the South African Human Rights Commission (SAHRC) with objectives 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 it 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

PanSALB (and all public institutions) 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 imperative that PanSALB makes provision for these obligations; this will require that the requisite information management systems are put in place, including records management policies and file plans.

#### **7.2.4 The Labour Relations Act (No. 66 of 1995)**

The Labour Relations Act was passed in 1995 and was subsequently amended in 1996 and 2015. 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 policies
- promote orderly collective bargaining at sector level and employee participation in decision-making in the workplace to resolve labour disputes effectively; 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.

#### **7.2.5 The Basic Conditions of Employment Act (Act 75 of 1997)**

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

- giving effect 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 the entity must adhere to the provisions of the Act to uphold the minimum requirements at least for fair working conditions.

## 7.2.6 The Employment Equity Act (No. 55 of 1998)

The function 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 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 the Act will have to be considered

## 7.2.7 The Skills Development Act (No. 97 of 1998)

This Act aims 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 financing skills development through a levy grant scheme and a national skills fund
- provide for, and regulate employment services

The Skills Development Act is essential in supporting employees to ensure development of human resource capacity to raise competency and competitive levels in the country, with obvious implications for PanSALB.



## 7.3 POLICY MANDATES

Several policy pronouncements have a bearing on PanSALB's work; these are derived from supporting legislation and institutional, provincial and national policies. Examples are listed below:

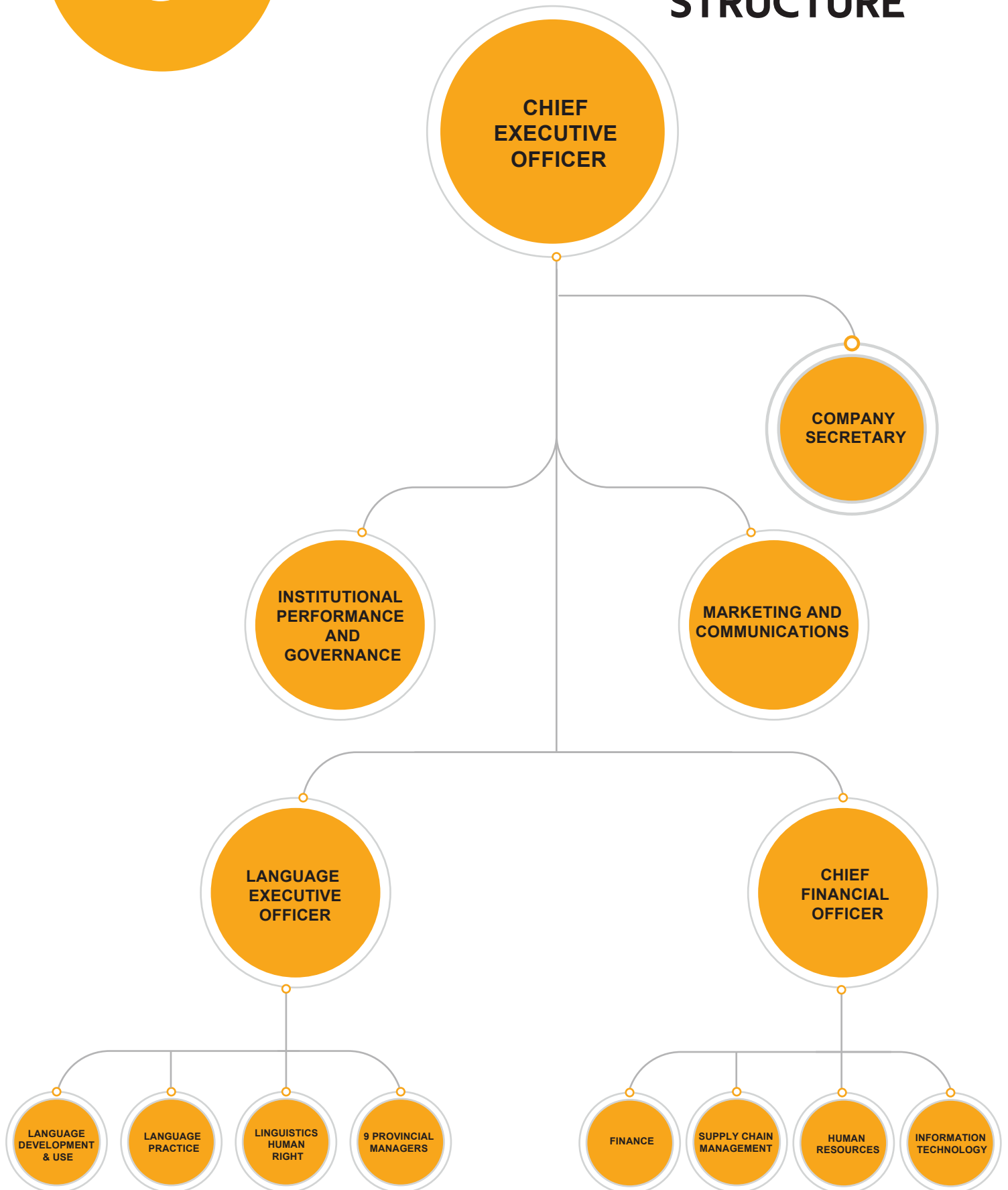
- National Treasury Regulations, Treasury Notes and other directives
- Public Service Regulations 2001 as amended
- Department of Labour's codes of good practice in the workplace
- Fraud prevention policies
- applicable general public service policies on procurement and supply chain management, good governance and best practice
- King Report on Principles of Corporate Governance Vol IV
- Legal and regulatory imperatives for PanSALB functional areas
- Norms and Rules for Provincial Language Committees and national language bodies published in Government Gazettes: Board Notice 92 of 2005 and Board Notice 94 of 2005, respectively

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

## 7.4 RELEVANT COURT RULINGS

There are no recent courts rulings that have affected the PanSALB mandate or that may require a fundamental change to strategic direction.

# ORGANISATIONAL STRUCTURE



# BOARD MEMBERS

9



**PROF LOLIE MAKHUBU-  
BADENHORST**  
Chairperson



**MS SEIPATI  
BERNICE DICHABE**  
Deputy Chairperson



**MR MANFRED  
KGOMOTSO MOLEBALOA**  
Member



**MS MARIAAN M  
MAARTENS**  
Member



**MR CINGA GQABU**  
Member



**DR FIO DOLLY  
GAEBENG DLAVANE**  
Member



**MR NTSHENGEDZENI  
EDWARD MUDAU**  
Member



**MS PREETHA  
DABIDEEN**  
Member



**MS KHENSANI  
GERTRUDE BILANKULU**  
Member



**MS PORTIA  
PRUDENCE CHILWANE**  
Member



**MR AUBREY  
GREYLING MTHEMBU**  
Member



**DR NOMAKHOSAZANA  
HAZEL RASANA**  
Member



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## EXECUTIVE MEMBERS



**MR LANCE C SCHULTZ**  
Chief Executive Officer



**MR TEBOGO MATABANE**  
Chief Financial Officer



**MR JULIUS DANTILE**  
Executive Head: Languages



**ADV. KARABO SIBANYONI**  
Company Secretary



# SENIOR MANAGERS

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**MS SALOME TAU**  
Senior Manager: Institutional  
Performance And Governance



**MS SYLVIA KAKA**  
Senior Manager: Human  
Resources Management



**MS NTOMBENTLE HULUHULU**  
Senior Manager: Marketing  
and Communications



**MR DANIEL VUMA**  
Senior Manager: Supply  
Chain Management



**MS SHOCKY MASHIGO**  
Senior Manager: Finance



**MR JEFFREY NKUNA**  
Senior Manager:  
Linguistic Human Rights

## PROVINCIAL MANAGERS



**MS JOYCE MADIBA**  
Limpopo Senior  
Provincial Manager



**MR WILLIAM MANANA**  
North West Senior  
Provincial Manager



**MS NIKIWE MATEBULA**  
Free State Senior  
Provincial Manager



**MR BOICHOKO MOREMI**  
Northern Cape Senior  
Provincial Manager



**DR SALLY MAEPA**  
Gauteng Senior  
Provincial Manager



**MR JABULANI SIMELANE**  
Kwazulu-natal Senior  
Provincial Manager



**MR LUFUNO NDLOVU**  
Mpumalanga Senior  
Provincial Manager



**DR NOMFUNDO MALI**  
Western Cape Senior  
Provincial Manager



**MR XOLISA TSHONGOLO**  
Eastern Cape Senior  
Provincial Manager



## ISINDEBELE DICTIONARY LAUNCH

Date: 30 September 2022

Venue: Mpumalanga University



# PART B

## PERFORMANCE OVERVIEW

# PERFORMANCE OVERVIEW

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## 13.1 SERVICE DELIVERY ENVIRONMENT

During the financial year 2022/23 PanSALB had 25 targets and managed to achieve 16 (64%) of the set target whereas 9 (36%) of the annual targets were not achieved.

Programme 1: Administration and Institutional Support had 7 targets for the financial year of which 6 (86%) was achieved and 1(14%) was not achieved.

Programme 2: Language Development, Use and Equitability had 18 targets, of which 10 (56%) were achieved and 8 (44%) were not achieved during the financial year.

The figures below depict how the institution has performed during the reporting financial year under review.

### PanSALB annual performance for 2022/23

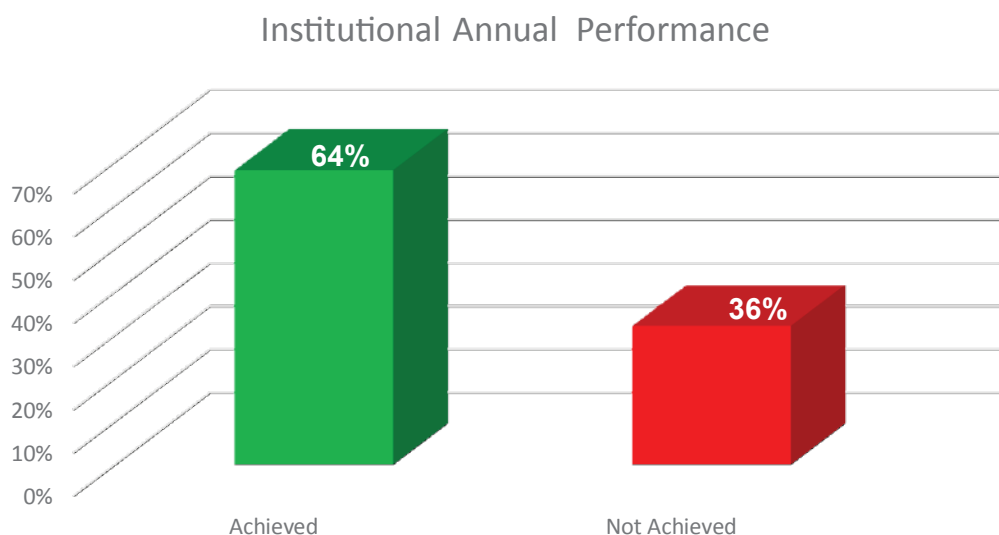


Figure1: PanSALB annual performance

### Programme 1: Administration annual performance

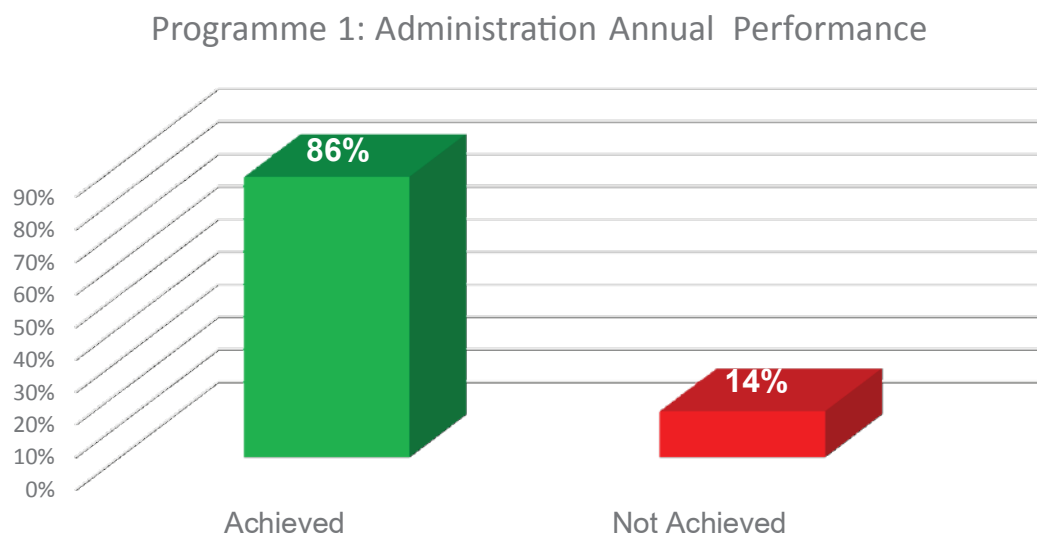


Figure 2: Programme 1: Administration annual performance

### Programme 2: Language development, use and equitability annual performance

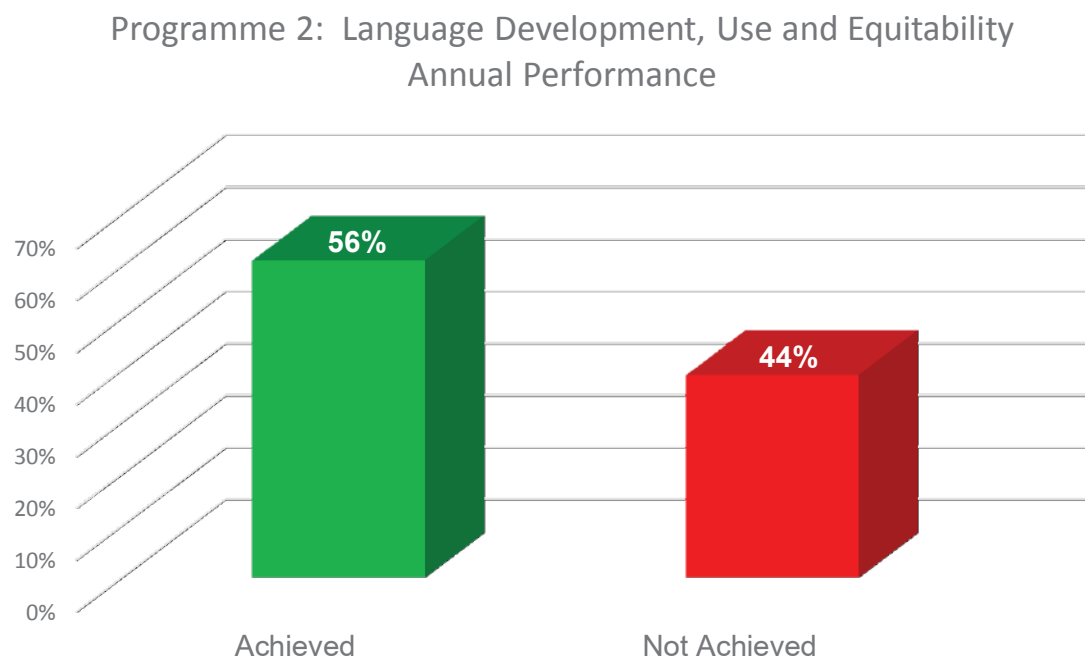


Figure 3: Programme 2: annual performance



### 13.1.1 LANGUAGE DEVELOPMENT, USE AND EQUITABILITY

PanSALB's mandate of furthering multilingualism was implemented through the Language development, use and equity programme in line with the strategic outcome-oriented goals as charted in the APP. This programme is subdivided into three sub-programmes:

#### 13.1.1.1 Language development and use

Language development concentrates on the compilation of dictionaries in all official languages including South African Sign Language (SASL) and the Khoi and San languages. It further undertakes projects on the standardisation of terminology, conducts awareness campaigns on spelling and orthography rules, and promotes the development of human language technologies.

Although the institution had an annual target of publishing eight dictionaries, it fell short of this goal, with English, Sesotho Sa Leboa and Isikhungo Sesichazimagama SesiZulu failing to release a revised monolingual dictionary. The NLBs, with the administrative support from the provincial offices, verified and authenticated all the terminology lists received from various institutions, primarily universities and government departments. These comprehensive terminology lists encompass a wide range of fields, including, geography, agriculture, chemical engineering, syntax, linguistics, health, trees and plants, road and safety and sanitation. The SASL NLB standardised general sign terms from the National Institute for the Deaf, place names from the University of Free State, and verified mathematics terms from the University of KwaZulu-Natal.

A comprehensive Khoe and San language research report has been completed. The report identifies the Khoe and San languages still spoken in South Africa, including N|uu, Tsum'isi, Xri, Nama, Khwe, and !Xun. Additionally, it indicates that Khoe and San languages such as !Xam (which is included in the Coat of Arms), l'Auni, l'Haasi, ǀUngkue, ǁXegwi, Cape Khoekhoe, Eini, and Korana are classified as extinct or moribund. The report delves into the history, number of existing speakers, geographical distribution of speakers, and vitality of each language. It employs a theory of intergenerational transmission, which assesses the level of language endangerment from one generation to another.

The publication of the N|uu Talking Dictionary has been delayed due to editorial challenges identified by experts commissioned to work on the N|uu language. These experts highlighted a high number of borrowings from Afrikaans and other sister languages, the construction of meaningless new words, and the lack of consideration for N|uu cultural artifacts in the dictionary's word list.

PanSALB has initiated the establishment of Khoi and San community language schools as a pilot project. The aim is to improve the teaching and learning of Nama in the Eastern Cape, Western Cape, Gauteng, and Northern Cape, as well as Khwedam and !Xuntali in the Northern Cape. Currently, around 12 community schools are in the early stages of operation, with a minimum of two facilitators assigned to each school.

To support this initiative, PanSALB has conducted various train-the-trainer sessions where facilitators are trained in speaking and teaching languages. Additionally, teaching and learning materials such as dictionaries, posters, and books have been provided to selected schools.

During the reporting period, PanSALB undertook a review of legislation that has an impact on its mandate, namely, the PanSALB Act and UOLA (Use of Official Languages Act). An internal consultation process was initiated within each of the 33 PanSALB structures. Each structure identified clauses that were considered inhibiting and proposed necessary amendments to enable its functioning. These inputs were consolidated into a Legislative Matrix, which was presented at the first Chairpersons' Forum.

Subsequently, the same structures engaged in a review of inputs from other structures and resubmitted them for further consolidation. The final engagement of the structures took place on 28<sup>th</sup> February and 1<sup>st</sup> March 2023, with the Chairpersons' Forum led by members of the Core Mandate Committee (CMC) of the board. During this meeting, the structures were grouped according to their advisory mandates, including nine provincial language committees, 11 national lexicography units, and 13 national language bodies.

The outcome of the meeting was a draft bill, which was presented to the CMC and recommended for approval by the board. The draft bills for both legislations were then submitted to the Cabinet through the Minister of Sports, Arts, and Culture, for the Cabinet to present them to the National Assembly for consideration in accordance with section 76 of the Constitution.

### **13.1.2 Language Practice**

PanSALB has offered vital advice to the Department of Sports, Arts, and Culture (DSAC) and the Parliamentary Portfolio Committee for Sports, Arts, and Culture. The advice highlighted that the South African government did not sign the Los Pinos Declaration and has not formulated a national action plan for the implementation of the International Decade of Indigenous Languages, 2022 - 2032. Several internal recommendations were provided to the board by the structures, primarily concerning the amendment of the aforementioned legislations. These recommendations were consolidated into the Proposed Legislative Amendments Matrix, which ultimately led to the submission of draft Bills to DSAC.

PanSALB is grappling with the enforcement of language-related legislative requirements across all levels of Government. Owing to capacity constraints, PanSALB did not conduct any monitoring of the national departments. During the reporting period under review, 49.09% of 110 provincial departments were monitored by the institution. Further, the institution has exceeded its annual target by 75% in terms of monitoring the district and metropolitan municipalities.

To promote the advancement of multilingualism, PanSALB hosted the three significant international language day's celebrations. On 30<sup>th</sup> September 2022, International Translation Day was celebrated with various stakeholders at the University of KwaZulu-Natal. The World Dictionary Day, which is usually observed on the 16<sup>th</sup> of October, was conducted virtually on 11<sup>th</sup> November 2023.

A successful symposium on Language in Education policy was held in Limpopo, with over 350 participants from the education sector engaging in discussion on the implementation of mother tongue based bilingual/multilingual education in the province. The symposium also highlighted the successful implementation of the same language in education policy in the Eastern Cape. To emphasise the importance of mother tongue based bilingual/multilingual education, PanSALB has been engaging with school governing bodies across all provinces.

### **13.1.3 Linguistic Human Rights (PLC)**

This sub-programme is considered the primary focus of the organisation. PanSALB's core mandate is to promote and facilitate the development and use of all official languages of the Republic of South Africa, which includes the Khoi, Nama, and San languages. This objective can be achieved by addressing linguistic human rights violations. During the reviewed period, PanSALB successfully resolved 12 cases related to linguistic human rights.

Linguistic human rights violations often take a back seat to violations of socio-economic rights, as people tend to prioritise tangible issues such as poverty, service delivery, and unemployment over language matters. Language rights and the right to use a language may seem less significant when faced with the pressing concerns of daily survival. As a result, there are a lower number of complaints concerning linguistic human

rights. However, the situation calls for PanSALB to engage in robust empowerment programmes focused on linguistic human rights, including monitoring the government's constitutional obligations. This includes not only developing legislative measures to promote and preserve all official languages but also recognising the declining usage and status of previously marginalised languages.

## **13.2 ORGANISATIONAL ENVIRONMENT**

### **13.2.1 FINANCIAL MANAGEMENT DIVISION**

The institution received an unqualified audit opinion at the 2022/23 financial year-end. An audit implementation plan has been developed and progress thereof is updated quarterly; the plan is to strengthen internal controls and to improve PanSALB's audit opinion for the 2023/24 financial year. The quarterly finance reports were submitted to the relevant authority as per the prescribed timeframes, and the Estimates of National Expenditure (ENE) was submitted to the Departments of Sports, Arts and Culture and National Treasury within the prescribed timeframes. The division made payments for most invoices received during the period; nevertheless, due to internal issues some challenges remained in payment to service providers within the thirty days prescribed by the National Treasury.

For the financial year ending 31 March 2023, PanSALB's primary funding was received through the transfer of R123.1 million, disbursed from the budget vote of the Department of Sport, Arts and Culture. Additional funds of R198 000 were received from the National and Provincial Governments to administer the disbursement of COVID-19 relief funding and promoting the PanSALB mandate within the Mpumalanga province. The National Treasury approved a roll-over of funds of R57.3 million which was utilised to execute ICT infrastructure, language promotion projects and job creation. Investment income worth R3.3 million was realized from bank deposits.

PANSALB has recorded expenditure of R149.3 million in the 2022/23 financial year (R148.5 million in the 2021/22 financial year) which represents 82.7% of the MTEF budget of R123.1 million and the approved roll over funds of R57.3 million. Transfer to National Lexicography Units of R27.3 million in 2022/23 was paid and R34.5 million in 2021/22. The total compensation of employees increased by 17.6% (from R51.9 million to R61.0 million).

### **13.2.2 SUPPLY CHAIN MANAGEMENT DIVISION**

The supply chain management division continues to offer assistance to small, medium, and micro enterprises (SMMEs). Consequently, the institution has supported businesses by appointing them and procuring goods and services from them. Moreover, in order to attract more SMMEs, SCM has advertised requests for quotes (RFQs) on the PanSALB website, resulting in a higher number of submissions from SMMEs compared to our regular suppliers sourced from CSD. This initiative has led to an increase in the percentage of contracts awarded to SMMEs, reaching 84.13%, surpassing the set target of 60%.

Furthermore, during the reporting period, the institution provided support to twenty-six (26) businesses primarily owned by women. PanSALB firmly believes that public procurement presents a significant opportunity to foster a more inclusive economy, promote equitable socio-economic recovery from the global COVID-19 pandemic, and advance gender equality by enhancing the participation of women-owned and women-led businesses, as well as youth, in public procurement.

### 13.2.3 HUMAN RESOURCE MANAGEMENT DIVISION

The Human Resources Management (HRM) division is tasked with implementing progressive human resources programmes and initiates to facilitate the recruitment, selection and placement of a skilled workforce, as well as continuous capacity development to strengthen the institution.

In the reviewed period, the division successfully maintained a vacancy rate of 13%, surpassing the target of 20% or lower. There were three employment terminations, consisting of two early retirements and the completion of one fixed-term contract. Additionally, ten individuals were appointed to various positions, which included three Senior Management Services (SMS) members and seven positions across salary levels 4 to 11.

To contribute towards tackling youth unemployment and bridging skills gaps in the country, a total of twelve (12) internship positions were advertised, comprising six (6) positions within the Languages Division and one (1) position each within the Administration and Support units. The recruitment and selection processes are currently underway to finalise the appointment of the interns.

Furthermore, the annual cost of living adjustment (3%) for employees on salary levels 1-15 was implemented and applied in November 2022.

The Organisational Development (OD) service provider has been appointed to review the organisational structure, job descriptions, conduct job evaluation and propose an organisational structure that is fit for purpose. The project is currently in the design phase, where the proposed structure was presented to EXCO for further engagements with relevant stakeholders.

Following the completion of the skills audit project by the service provider, staff members have been provided feedback on the skills audit report. Personal development plans have been compiled and consolidated into the annual training plan, which is being implemented in line with the training budget. Four (4) staff members were granted study bursaries to further qualifications in line with their job functions.

Ninety-six percent (96%) of employee performance contracts for the period 01 April 2022 to 31 March 2023 have been concluded, and annual performance assessments are due for completion in May 2023.

Occupational Health and Safety (OHS) committee meetings were held, and health and safety inspections were conducted for the head office and eight provincial offices. The inspection reports were presented to the OHS committee to develop action plans that will mitigate and/or address the identified risks.

Employee wellness initiatives aim to drive employee productivity and promote optimal health. The employee wellness service provider, ASI, conducted the stress management workshop to equip staff members with the ability to identify stressors and coping mechanisms to manage stress.

A disciplinary hearing process was conducted for one employee. HRM facilitated labour-related cases of five former employees, which are still pending before the courts.

Seven human resources policies were approved by the board in March 2022 and the policies were communicated to employees during the year under review.

#### **13.2.4 MARKETING AND COMMUNICATION DIVISION**

The division managed to achieve a hundred (100%) of its annual set target. In addition, as part of its stakeholder engagement strategy, the division established strategic partnerships with key stakeholders that were formalised through Memorandum of Agreements (MOAs) with the South African Broadcasting Corporation (SABC) and The Market Theatre, to promote the furtherance of multilingualism in the country.

The division conducted various promotions and advocacy campaigns to promote the use of mother tongue and the advancement of multilingualism. These included hosting of the PanSALB multilingualism awards, deaf awareness month, SA word of the year, PanSALB multilingualism conference, language activism month and linguistic human rights campaigns. Marketing support was provided for all institutional initiatives through graphic design services, pre-event marketing on social media, the website, and live broadcasts or crossings to various radio stations broadcasting in different languages. Overall, the institution published 20 media statements during the period under review, covering a range of issues, notably the Ryanair Afrikaans test and the 18th Constitution Amendment Bill to include South African Sign Language as an official language, amongst others.

The overall clip count from 1 April 2022 to 31 March 2023 increased by 265 mentions, representing a difference of 34% compared to the previous financial year (1 April 2021 to 31 March 2022). The individual service results for 1 April 2022 to 31 March 2023 show that print exposure increased by 43% clippings to 226, broadcast increased by 55%, and online exposure increased by 25%. The total combined count for 1 April to 31 March 2023 was 1,053, up from the previous year's count of 788. The results for 1 April 2022 to 31 March 2023 show that positive media coverage increased by 152%, clippings to 588, negative coverage decreased by 50%, neutral coverage decreased by 28%, and mixed coverage increased by 100%.

#### **13.2.5 INFORMATION TECHNOLOGY SERVICE DIVISION**

For the reporting period under review, the ICT division has struggled to achieve its annual set targets. This was primarily due to ICT not meeting its quarterly target. The underperformance was attributed to the fact that the project started in the third quarter, as there were only a few service providers who offer this type of service/product. Therefore, this indicator will only be achieved in the new financial year 2023/24.

### **13.3 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES**

There were no policy developments or legislative changes during the period under review.

### **13.4 RELEVANT COURT RULINGS**

There were no court rulings to impact the PanSALB mandate or which may necessitate a fundamental change in strategic direction.

## 13.5 PLANNED POLICY INITIATIVES

There have been no new policy shifts or initiatives during the financial year.

## 13.6 PROGRESS TOWARDS ACHIEVEMENTS OF INSTITUTIONAL IMPACT AND OUTCOMES

Language awareness and promotion programmes were conducted across South Africa to create an enabling environment for the use and development of official languages, including Nama, Khoi, San languages. In line with this, lexicographic works, including dictionary development, were undertaken for these languages, as well as the SASL Charter.

Linguistic human rights matters were attended to, including complaints lodged by the public. Effective and efficient administration support was provided by units such as SCM, Finance, HRM, Institutional Performance and Governance and Communication. This support facilitated the organisation's core business operations and ensured compliance with government legislation, regulations, and guidelines. The administrative support units played a key role in assisting the language division in fulfilling PanSALB's core mandate.

## 13.7 MEASURING IMPACT

The organisation has multiple approaches contributing to social cohesion. It is common understanding that language is an imperative tool for the wellbeing of any society, combatting language-based exclusions and creating a sense of belonging for all.

### 13.7.1 Medium Term Strategic Framework Priority 6: Social Cohesion and Safe Communities

Amongst other priorities, PanSALB has focused on promotion of multilingualism and equitable use of official languages to enable respect and the sense of belonging for every speech community, aimed at a social cohesive society. In a bid to attain social inclusion, PanSALB will facilitate individuals and groups to take part in societal activities by guaranteeing linguistic human rights through encouraging formulation and adherence to language policies.

<b>MTSF Impact</b>	A diverse socially cohesive society with a common national identity
<b>MTSF Outcome</b>	Equal opportunities, inclusion, and redress
<b>PanSALB Impact Statement</b>	An equitable and vibrant society where people are able to improve their social and economic conditions using their languages
<b>Outcome 1</b>	A visible, well-governed and administered organisation
<b>Outcome 2</b>	Previously marginalized languages and those facing extinction are equitably used and developed
<b>Outcome 3</b>	Compliance to language legislation and prescripts enhanced



# PANSALB MULTILINGUALISM CONFERENCE

16 -17 November 2022  
Emperors Palace, Kempton Park  
Johannesburg



The Pan South African Language Board (PanSALB) conducted a Multilingualism Conference on 16-17 November 2022, held at the Emperor's Palace in Kempton Park, Johannesburg. The discussions at the conference centered around the effective implementation of language prescripts and language practices for the furtherance of multilingualism in the country. The objective of the conference was to evaluate the extent to which multilingualism has been implemented by both the public and private sector, since the advent of democracy.



## PERFORMANCE INFORMATION BY PROGRAMME

### 14.1 PROGRAMME 1: ADMINISTRATION AND INSTITUTIONAL SUPPORT

The purpose of this programme is primarily 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, namely:

- Finance management
- Supply chain management
- Human resource management
- Information technology services
- Marketing and communications
- Institutional performance and governance

The following tables compare with the tabled annual performance plan for 2022/23.

### 14.1.1 SUB-PROGRAMME 1.1: FINANCE MANAGEMENT

The function of the sub-programme is to ensure timeous and compliant financial and management processes. This is in line with the broader aim of ensuring that PanSALB has sound financial management practices in place to ensure sound corporate governance.

Impact Statement 4: Effective and efficient administration support provided to deliver core business requirements and to comply with legislation, regulation and prescripts of Government.

#### Outcomes, Outputs, Outputs Indicators, Targets and Actual Achievements for 2022//23

No.	Programme Name:	Administration and Institutional Support							
	Programme No	1							
		Impact Statement 4: Effective and efficient administration support provided for core business and to comply with legislation, regulation and prescripts of Government.							
	Outcomes	Output	Output Indicators	Audited Actual Performance for 2020/21	Audited Actual Performance for 2021/22	Planned Annual Target for 2022/23	Actual Achievement for 2022/23	Deviation: Planned Target to Actual Achievement 2022/23	Reason for deviations
1.1a	A visible, well-governed and administered organisation	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	Clean audit opinion	Unqualified audit opinion for 2022/23	Unqualified audit opinion for 2022/23.	0	None

### 14.1.2 SUB-PROGRAMME 1.2: SUPPLY CHAIN MANAGEMENT

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

#### Outcomes, Outputs, Outputs Indicators, Targets and Actual Achievements for 2022/23

No.	Impact Statement 4: Effective and efficient administration support provided for core business and to comply with legislation, regulation and prescripts of Government.								
	Outcomes	Output	Output Indicators	Audited Actual Performance for 2020/21	Audited Actual Performance for 2021/22	Planned Annual Target for 2022/23	Actual Achievement for 2022/23	Deviation: Planned Target to Actual Achievement 2022/23	Deviation Comments
1.2a	A visible, well-governed and administered organisation	Increased procurements from SMMEs	Percentage spent on SMMEs	New indicator	New indicator	60%	84.13%	+24.13%	Overachievement was due to SCM advertised request for quotation on the PanSALB website. This has attracted a lot more SMME's than regularly used suppliers that are sourced on Central Supply Chain Database (CSD). This process increased the percentage of PanSALB contracts awarded to SMME's.

### 14.1.3 SUB-PROGRAMME 1.3: INFORMATION TECHNOLOGY SERVICES

The primary purpose of this sub-programme is to ensure that PanSALB's core business is adequately supported with the provision of information technology services, platforms and reliable applications.

#### Outcomes, Outputs, Outputs Indicators, Targets and Actual Achievements for 2022/23

No.	Programme No 1								
	Impact Statement 4: Effective and efficient administration support provided for core business and to comply with legislation, regulation and prescripts of the Government.								
	Outcomes	Output	Output Indicators	Audited Actual Performance for 2020/21	Audited Actual Performance for 2021/22	Planned Annual Target for 2022/23	Actual Achievement for 2022/23	Deviation: Planned Target to Actual Achievement 2022/23	Deviation Comments
1.3a	A visible, well governed and administered organisation	ICT Master System Plan approved in linewith SITA Act and DPSA	ICT Master System Plan approved	Approved ICT Master System Plan.	ICT Master System Plan not approved	Approved MSP	MSP not approved	-1	The non-achievement was due to the challenges experienced with the sourcing and appointment of the service provider and the changes to the timeline requested by the service provider.



#### 14.1.4 SUB-PROGRAMME 1.4: HUMAN RESOURCES MANAGEMENT

The principle of this sub-programme is to ensure the recruitment, selection and placement of a skilled workforce as well as ongoing sufficient capacity.

##### Outcomes, Outputs, Outputs Indicators, Targets and Actual Achievements for 2022/23

No.	Programme Name	Administration and Institutional Support							
	Programme No	1							
	Impact Statement 4: Effective and efficient administration support provided for core business and to comply with legislation, regulation and prescripts of Government.								
	Outcomes	Outputs	Output Indicators	Audited Actual Performance for 2020/21	Audited Actual Performance for 2021/22	Planned Annual Target for 2022/23	Actual Achievement for 2022/23	Deviation: Planned Target to Actual Achievement 2022/23	Deviation Comments
1.4a	A visible, well-governed and administered organisation	Labour turnover reduced	Vacancy rate against the approved structure	23% (19 posts vacant out of 84)	20% (17/84)	20% or lower	13% (11/86)	+7%	This was attributed to the recruitment drive following the approval of the new structure.
1.4b		Talent Management Strategy implemented	Number of employees trained in line with the training Plan	0	69 Employees trained	50	53	+3	The overachievement is due to the additional employee wellness programmes for the entire PanSALB workforce. The organisation is undergoing an Organisational Development process and it was critical that employees be workshopped and be prepared for changes. The additional EWP program amounted to R11,000 in costs.

### 14.1.5 SUB-PROGRAMME 1.5: MARKETING AND COMMUNICATIONS

The primary purpose of this sub-programme is to market and to communicate information regarding PanSALB to relevant bodies and individuals, and to ensure that PanSALB stakeholders are aware of its services.

#### Outcomes, Outputs, Outputs Indicators, Targets and Actual Achievements for 2022/23

No.	Impact Statement 4: Effective and efficient administration support provided for core business and to comply with legislation, regulation, and prescripts of the Government.								
	Outcomes	Outputs	Output Indicators	Audited Actual Performance for 2020/21	Audited Actual Performance for 2021/22	Planned Annual Target for 2022/23	Actual Achievement for 2022/23	Deviation: Planned Target to Actual Achievement 2022/23	Deviation Comments
1.5a	A visible, well-governed and administered organisation	Public informed of the PanSALB Mandate	Marketing and communication Strategy approved	Marketing and communication Strategy not approved	-	Approved Marketing and Communication Strategy	Approved Marketing and Communication Strategy	0	None
1.5b		Stakeholder Engagement Strategy aligned to PanSALB Strategy	Stakeholder Engagement Strategy approved.	Stakeholder Engagement Strategy not approved	-	Approved Stakeholder engagement Strategy	Approved Stakeholder Engagement Strategy	0	None

## 14.2 PROGRAMME 2: LANGUAGE USE, DEVELOPMENT AND EQUITABILITY

The main objective of this sub-programme is to ensure ethical conduct, best practices in corporate governance, and the monitoring of institutional performance to achieve the targets set in the Annual Performance Plan (APP).

### 14.2.1 PanSALB PROGRAMMES

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

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

- Language development and use focuses on dictionary development and the activities of the NLUs
- Equitability of language use concentrates on placing previously marginalised indigenous languages in public and private institutions
- Linguistic human rights focuses on the investigation of linguistic rights violations and reporting on the status of language rights
- Language research focuses on conducting relevant research into language-related issues in collaboration with reputable research institutions
- Language promotion concentrates on the promotion of Programme 2

The basis of this programme stems from two sections of the Constitution: Section 6(5)(a), which provides for promotion and creation of conditions for development and use of all official languages, the Khoi, Nama and San languages, and Sign Language; and Sections 8 (8 )(b) and (c) of the PanSALB Act, which call for the establishment of national language bodies and national language units. The former are responsible for advising the board on language matters and the latter for dictionary compilation.

The prerequisites inherent within the two sections are enhanced in this programme by extending attention to all South African languages with a strong inclination towards indigenous South African languages and their associated dialects. official languages, the Khoi, Nama and San languages, and Sign Language; and Sections 8 (8 )(b) and (c) of the PanSALB Act, which call for the establishment of National Language Bodies and National Language Units . The former are responsible for advising the Board on language matters and the latter for dictionary compilation.

The prerequisites inherent within the two sections are enhanced in this programme by extending attention to all South African languages with a strong inclination towards indigenous South African languages and their associated dialects.

### 14.2.1 Sub-Program 2.1: Language development (NLUs and NLBs)

Dictionaries and lexicographic activities, terminology activities, standardisation (including language names), spelling and orthography rules and SASL activities, previously marginalised Indigenous languages literature activities, reconstitution of NLUs and NLBs.

#### Outcomes, Outputs, Outputs Indicators, Targets and Actual Achievements for 2022/23

No.	Programme Name:	Business Development (Language development, use and equitability)							
	Programme No	2							
	Impact Statement 1: Conducive environment for the development and use of South African official languages; Khoi, Nama and San languages, and South African Sign Language.								
	Outcomes	Outputs	Output Indicators	Audited Actual Performance for 2020/21	Audited Actual Performance for 2021/22	Planned Annual Target for 2022/23	Actual Achievement for 2022/23	Deviation: Planned Target to Actual Achievement 2022/23	Deviation Comments
2.1a	A visible, well-governed and administered organisation	The PanSALB Act and the UOLA reviewed	Proposed amendments or recommendations for the PanSALB Act and the UOLA submitted to Parliament	New indicator	New indicator	Amendments to the PanSALB Act and the UOLA submitted to Parliament	The PanSALB and UOLA bills have been approved by the Board	-1	The proposed Bills are submitted to the Minister for Cabinet consideration. Thereafter the Cabinet submits the Bill to Parliament.
2.1b		Compliance to language legislative prescripts improved	Number of language legislative prescripts and policies adhered to	New indicator	New indicator	1 Internal Language Policy Implemented	1 Internal Language Policy Implemented.	0	None

## 14.2.2 Sub-programme 2.1: Language development

Promotion and awareness e.g., significant language days, linguistics human rights (legal enforcement mechanism), multilingualism (translation, interpreting, language in education), research activities, reconstitution of PLCs, structures' meeting schedules, structures reporting mechanism, stakeholder's engagements and/or support activities.

### Outcomes, Outputs, Outputs Indicators, Targets and Actual Achievements for 2022/23

No.	Programme Name:	Language Development, Use and Equitability							
	Programme No	2							
	Impact Statement 1: Conducive environment for the development and use of South African official languages; Khoi, Nama and San languages, and the South African Sign Language.								
	Outcomes	Outputs	Output Indicators	Audited Actual Performance for 2020/21	Audited Actual Performance for 2021/22	Planned Annual Target for 2022/23	Actual Achievement for 2022/23	Deviation: Planned Target to Actual Achievement 2022/23	Deviation Comments
2.1c	Previously marginalised languages and those languages facing	Terminology lists authenticated	Percentage received of terminology lists authenticated	100% (45/45)	100% (28/28) Terminology lists authenticated	100% of terminology lists received and authenticated	100% (23/23) Terminology lists received and authenticated	0	None
2.1d	extinction are equitably used and developed	Uncodified languages facing extinction codified	Research conducted on N/uu, Khwedam and !Xunthali	New indicator	New indicator	Research Report on N/uu, Khwedam and !Xunthali	Research Report on N/uu, Khwedam and !Xunthali	0	None
2.1e		Languages preserved (NLU's)	Number of printed and recorded lexicographical materials	1	3 Tshivenda, Xitsonga and IsiNdebele dictionaries were published	8 Sesotho sa Leboa, isiZulu, Siswati, English, Setswana, isiXhosa (bilingual), Tshivenda, (Senior phase collective dictionary), Sesotho	5 isiXhosa NLU Sesotho NLU Siswati NLU Tshivenda NLU Setswana NLU	-3	The underperformance was attributed to the late finalisation of the isiZulu dictionary.



No.	Programme Name:	Language Development, Use and Equitability							
	Programme No	2							
	Impact Statement 1: Conducive environment for the development and use of South African official languages; Khoi, Nama and San languages, and the South African Sign Language.								
	Outcomes	Outputs	Output Indicators	Audited Actual Performance for 2020/21	Audited Actual Performance for 2021/22	Planned Annual Target for 2022/23	Actual Achievement for 2022/23	Deviation: Planned Target to Actual Achievement 2022/23	Deviation Comments
2.1f			Number of community language schools (Khoi and San) languages supported through provision of language related materials.	New indicator	New indicator	8	12	+4	Overachievement was attributed to the interest from schools.
2.1g		Increased use of technology in the development of languages	Number of software modules installed and used	New indicator	New indicator	5 4 HLT software from DSAC and Tshwane Lex	5 4 HLT software from DSAC and Tshwane Lex	0	None
2.1h		Enhanced capacity to conduct research and improved utilisation of findings	Number of research findings shared on various media platforms	New indicator	New indicator	2 (Khoi & San languages & IIAL research findings)	1 Khoe & San Language Report has been adopted by the Board.	-1	The IIAL research did not commence due to budget reprioritisation after testing the market for actual costs.
2.1i			Number of events held to share research findings	New indicator	New indicator	1 Conference held	1 Conference held	0	None
2.1j		SASL standardised	Engagements on SASL lexical standardisation and grammatical rules conducted	New indicator	New indicator	Report on SASL lexical standardisation and grammatical rules conducted	Report on SASL lexical standardisation and grammatical rules conducted	0	None

### 14.2.3 Sub-programme 2.2: Language practice

The main purpose of this sub-programme is to advance linguistic human rights by investigating, mediating, and monitoring language rights violations.

#### Outcomes, Outputs, Outputs Indicators, Targets and Actual Achievements for 2022/23

No.	Programme Name:	Business development (language development, use and equitability)							
	Programme No	2							
	Impact Statement 1: Conducive environment for the development and use of South African official languages; Khoi, Nama and San languages, and the South African Sign Language.								
	Outcomes	Outputs	Output Indicators	Audited Actual Performance for 2020/21	Audited Actual Performance for 2021/22	Planned Annual Target for 2022/23	Actual Achievement for 2022/23	Deviation: Planned Target to Actual Achievement 2022/23	Deviation Comments
2.2a	Compliance to language legislation and prescripts enhanced	Language advice and recommendations by the board provided	Number of language advice and recommendations of the Board published in the Gazettes (national and provincial gazettes)	New indicator	New Indicator	2 (Advice and recommendations reports)	0 (Advice and Reports) were not published in the Gazettes	-2	The underperformance was due to gazetting which took longer than anticipated due to capacity constraints. However, Advice and Recommendations Reports were completed.
2.2b		Compliance reports received	Percentage of national departments submitting compliance reports as per language prescripts	33% (12/36)	0	100% (36) National departments	0	-100%	The reason for underperformance was due to the late appointment of service provider who should have been responsible for national compliance reports.
2.2c		Compliance reports received	Percentage of provincial departments submitting compliance reports of language prescripts	New Indicator	48 Provincial departments were monitored	50% (54) Provincial departments	49.09% (54) Provincial department	-0.91%	The underperformance was due to non-compliance by the provincial department

No.	Programme Name:	Business development (language development, use and equitability)							
	Programme No	2							
	Impact Statement 1: Conducive environment for the development and use of South African official languages; Khoi, Nama and San languages, and the South African Sign Language.								
	Outcomes	Outputs	Output Indicators	Audited Actual Performance for 2020/21	Audited Actual Performance for 2021/22	Planned Annual Target for 2022/23	Actual Achievement for 2022/23	Deviation: Planned Target to Actual Achievement 2022/23	Deviation Comments
2.2d		Compliance reports received	Percentage of local government (District and Metropolitan Municipalities) submitting compliance reports as per language related prescripts	New indicator	New indicator	70% (36) District and metropolitan municipalities	75% (39) District and Metropolitan Municipalities	+5%	Overachievement was due to requests extended to other government departments in the previous quarter's non-achievement.
2.2e		Language policy practice compliance public hearings conducted	Number of language policy practice public hearings conducted	New indicator	New indicator	1 (National Departments' compliance public hearings)	0	-1	The underperformance was due to public hearings which are dependent on the compliance by the national departments.
2.2f	Compliance to language legislation and prescripts enhanced	Training provided to relevant stakeholders on language legislative prescripts (Language in education policies)	Number of SGBs structures trained on language-in-education legislative prescripts	New indicator	New indicator	9 (Provincial SGB structures)	12 (Provincial SGB Structures)	+3	The overachievement was due to requests extended to other government departments in the previous quarter's non achievement.

#### 14.2.4 SUB-PROGRAMME 2.3: LINGUISTIC HUMAN RIGHTS

The prime purpose of this sub-programme is to advance Linguistic Human Rights by investigating, mediating and monitoring language rights violations.

##### Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements for 2022/23

No.	Programme Name:	Language development, use, and equitability							
	Programme No	2							
	Impact Statement 2: Linguistic human rights compliant society.								
	Outcomes	Outputs	Output Indicators	Audited Actual Performance for 2020/21	Audited Actual Performance for 2021/22	Planned Annual Target for 2022/23	Actual Achievement for 2022/23	Deviation: Planned target to Actual Achievement 2022/23	Deviation comments
2.3a	Linguistic human rights complaints are resolved	Linguistics human rights violations resolved	Percentage of linguistics human rights violations resolved	100% (9/9)	100% (9/9) Complaints received were resolved	100%	92% (12/13) Complaints received were resolved <sup>2</sup>	-8%	The reason for underperformance due to the ongoing Naluthando case
2.3b		Linguistics human	Number of publications on linguistic human rights on the PanSALB website	Radio interviews with various senior provincial managers were conducted on LHR and cases resolved through PanSALB. service delivery charter for LHR compiled	Linguistic human rights report published on PanSALB website and AR 2021/22	1	1 Report published on the Website.	0	None

<sup>2</sup> Method of calculation: Number of cases received divided by number of cases resolved multiplied by 100. This addresses the method of calculation on the approved 2022/23 Annual Performance Plan.

## 15. CHANGES TO PLANNED TARGETS

No changes to the tabled Annual Performance Plan 2022/23 effected.

## 16. STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

The success of the implementation of the PanSALB strategy lies in individual and institutional performance and governance. PanSALB will ensure that individual performance, reward, and recognition are aligned to the PanSALB strategic outcomes. There is a continued focus on monitoring performance at all levels in the organisation. Quarterly management committee meetings are held to address areas of non-performance and mitigation plans with timeframes. The management committee will adopt a monitoring and evaluation approach whereby the practice of monthly meetings at business unit level and lower will be introduced to monitor and evaluate performance at various levels. The committee meets on a quarterly basis and business units are invited to present their performance and propose intervention strategies. Regular feedback on these implemented strategies is provided to the committee. Individual performance is linked to business unit performance in order to synergies efforts to improve outputs. The work for every function has been defined in the form of performance agreements and job descriptions and performance is assessed in line with these functions.

## 17. LINGUISTIC HUMAN RIGHTS CASES

### **CONSOLIDATED ANNUAL REPORT FOR LINGUISTIC HUMAN RIGHTS: APRIL 2022 – MARCH 2023 FINANCIAL YEAR**

PanSALB is a statutory entity established by the Constitution of South African of 1996. PanSALB is envisioned in Section 6 of the Constitution and was created in terms of the PanSALB Act 59 of 1995 as amended in 1999. It was established to promote and ensure respect for multilingualism in general and to foster respect for all languages spoken in the Republic of South Africa, including languages other than the South African official languages.

### **Objectives**

The objectives of this focus area are as follows:

- a. to facilitate investigation of linguistic human rights violations and to publish the hearing committee findings
- b. raise public awareness to influence and to campaign for multilingualism in all structures of society through effective protection and promotion of linguistic human rights
- c. to establish and to maintain strategic partnerships with other constitutional bodies which deal with linguistic human rights
- d. to act as an agent of change by making language findings public
- e. to approaching institutions that commit language rights offenses with a view to assisting with their practices and policies to commission:
  - a comparative study on language rights complaints systems
  - a language rights study on prevention of the use of any language for the purpose of exploitation, domination or division
  - a multi-disciplinary study on language and the law, alternative dispute resolution and related disciplines



### **17.1. MULTICHOICE/MNET/KYKNET MATTER: CASE NO PANSALB 01-09-22 GP**

This is PanSALB's own initiative complaint. According to Section 8(1)(i) of the Pan South African Language Board Act, No 59 of 1995, amended by Act 10 of 1999, PanSALB has the authority to investigate, either on its own initiative or upon receipt of a written complaint, any alleged violation of a language right, language policy, or language practice. It was in line with this provision that PanSALB initiated this complaint.

The complaint arose from social media discussions regarding the planned broadcast of "Die Real Housewives van Pretoria," the first Afrikaans version of the popular franchise. The production premiered on 13 October 2022 at 20:00 on the Afrikaans medium pay channel, Kyknet Channel, which is part of the Multichoice Consortium. PanSALB expressed concern that the production, focused on the Afrikaans-speaking community in Pretoria, exclusively featured a cast composed of white Afrikaans speakers. PanSALB highlighted that official statistics in South Africa indicate a significant number of non-white Afrikaans speakers.

In light of these concerns, PanSALB initiated this complaint to investigate whether this production violates the constitutional framework of the country, which promotes equality and prohibits unfair discrimination. The Multichoice Consortium was given an opportunity to address the concerns raised by PanSALB.

Multichoice submitted that the selection of the cast for the production included, among other factors:

- a) focusing on larger-than-life women with fabulous lifestyles and sparkling personalities.
- b) centering around the lives and lifestyles of five interconnected women who are friends and enemies at the same time.
- c) requiring the cast to behave in over-the-top ways, which adds to the fun of watching.
- d) expecting the cast to actively participate in scenes and be comfortable on camera.

The Multichoice Consortium further argued that they had shortlisted eleven women of "colour" as potential cast members who met the aforementioned requirements. However, despite being invited to participate, all eleven women chose not to be part of the programme. Given MultiChoice's comprehensive response explaining the procedures followed, PanSALB could not pursue the matter any further. However, if there is evidence to contradict the provided information, this issue will be pursued within the framework of the Constitution of the RSA, 1996.

### **17.2. ISIXHOSA/AFRIKAANS EDUCATOR MATTER: CASE NO: PANSALB-01/02/2023 WP**

PanSALB Western Cape provincial office received a language complaint on the 21st of February 2023 from a complainant who is an educator in the Western Cape. The alleged linguistic human rights violation complaint pertained to the complainant, an IsiXhosa teacher, being "forced" to teach the Afrikaans subject to both Afrikaans-speaking and IsiXhosa-speaking learners. After conducting further investigation and obtaining the necessary recruitment policy from the Western Cape Department of Education (WCED), PanSALB came to a conclusion that there was no linguistic human rights violation committed by the WCED. This matter involves recruitment processes and internal arrangements between the school management and the educator, which can be addressed by the WCED within the framework of their education laws and recruitment processes. The complainant was advised to refer her dispute to the relevant authorities in the WCED for further action and appropriate remedy.

### **17.3. BERGGRIVIER MUNICIPALITY MATTER CASE NO: PANSALB 01 -12- 2022 WP**

PanSALB's Western Cape Provincial office received a complaint from a job applicant (the complainant) who alleged that she applied for an advertised position in Bergrivier Municipality. She was then invited for an assessment/interview, and the proceedings were conducted in Afrikaans. After PanSALB's intervention, the recruitment process was halted, and no appointment was made. The municipality assured that the post would be re-advertised, giving the complainant an opportunity to reapply with the understanding that the language issue would be rectified. PanSALB further advised the complainant to lodge an unfair labour practice dispute with the local CCMA offices. However, the complainant decided not to reapply for the position. The matter was considered resolved as the municipality acknowledged that their practice went against the language policy, and they committed to restarting the recruitment process. This case highlights the perception in certain areas that assumes everyone speaks and understands Afrikaans. In this municipality, the Language Policy states that the official languages are English, Afrikaans, and IsiXhosa. It is concerning that senior management officials in the organisation insisted that an IsiXhosa-speaking job applicant participate in her assessment in Afrikaans. The municipality also mentioned that investigations will be conducted, and disciplinary proceedings will be initiated based on the outcome and recommendations of the investigation.

### **17.4. FAUNA CLINIC MATTER CASE NO. PANSALB 01-12-23FS**

PanSALB's Free State provincial office received a complaint regarding the incorrect translation of medication packaging from Fauna Clinic. PanSALB approached the clinic to inquire about the source of the translation and the distributor of the pills. The clinic directed PanSALB to the pharmacy at the psychiatric complex, where a pharmacist informed them that the packages came from the district office. After PanSALB's intervention, the Free State Department of Health pledged to address the issue and provide accurate Sesotho translations on their medicine packaging. The district office acknowledged that the translation was incorrect and that they had not engaged the services of a qualified Sesotho translator and editor. The Free State Department of Health will rectify the translation and assess the financial implications for reprinting. They also assured that the correct terminology will be used on future packages distributed to the public. PanSALB will continue to follow up on this matter. Moving forward, the Free State Department of Health will consult the Department of Sport, Arts, Culture, and Recreation: Language Services for guidance on correct terminology and translation. The district office will also be provided with a database of qualified translators and editors.

### **17.5. KGOSI VS MANTONA MATTER CASE NO. PANSALB 01-10-23 LP**

PanSALB's Limpopo provincial office received a complaint from an association of traditional leaders in Limpopo Province. The complainants are members of an association that serves and protects the interests of traditional leaders in the province. The core of the complaint is that the use of the title "Kgoshi" is reserved only for senior traditional leaders, excluding "Headmen" and "Headwomen." The Headmen and Headwomen are not permitted to be referred to as "Kgosi." The main issue is that the complainants wish to be addressed as "Kgosi" or "Kgosigadi" instead of "Mantona." After investigating the matter, PanSALB determined that these institutions are recognised by the relevant legislation governing traditional leadership institutions, with definitions provided in that legislation. In conclusion, this complaint falls under the jurisdiction of the Legislature. Traditional leadership is recognised and regulated by legislation, customary law, and practice. The complainants, represented by an attorney, were advised that PanSALB does not have jurisdiction over this matter. The essence of the complaint lies in the wording of the legislative framework that recognises the traditional institution. The best course of action for the complainants is to engage with the National House of Traditional Leaders or the Provincial Houses of Traditional Leaders. These bodies can approach lawmakers to address the issue. Currently, the legal framework employs the terms "headman" or "headwoman."

#### **17.6. IKWEKWEZI FM MATTER CASE NO: PANSALB 01-11-22MP**

PanSALB's provincial office received a complaint stating that Ikwewezi FM has standardised isiNdebele terms, names, and words and announced them on radio to compel isiNdebele speakers to use them. The essence of the complaint is that Ikwewezi FM's actions are inconsistent with the SABC language policy. Following PanSALB's intervention, SABC Mpumalanga reaffirmed its position that engagements with internal and external stakeholders should reflect the values of the SABC and align with the common goals pursued by all parties. Ikwewezi FM maintained that it was not acting contrary to the SABC language policy. PanSALB concluded that it appreciates the commitments of the SABC and Ikwewezi FM and aims to foster stronger relationships with critical stakeholders such as the NLB and PanSALB to promote isiNdebele as a language and the amaNdebele people. In conclusion, there was no substantial evidence to support the claim that Ikwewezi FM was acting contrary to the SABC language policy.

#### **17.7. USE OF IMPROPER ISINDEBELE MATTER CASE NO. PanSALB 02-11-22MP**

PanSALB's Mpumalanga provincial office received a complaint regarding a member of the public who allegedly used names and words on social media that do not conform to the spelling and orthography rules. Following PanSALB's intervention, it concluded that the individual was using the platform in a developmental role, creating new words in good faith. This can contribute positively to the intellectualisation of the Isindebele language rather than harm it. PanSALB acknowledges that the Constitution of the RSA guarantees everyone's right to freedom of expression. In addressing these issues, PanSALB must also respect other people's opinions, as the Constitution affirms the right to freedom of belief and opinion. It is important to note that every speaker of a language has a right to that language, irrespective of the academic rules of the language. Standardised language aims to include different forms of expression within the language, without excluding dialects. In conclusion, PanSALB and its structures should engage constructively and positively with anyone involved in the development of any constitutionally recognised languages. Such engagement will foster progress and constructive outcomes.

#### **17.8. COMPLAINT BY ONE EDUCATOR AGAINST ANOTHER ON THE ABUSE OF SASL CASE NUMBER PANSALB 01-10-22 KZN**

PanSALB's KwaZulu-Natal provincial office received a complaint regarding one educator alleging that another educator was infringing upon his linguistic human rights. Both educators possess the same academic qualifications and experience. However, following investigations, PanSALB concluded that there were no violations of linguistic human rights. PanSALB further provided recommendations for the KZN Department of Basic Education to address the issue between the two teachers and to review the appointment process and procedure for a Head of Department (HoD). Additionally, PanSALB suggested organizing a workshop on a Deaf Charter for teachers, parents, and learners at the school.

#### **17.9. MS SIBONGILE VERONICA SIPAMBO VS JO-ANNE REYNEKE**

Ms Sipambo lodged a complaint to PanSALB regarding a TikTok video posted by Ms Jo-Anne Reyneke. The technical committees of the South African Sign Language National Language Body and the Gauteng Provincial Language Committee met on 9 and 23 June 2022 to analyse the video. The video must be interpreted into SASL for the deaf community. It was noted that, without context, which is not provided by the video or caption, the video can be misconstrued to be offensive to SASL interpreters, SASL, and the deaf community at large. It was decided and recommended that Ms Reyneke should issue a public statement on the same social media platforms as the original video, clarifying the intent of the video and responding to the deaf community's offense. After a mediation meeting with her agent on 5 July 2022, in which Ms Reyneke explained that the video was satirical and aimed at "fake interpreters", she agreed to publish a public statement via TikTok within 14 days of receipt of the letter dated 6 July 2022. A written copy will be sent to PanSALB to be filed. With the mediation meeting having had an agreeable resolution we proposed that the case be closed.

#### **17.10. PUTCO VS MR MAHLANGU**

A linguistic human rights violation against PUTCO buses company was lodged with PanSALB and an investigation was subsequently launched. Thereafter it was decided to engage PUTCO to verify its discrimination of the isiNdebele language as appearing on its emergency notices in their buses. PUTCO acknowledged the omission and even appreciated being alerted on the matter. The company further undertook to address the gaps identified in a bid to promote all official languages and enhance unhindered access to information. PanSALB to note that PUTCO has since tendered an unconditional apology and further committed to manage, avoid, and address such errors in the interest of equitable use of all languages moving forward.

#### **17.11. ISIPHETHU PRIMARY SCHOOL CASE**

The isiNdebele National Language Body and the Gauteng Provincial Language Committee received communication from concerned parents regarding the exclusion of isiNdebele at the school. According to our previous engagements and reports, isiNdebele was previously offered as a subject at that school. However, it was discontinued due to low student enrollment. Following subsequent meetings, it was agreed that isiNdebele would be reinstated for the 2023 academic year.

Despite this agreement, parents expressed concern as they had not received official confirmation about the inclusion of isiNdebele in the 2023 academic year. Parents who are committed to ensuring their children receive education in their mother tongue wish to make informed decisions about their choice of school.

Moreover, the offering of isiNdebele holds significant importance for community and cultural upliftment, which matters to stakeholders in the area and province. They seek confirmation of the decision to reinstate isiNdebele at the school for the upcoming year.

Thankfully, the matter has been resolved, and a circular was sent out to parents to assure them that isiNdebele will indeed be included in the curriculum for the 2023 academic year.

#### **17.12. DEAFSA AND ROBBEN ISLAND MUSEUM**

The Vice President of the World Federation of the Deaf, Mr. Kasper Bergman, visited Cape Town, and a tour was booked for him on Monday, September 12, 22, with the boat departing at 11:00. DeafSA had arranged for an International Sign Language Interpreter, Mr. Francois Deyssel, to accompany and assist Mr. Bergman with sign language interpreting support.

A complaint was raised with PanSALB, stating that Mr. Deyssel would be required to pay the full ticket fee. Consequently, PanSALB requested documents from Robben Island concerning the contractual agreement they had with DeafSA regarding Deaf tourists.

Following further engagement and consultation between PanSALB and Robben Island Museum, an amicable solution was reached, resulting in the resolution of the case, and the ticket was issued without requiring Mr. Deyssel to pay the full fee.



## INTERNATIONAL MOTHER LANGUAGE DAY COMMEMORATION

20-21 February 2023  
The Ranch Resort,  
Polokwane, Limpopo



The Pan South African Language Board (PanSALB), in collaboration with the Department of Basic Education and the SABC commemorated International Mother Language Day at the Ranch Resort, outside Polokwane in Limpopo. This formed part of the institution's continued efforts to promote the use of mother tongue and the furtherance of multilingualism in the country. The two-day commemoration started with a seminar that focused on the advancement of the adoption of the Department of Basic Education's Mother Tongue Based Bilingual Education (MTBBE) system and fast tracking its roll-out in schools throughout the country.



# LINKING PERFORMANCE TO BUDGET

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## 18.1 PROGRAMME EXPENDITURE

The total expenditure for the financial year increased to R149.271 million as compared to R148.451 million from the prior year.

Category	Consolidated		PanSALB	
	2023	2022	2023	2022
Purchase of property, plant and equipment	5 240	2 581	4 888	2 250
Proceeds from sale of property, plant and equipment	(15)	(24)	(15)	(24)
Purchase of intangible assets (Software/Licenses)	2 120	2 387	2 120	2 387
Other financial assets	38 289	33 293	0	0
<b>Total</b>	<b>45 634</b>	<b>38 237</b>	<b>6 993</b>	<b>4 613</b>

## 18.2 SUB-PROGRAMME EXPENDITURE

Sub-Programme	2022/2023			2021/2022		
	Adjusted Appropriation	Actual Expenditure	Over/Under Expenditure	Final Appropriation	Actual Expenditure	Over/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Programme 1: Administration</b>						
Sub-Programme 1.1: Finance and Supply Chain	7 621	11 890	-4 269	22 241	15 543	6 698
Sub-Programme 1.2: Information Technology	4 174	5 722	-1 548	22 570	9 010	13 560
Sub-Programme 1.3: Marketing and Communications	2 000	7 999	-5 999	6 720	2 763	3 957
Sub-Programme 1.4: Human Resources Management	1 500	5 523	-4 023	17 312	7 776	9 536
Sub-Programme 1.5: Institutional Planning and Governance	3 324	1 670	1 654	3 369	2 894	475
<b>Total Expenditure</b>	<b>18 119</b>	<b>32 804</b>	<b>-10 162</b>	<b>72 212</b>	<b>37 986</b>	<b>28 024</b>

Sub-Programme	2022/2023			2021/2022		
	Adjusted Appropriation	Actual Expenditure	Over/Under Expenditure	Final Appropriation	Actual Expenditure	Over/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Programme 2: Language</b>						
Sub-Programme 2.1: National Lexicography Units	27 261	27 261	0	36 205	32 445	3 760
Sub-Programme 2.2: National Language Bodies	7 808	3 818	3 990	5 897	5 092	805
Sub-Programme 2.3: Provincial Language Committees	5 022	4 666	356	2 711	1 772	939
Sub-Programme 2.4: Equitability of Languages	250	102	148	500	442	58
Sub-Programme 2.5: Linguistic Human Rights	300	143	157	1 531	340	1 191
Sub-Programme 2.6: Language Development and Use	1 426	15 464	-14 038	24 215	10 851	13 364
<b>Total Expenditure</b>	<b>42 067</b>	<b>51 454</b>	<b>-9 387</b>	<b>71 059</b>	<b>50 942</b>	<b>20 117</b>

Sub-programme	2022/2023			2021/2022		
	Adjusted Appropriation	Actual Expenditure	Over/Under Expenditure	Final Appropriation	Actual Expenditure	Over/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of Employees	66 049	61 021	5 028	57 932	50 768	7 164

## 18.3 REVENUE COLLECTION

Source of revenue	2022/2023			2021/2022		
	Estimate	Actual Amount Collected	(Over/Under Collection)	Estimate	Actual Amount Collected	(Over/Under Collection)
MTEF grant	123,322	123,322	-	121,502	121,502	-
<b>Total</b>	<b>123,322</b>	<b>123,322</b>	<b>-</b>	<b>121,502</b>	<b>121,502</b>	<b>-</b>

### Transfers

The primary source of revenue for PanSALB is the MTEF budget. This transfer revenue stream has increased from R121.502 million in the 2021/22 financial year to R123.322 million in the current financial year (an increase of 1.014%).

### Other Income

PanSALB has seen an increase in interest from reserves attributable to increased transfer in the prior year that was not expensed in full, resulting in cash and cash equivalents increase. PanSALB reported R3.370 million for other income, consisting mainly of interest income.

## 18.4 CAPITAL INVESTMENTS

Infrastructure projects	2022/2023			2021/2022		
	Budget	Actual expenditure	Over/Under expenditure	Budget	Actual expenditure	Over/Under expenditure
N/A						
<b>Total</b>						

# ALASA & PanSALB 23<sup>RD</sup> BIENNIAL INTERNATIONAL CONFERENCE OF THE AFRICAN LANGUAGE ASSOCIATION OF SOUTHERN AFRICA

21 -24 September 2022  
Protea Hotel, Techno Park,  
Stellenbosch, Western Cape



The African Language Association of Southern Africa (ALASA), in conjunction with the Pan South African Language Board (PanSALB), the Department of African Language Studies and the Centre for Advanced Studies of African Society (CASAS) of the University of the Western Cape's Faculty of Arts and Humanities. Under the theme "African Languages in Practice in the 21<sup>st</sup> Century", the annual language conference took place during Heritage Month (September) and is aimed at promoting research in indigenous African languages and exploring innovative ideas to advance their development.

# PART: C

## GOVERNANCE



# GOVERNANCE

## 19.1 INTRODUCTION

Good governance underpins the processes and systems by which the institutions are overseen, directed, controlled and held to account in accordance with the PanSALB enabling legislation, PFMA and the Companies Act, and run alongside the Public Sector Protocol on Corporate Governance (this covers the same or similar principles contained in the King III Report on Corporate Governance). Parliament, the Executive Authority and the Accounting Officer of PanSALB are responsible for corporate governance.

Commitment by PanSALB to maintain the highest standards of governance is fundamental to the management of public finances and resources. PanSALB is committed to the principles of accountability, transparency and integrity as recommended by the King III and IV Code on Corporate Governance; this commitment is validated by the policies and has been adopted by the Organisation.

## 19.2 PORTFOLIO COMMITTEES

During the financial period under review, PanSALB did not appear before the Portfolio Committee on Arts and Culture to account for, or to discuss any matters. The Annual Performance Plan for 2022/23 and Annual Report for 2021/22 were submitted as required.

## 19.3 EXECUTIVE AUTHORITY

PanSALB is, classified as a Schedule 1, constitutional institution in terms of the PFMA, the Board serves as the Accounting Authority responsible for the overall strategic leadership and guidance of PanSALB. The Board therefore accounts to the Minister of Sport, Arts and Culture, as the Executive Authority.

The Board comprises of twelve non-executive directors and the Chief Executive Officer (CEO) who serves as the Accounting Officer and ex officio member of the Board,

The mandate of the PanSALB Board includes the following:

- approve the Strategy and Annual Performance Plan
- strive to attain and maintain the financial viability of the Institution
- provide strategic direction for the Institution
- establish a policy-based governance framework
- to act with a degree of care and skill, in the best interest of the institution.
- ensure an effective risk management system
- ensure sound financial reporting and accountability.

PanSALB is required to submit a Strategic Plan once every five years and an Annual Performance Plan annually to the Department of Sport, Arts, and Culture, the National Treasury, and the Department of Planning, Monitoring, and Evaluation. These documents are tabled by the Minister of Arts and Culture in Parliament. The Chairperson of the PanSALB Board signs service-level agreements (shareholder compacts) with the Minister of Sports, Arts, and Culture and with Parliament. Quarterly reports based on the targets and indicators are submitted to the Portfolio Committee, the Department of Sports, Arts, and Culture, the National Treasury, and the Department of Planning, Monitoring, and Evaluation.

## **19.4 THE BOARD**

### **19.4.1 BOARD CHARTER**

During the period under review, the Board continued to implement the provisions of the Board Charter, which was developed in line with the PanSALB Act, the PFMA, and the King Report IV, Principles of Corporate Governance. The Board Charter outlines the Board's role in terms of providing strategic leadership to PanSALB and overseeing the implementation of the Strategic, Annual, and Quarterly Plans and accompanying budget.

Furthermore, the Board reviewed the Terms of Reference document for the following Committees:

- Audit and Risk Committee, the review included provisions on the monitoring of internal controls and risk management of PanSALB, especially within the Information Communication and Technology Unit.
- Legal, Ethics, Governance, and Social Committee, the review included the alignment to best practice in terms of corporate governance and the inclusion of environmental, social and governance provisions.
- Finance Committees, the review include an alignment to best practice in terms of corporate governance and alignment to the National Treasury Regulations on the remuneration of members of the Board.

### **19.4.2 COMPOSITION OF THE BOARD**

The PanSALB Act stipulates in Section 5 (7) that the Board must comprise of fourteen members inclusive of the CEO. During the period under review only thirteen members served on the Board, inclusive of the CEO. This is due to the resignation of a member, currently there are thirteen Board members after the resignation of one member.

Prof Lolie Makhubu-Badenhorst (Chairperson)  
Ms Seipati Bernice Dichabe (Deputy Chairperson)  
Ms Preetha Dabideen  
Dr Fio Dolly Gaebeng Dlavane  
Dr Nomakhosazana Hazel Rasana  
Mr. Cinga Gqabu  
Ms Khensani Gertrude Bilankulu  
Ms Mariaan M Maartens  
Ms Portia Prudence Chilwane  
Mr. Molebaloa Manfred  
Mr. Ntshengedzeni Edward Mudau  
Mr. Mthembu Aubrey

The Board appointed three Independent Non-Executive Directors to serve on the Audit and Risk Committee, namely;

Mr. Francois Beukman  
Mr. Viren Magan  
Ms. Rendani Maiwashe.

Name	Designation (the Public Entity Board structure)	Date Appointed	Qualifications	Area of Expertise	Board Directorships (Entities)	Other Committees or Task Teams (e.g., Audit Committee/ Ministerial Task Team)	No. of Meetings attended
Prof RL Badenhorst	Chairperson of the Board	06 March 2019	Doctorate in Language Practice	Language	n/a	Core Mandate Committee	20
Ms SB Dichabe	Deputy Chairperson of the Board	06 March 2019	MA in Linguistics	Language	n/a	Finance and Human Resource Committees	21
Dr FDG Dlavane	Chairperson of the Core Mandate Committee	06 March 2019	MA: Literature, PhD Linguistics	Language	n/a	Core Mandate Committee	19
Ms PP Chilwane	Chairperson of the Legal and Ethics Committee	06 March 2019	BProc. Degree MAP	Legal	Robben Island Museum	Legal, Ethics and Governance Committee	19
Dr NH Rasana	Chairperson of the Human Resource and Governance Committee	06 March 2019	Ph.D. in Applied Linguistics, Master of Education (ESL), Honours Bachelor of Art (Applied Linguistics), Bachelor of Arts, Diploma in Language Instruction, Post Graduate Diploma in Enterprise, Post Graduate Diploma in Enterprise Management, Primary Teachers Diploma	Language	n/a	Human Resource, Core Mandate, Audit and Risk Committees	23
Mr C Gqabu	Member	06 March 2019	Sign Language Qualification	Language	n/a	Core Mandate Committee	18
Ms KG Bilankulu	Member	06 March 2019	Master's Degree in African Language	Language	n/a	Finance and Core Mandate Committees	17

Name	Designation (the Public Entity Board structure)	Date Appointed	Qualifications	Area of Expertise	Board Directorships (Entities)	Other Committees or Task Teams (e.g., Audit Committee/ Ministerial Task Team)	No. of Meetings attended
Ms Mariaan M Maartens	Member	06 March 2019	Post-graduate diploma in Higher Education, BA Degree, Licentiate in Speech and Drama	Languages, Interpreting, Media and broadcasting, Marketing and advertising, Strategy creation and execution, Governance and Human Resources	n/a	Finance, Human Resource, Legal, Ethics and Governance Committees	25
Mr Aubrey Mthembu	Member	24 July 2020	BA, B.Education.	Higher Primary Teacher Certificate, BA B.Ed, Secondary Teachers Diploma, MA in History	Language	Finance, Legal, Ethics and Governance Committees	16
Mr Manfred Molebaloa	Member	24 July 2020	BA Honors: African Language	Junior Secondary Teacher Certificate, BA Honours in African Languages	Language	Human Resource and Core Mandate Committees	17
Mr NE Mudau	Member	06 March 2019	Bachelor of Arts in Languages, Teaching Diploma, and LLB	Language	n/a	Finance, Human Resource, Core Mandate, Legal, Ethics and Governance Committees	19
Ms P Dabideen	Member	06 March 2019	Bachelor of Procurations (B.Proc), AIPSA Diploma in Insolvency Law, Advanced Diploma in Insolvency Litigation, Business Rescue in compliance with Companies Act 2008	Legal	Deputy Chair of the Agri-Business Agency KZN	Finance, Legal, Ethics and Governance Committee	20

## 19.6 COMMITTEES

The Board utilises governance structures that are established in terms of its PFMA, Treasury regulations, and the King III Report to assist in carrying out roles and responsibilities. These are:

- **Human Resources Committee:** The mandate of this committee is to assist the Board with oversight related to governance and human resources affecting PanSALB.
- **Finance Committee:** This committee is charged with the responsibility of keeping the necessary accounting and related records in compliance with Section 10B of the PanSALB Act, 1995.
- **Legal, Ethics, Governance and Social Committee:** This committee was established to assist the Board with oversight of legal and ethical matters, and to ensure that the entity remains a committed socially responsible corporate citizen. The commitment to sustainable development involves ensuring that PanSALB conducts business in a manner that meets existing needs, without knowingly compromising the ability of future generations to meet their needs.
- **Core Mandate Committee:** This committee monitors the core purpose of PanSALB to promote, to preserve and to protect multilingualism in South Africa by:
  - creating conditions for the development of, and equal use of all official languages
  - fostering respect for, and encouraging the use of other languages in the country
  - encouraging the best use of the country's linguistic resources to enable South Africans to be free from all forms of linguistic discrimination, domination and division, and to enable them to exercise appropriate linguistic choices for their own wellbeing and for national development
- **Audit and Risk Committee:** This committee assists the Board in carrying out its functions relating to safeguarding assets, operation of adequate risk management and control processes, preparation of financial statements in compliance with all applicable legislation and regulations, and oversight of the external and internal audit appointments and functions.

Committee	Number of meetings held	Number of members	Names of members
HumanResources Committee	5	5	Dr Rasana (Chairperson) Mr Mudau Ms Dichabe Ms Maartens Mr Molebaloa
Finance Committee	5	5	Ms Dichabe (Chairperson) Prof Makhubu-Badenhorst Ms Bilankulu Mr Mudau Mr Mthembu
Legal, Ethics, Governance and Social Committee	8	5	Ms Dabideen (Chairperson) Ms Chilwane Mr Mudau Mr Mthembu Ms Maartens
Core Mandate Committee	5	7	Dr Dlavane (Chairperson) Prof Makhubu-Badenhorst Ms Bilankulu Mr Gqabu Dr Rasana Mr Molebaloa



Committee	Number of meetings held	Number of members	Names of members
Audit and Risk Committee	5	5	Mr. Francois Beukman Chairperson) Mr. Viren Magan Ms. Rendani Maiwashe Dr Dolly Dlavane Ms. Portia Chilwane

## 19.7 REMUNERATION OF BOARD MEMBERS

The remuneration of PanSALB Board members is determined by prescripts of the National Treasury Regulations. Board remuneration is administered in line with the principles of policy, legislation and tax practices. Rates are reviewed annually, aligned with PanSALB as guided by the National Treasury Regulations and are paid whether meetings last the whole day or only a few hours. Fees are not payable should a board member not attend a scheduled meeting or if a completed document and signed claim form have not been received.

## 19.8 REMUNERATION RATES

Non-executive Chairman of the Board	R4,446 per day
Non-executive Deputy Chairman of the Board	R3,892 per day
Non-executive Board member	R2,698 per day

Board Member	Board Fees (R'000)	Travel and Other Claims (R'000)	Total (R'000)
Board Chairperson: RL Makhubu-Badenhorst	212	0	212
Board Deputy Chairperson: SB Dichabe	187	0	187
Board Member: KG Bilankulu	90	0	90
Board Member: PP Chilwane	116	0	116
Board Member: P Dabideen	173	0	173
Board Member: FDG Dlavane	119	0	119
Board Member: C Gqabu	97	0	97
Board Member: MM Maarteens	131	0	131
Board Member: EN Mudau	168	0	168
Board Member: NH Rasana	84	0	84
Board Member: AG Mthembu	105	0	105
Board Member: MK Molebaloa	144	0	144
<b>Total</b>	<b>1 626</b>	<b>0</b>	<b>1 626</b>

# RISK MANAGEMENT

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PanSALB employed risk management principles in line with the PFMA, COSO, ISO, Public Sector Risk Management Framework, and King IV Code of Corporate Governance to effectively manage risks relevant to it.

The risk management policy framework reviewed and approved by the board is in line with principles embodied in the referenced risk management framework. Risk management is a critical lever of the business strategy and sound corporate governance. Hence, the identification and management of risk reduce the uncertainty associated with the execution of PanSALB's business strategies and allows the institution to maximise opportunities that may arise.

**TOP RISKS:** The identification of strategic risks has been institutionalised through formalised strategic risk assessment sessions. Our risk universe is dynamic, as interest in language related matters continues to be socially debated on social media platforms and mainstream media.

Our immediate concerns during the reporting period remained capacitation of the organisation through the establishment of governance processes, promotion of marginalised languages, fostering solid relationships with state institutions supporting democracy, business continuity and improving visibility of our brand equity.

Risk assessments of uncertainties that could hinder the achievement of our objectives were conducted and reviewed monthly. A table reflecting the strategic risks we continue to face, and what we do to manage them, is shown below.

No.	RISK TITLE	MITIGATION ACTIONS AND CONTROLS
1	Inadequate cooperation between PanSALB and other institutions supporting democracy	<ul style="list-style-type: none"> <li>Participate in the Forum for Institutions Supporting Democracy (FISD) and this enables us to ensure FISD respective mandates are independently executed.</li> <li>Formulation of MoU's between PanSALB and the following Chapter 9 institutions for areas of shared responsibilities. <ul style="list-style-type: none"> <li>*CRL</li> <li>*HRC</li> <li>*IEC</li> <li>*Public Protector</li> </ul> </li> </ul>
2	Continued marginalisation of previously marginalised languages	<p>We have:</p> <ul style="list-style-type: none"> <li>distributed monitoring tools to national and provincial government institutions,</li> <li>investigated the establishment of a national interim linguistic human rights tribunal,</li> <li>reviewed the PanSALB Act and Use of Official Languages Act to strengthen the mandate and the means to enforce it and penalise transgressions,</li> <li>created awareness of legislative requirements through MinMec and enforced subpoenas as per PanSALB Act, motivated for additional capacity during the organisational design review.</li> </ul>

No.	RISK TITLE	MITIGATION ACTIONS AND CONTROLS
3	Inadequate enterprise business continuity plans: (i) Impact analysis (ii) Disaster Recovery Plan and Cloud Computing (offsite data storage) (iii) Succession Plan (HR) (remove)	We have: <ul style="list-style-type: none"> <li>an approved BCM strategy and disaster recovery plan is in place,</li> <li>established a DR site in consultation with SITA,</li> <li>Implemented data testing and restored scheduled and regularly reported results to the ICT Steercom/ Audit Committee,</li> <li>devised a high level proposed organogram that incorporates a CIO, and</li> <li>developed an enterprise-wide SoP for BCM.</li> </ul>
4	Non Alignment of organisational structure to delivery mandate	We have: <ul style="list-style-type: none"> <li>drafted a divisional organogram to be presented to divisional heads,</li> <li>presented a detailed organogram the board</li> <li>conducted benchmarking of salaries, and</li> <li>developed key competencies and job descriptions.</li> </ul>
5	Inadequate performance management	We have: <ul style="list-style-type: none"> <li>developed indicator protocols that were reviewed and approved by EXCO,</li> <li>put a SOP for portfolio of evidence in place,</li> <li>investigated adequate systems for performance management,</li> <li>motivated for additional capacity during the organisational design review,</li> <li>implemented monthly reporting, and</li> <li>developed a M&amp;E Framework.</li> </ul>
6	Non-alignment of ICT Strategy and organisational strategy	We have: <ul style="list-style-type: none"> <li>revised the ICT framework and policies, which was subsequently approved,</li> <li>put in place an ICT strategy,</li> <li>motivated for additional ICT staff resources, and</li> <li>Implemented network Infrastructure to communicate with provincial offices.</li> </ul>
7	Inadequate cooperation between PanSALB and its entities	We have: <ul style="list-style-type: none"> <li>reviewed the PanSALB Act for the PanSALB act to be amended so that the NLU's are managed by PanSALB.</li> <li>made a resolution for provincial managers to be ex officio members on the board of director of NLU, and</li> <li>developed a governance accountability framework for NLU's.</li> </ul>
8	Low brand equity	We have: <ul style="list-style-type: none"> <li>instituted regular reviews of marketing and communication strategies, instituted regular review of stakeholder engagement strategies,</li> <li>put a media monitoring SOP in place,</li> <li>introduced an approved corporate identity,</li> <li>implemented the corporate identity branding, and</li> <li>implemented equitable language diversity in the website development.</li> </ul>

No.	RISK TITLE	MITIGATION ACTIONS AND CONTROLS
9	Inadequate Governance	<p>We have:</p> <ul style="list-style-type: none"> <li>• motivated for budgeting tool in ERP,</li> <li>• reviewed outstanding purchase orders and accruals for closing/ reversal,</li> <li>• submitted a list of open purchase orders to executives on a monthly basis,</li> <li>• developed the risk management framework,</li> <li>• Implemented a risk implementation plan,</li> <li>• developed a fraud prevention and detection plan.</li> <li>• Implemented a fraud implementation plan,</li> <li>• Workshopped SCM and finance processes with staff,</li> <li>• Reviewed SCM policy as per NT instruction,</li> <li>• Appointed a company secretariat,</li> <li>• Budget availability to be determined during mid-term adjustment,</li> <li>• QMS implemented based on budget availability to be determined during mid-term adjustment. QMS not yet implemented as no midterm budget adjustment was made,</li> <li>• Developed and implemented Compliance Framework and policy.</li> <li>• Developed SCM SoP.</li> <li>• Appointed skilled personnel with legal background for contract management.</li> <li>• Implemented contract management system.</li> <li>• Developed an excel based budget template.</li> <li>• Finalised implementation of Financial management system.</li> <li>• Reviewed finance policies and procedures.</li> <li>• Motivated for additional capacity during organisational re-design.</li> </ul>
10	Inability to pursue linguistic human rights violations that require legal intervention	<ul style="list-style-type: none"> <li>• LHR charter is in place.</li> <li>• Investigate the establishment of a national interim linguistic human rights tribunal.</li> <li>• Appointment of specialist as per organogram.</li> <li>• Enhancement of case management from lodging of complaint to finalisation of legal intervention.</li> </ul>
11	Unsafe working conditions / Health and safety of staff that may impacts the organisation`s ability to operate.	<ul style="list-style-type: none"> <li>• OHS official and OHS committee are in place.</li> <li>• OHS policy is in place and safety protocols were established.</li> <li>• Screening of all individuals entering the building.</li> </ul>

No.	RISK TITLE	MITIGATION ACTIONS AND CONTROLS
12	Fraud and Corruption by PanSALB employees and service providers	<ul style="list-style-type: none"> <li>• Approved code of ethics, and conflict of interest policy are in place.</li> <li>• Implementation of Consequence management in line Fraud Prevention/ Whistle Blower procedure.</li> <li>• Conduct training on Conflict-of-Interest policy for staff.</li> <li>• Automation of the Financial system with built-in internal controls.</li> <li>• Develop fraud prevention and detection plan.</li> <li>• Implement a fraud implementation plan.</li> </ul>

Monthly risk management meetings were held in financial year 2023, where ten (10) risk action owners were in attendance.

## 21. INTERNAL CONTROL UNIT

Since the Institution lacks an internal control unit, this responsibility falls on Management. It is a fundamental requirement of all operations that each Manager is responsible for identifying areas of weakness and effecting controls to strengthen operating procedures; thus, Management ensures adherence to controls. Control is maintained through audit activities, the Risk Management Committee, the Audit, Risk and ICT Committee and various governance structures that monitor the effectiveness of internal controls.

## 22. INTERNAL AUDIT AND AUDIT COMMITTEES

The Internal Audit function is an independent, objective assurance and consulting activity, designed to add value and improve operations, which PanSALB outsources. Internal auditing supports PanSALB to accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Aligned with the approved Annual Coverage Plan, audit projects completed and executed:

- Audit of Performance Information – Quarter 2;
- Audit of Performance Information – Quarter 3;
- Audit of Performance Information – Quarter 4;
- Internal Financial Controls;
- Governance, Risk and Compliance;
- Annual Performance Plan Review;
- Annual Financial Statements Review;
- Follow up Review; and
- Facilitation of Strategic Risk Assessment workshop.

## 23.COMPLIANCE WITH LAWS AND REGULATIONS

PanSALB is a constitutional institution tasked with control of certain public funds and is therefore required to act in compliance with public prescripts. During the year under review, the following portions of legislation were assessed for compliance:

- Public Finance Management Act, No. 1 of 1999, as amended by Public Finance Management Amendment Act, No. 29 of 1999
- Basic Conditions of Employment Act, No. 75 of 1997, as amended by Basic Conditions of Employment Amendment Act of 2002
- Compensation for Occupational Injuries and Diseases Act, No. 130 of 1993
- Labour Relations Act, No. 66 of 1995
- Employment Equity Act, No. 55 of 1998
- Unemployment Insurance Contributions Act, No. 4 of 2002
- Occupational Health and Safety Act, No. 85 of 1993
- Skills Development Act, No. 97 of 1998
- Skills Development Levies Act, No. 9 of 1999



- Promotion of Access to Information Act, No. 2 of 2000
- Promotion of Administrative Justice Act, No. 3 of 2000

## 24. FRAUD AND CORRUPTION

The approved Fraud and Corruption prevention policy and plan and Whistleblowing policy were reviewed and updated. These policy documents emphasises the board's zero tolerance to fraud and corruption. An independent service provider was appointed during the financial year 2023 which specialises in whistleblowing to ensure fraud allegations are independently and objectively. In the financial year 2023, there were no alleged fraud incidents lodged using the fraud hotline. The fraud hotline contact details are as follows:-

- Tel no. 0800 111 859
- SMS 33490
- Email: pansalb@whistleblowing.co.za

## 25. MINIMISING CONFLICT OF INTEREST

Supply Chain Management processes are highly regulated within the PanSALB environment. To minimise the risk of a conflict of interest, Declaration of Interest forms are circulated to members of Bid Committees before meetings commence. Further to enhance this process, Management is able to access the Companies and Intellectual Property Commission (CIPC) database to verify directors of companies that do business with PanSALB.

During the year under review, there were no cases of misconduct or negligence by members requiring their removal from office, their termination of membership from committees or from the Board.

The SCM will try and identify risk associated with conflict of interest by ensuring that delegation of authority is implemented across the SCM value chain. Prohibit unacceptable forms of private interest, e.g., our SBD form requires supplier to declare their interest and in all bid committees, members are expected to declare their interest prior any engagement.

Also raising awareness of the circumstances in which conflict can arise form part of our SCM policy. The most important element is building capacity to prevent conflict of interest through training. Any member or officials found to be conflicted is advised to recuse themselves from participating in any procurement activity.

## 26. CODE OF CONDUCT

PanSALB's code of conduct (set out in the Organisation's constitution) is applicable to the Board and committees. The code of conduct for staff is included in the Human Resources Policy.

## 27. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Occupational Health and Safety Policy (OHS) is in place. COVID-19 measures and recommencement procedure for alert lockdown levels are in place (Risk Assessment and Workplace Readiness Plan COVID-19).

## 28. COMPANY SECRETARY

The Board of PanSALB, facilitated the appointment of a Company Secretary, during the year under review on the 1st of September 2022. The newly appointed Company Secretary hit the ground running, by ensuring that the Board meets its legislative mandate, as stipulated in the PanSALB Act, the PFMA, and King Report on Principles of Corporate Governance, vol IV and provided legal and administrative support to the Board of PanSALB.

Through the assistance of the Company Secretary, the Board was able to;

- Convene all their statutory quarterly and annual meetings, to review and approve reports for submission to the Executive Authority (DSAC), thereby adhering to legislative timeframes as prescribed in the PFMA, and
- Review, and align the Terms of Reference of Board Committees to the PFMA, PanSALB Act, and King Report, thus ensuring that the Committees function effectively and efficiently for the benefit of the Board.
- Ensure an accurate record and safekeeping of meeting records, declarations of conflict of interests, engagement and correspondence to the Executive Authority and other stakeholders.

The current Board's term will come to an end in the 2023/24 financial year and the Board will be conducting a Performance Evaluation/Assessment to review and assess the Board's term since its appointment in 2019 and finalise its close-out report for the incoming Board.

## 29. SOCIAL RESPONSIBILITY

The institution conducted an outreach programme as part of its Language Activism Month activities targeting schools around three districts in the Eastern Cape. Overall, three (3) schools were visited which included two (2) Deaf schools and one (1) school that currently houses the Nama language acquisition programme in the province. Amongst items donated to the schools were Dictionaries in the languages of the province produced by the National Lexicography Units (NLUs), the N!uu Dictionary, Spelling and Orthography Rules, and the online South African Sign Language Dictionary produced by the National Institute for the Deaf (NID) and authenticated by PanSALB. The outreach programme also focused on advocating for and encouraging parents of Deaf children to learn South African Sign Language to improve family relations and the learning experience of Deaf children.

## 30. AUDIT COMMITTEE REPORT

### a. OBJECTIVE

The Audit and Risk Committee serves as an independent body to assist the Board with the responsibility of safeguarding assets, maintaining effective and efficient internal controls, risk management, reviewing financial information and overseeing preparation of the financial statements.

### b. MEMBERSHIP AND ATTENDANCE

At least three members of the Audit and Risk Committee (including the Chairperson) were independent and non-executive, while the other committee members were non-executive. In the 2022/23 financial year the committee held three meetings in line with the Audit and Risk Committee Charter. The table below indicates members and attendance details:

Audit and Risk Committee	Total Meetings Held	Number of Meetings Attended
Mr Francois Beukman (Chairperson)	3	3
Ms Rendani Maiwase	3	3
Dr NH Rasana	3	3
Mr Viren Magan	3	3
Ms P Chilwane	3	3
Dr L. Dlavana	3	3

## **AUDIT AND RISK COMMITTEE RESPONSIBILITIES**

### **OBJECTIVE**

The Audit and Risk Committee serves as an independent body to assist the Board with the responsibility of safeguarding assets, maintaining effective and efficient controls, risk management, reviewing financial information and overseeing preparation of the financial statements.

### **MEMBERSHIP AND ATTENDANCE**

The Audit and Risk Committee Members that served during the financial year March 2022 to October 2022 is indicated in the table below:

#### **Audit and Risk Committee**

Mr SZ Hlope -Chairperson  
Ms A Mazibuko  
Ms P Chilwane  
Dr. D Dlavane

A new Audit and Risk Committee was subsequently appointed by the Board in October 2022.

The three independent members (including the Chairperson) are non-executive, as well as the two Board Members serving on the Audit and Risk Committee.

In the 2022/23 financial year, the committee held three meetings, including an induction session for the newly appointed independent non-executive directors.

#### **Audit and Risk Committee**

Mr F Beukman – Chairperson  
Mr V Magan - Member  
Ms R Maiwashe -Member  
Ms P Chilwane - Board Member  
Dr. D Dlavane- Board Member

## **AUDIT AND RISK COMMITTEE RESPONSIBILITIES**

The Audit and Risk Committee reports compliance with responsibilities arising from Section 51 (1) (a) (ii) of the PFMA and Treasury Regulations 3.1.13.

### **OTHER**

The Audit and Risk Committee also conducted separate consultations with the following role players during the year under review: the AGSA, Internal Audit, the Accounting Officer, and the CFO.

### **THE AUDIT AND RISK COMMITTEE HAS PERFORMED THE FOLLOWING STATUTORY DUTIES:**

#### **Efficiency and Effectiveness of Internal Controls**

The system of internal control by PANSALB for financial and risk management needs constant attention from the Accounting Officer and management. Reports from Internal Audit, the Audit Report on the Financial Statements, and the Management Report of the Auditor-General South Africa (AGSA), highlight significant internal control deficiencies and material findings on compliance with legislation.

The lack of adequate review processes by Management to ensure the preparation of regular, accurate, and complete financial statements is a serious cause of concern and should be addressed by Management as a matter of urgency.

## **DURING THE YEAR MANAGEMENT AND MONTHLY REPORTS/QUARTERLY REPORTS**

PANSALB has reported monthly and quarterly to the National Treasury as is required by the PFMA, and quarterly reports were presented to the Audit and Risk Committee for review and comments. The Audit and Risk Committee is of the view that the reports should be submitted timeously by Management to Internal Audit for review and analysis to enable sufficient oversight by the Audit and Risk Committee and the Board.

## **INTERNAL AUDIT**

The Internal Audit Function is currently outsourced, and the Committee reviewed the Quarterly Reports that were presented at the Audit Committee meetings.

Internal Audit should provide independent assurance on the risk management, governance and internal control processes are operating effectively.

The Committee will continue to monitor the effectiveness and impact of the Internal Audit reports and the ability of management to respond to the findings and outcomes.

## **REVIEW ANNUAL FINANCIAL STATEMENTS AND AUDITORS REPORT**

The Audit and Risk Committee reviewed the Annual Financial Statements before they were submitted to the Auditor-General and made appropriate recommendations.

The Audit and Risk Committee is of the view that the Accounting Officer and CFO should take proactive steps to ensure appropriate technical review of the Annual Financial Statements during the compilation and finalization phase.

The Audit and Risk Committee is satisfied with the independence and conclusions of the Auditor-General as the external auditors.

## **COMPLIANCE WITH LEGAL AND REGULATORY PROVISIONS**

The committee reviewed PANSALB's compliance with legal and regulatory provisions where Internal Audit reports were discussed—

The Audit and Risk Committee highlighted the importance of reporting on the compliance checklist at Committee meetings.

## **RISK MANAGEMENT**

The assessment of internal controls regarding financial reporting is risk-based and thus the Audit and Risk Committee is responsible for overseeing Management's risk policies as per the Charter. The Committee resolved and advised Management to appoint a Risk Management Functionary to scrutinize the risk management processes of PANSALB. A consultant, Mr. V. Sibiya, was appointed to fulfill the role. Quarterly reports are submitted for review by the Committee.

## **PERFORMANCE MANAGEMENT**

The Audit and Risk Committee reviewed quarterly performance and Internal Audit reports on performance management for the 2022/23 financial year based on the Annual Performance Plan.

## **INFORMATION TECHNOLOGY GOVERNANCE AND COMPLIANCE (ITGC)**

The Audit and Risk Committee is also responsible for the review of the Information Technology and Governance. The Committee is of the view that Management should prioritize the full implementation of the ICT Framework as a matter of urgency.

## **CONCLUSION**

The Audit and Risk Committee wants to record its appreciation to the Chairperson of the Board, the Board, Management, and the Company Secretary for their support and cooperation for the year under review.

The Audit and Risk Committee also want to record their appreciation for the AGSA and Internal Audit for productive interactions during the year under review.

The Audit and Risk Committee is of the view that the Accounting Officer and Management should implement proactive recovery plans to address matters raised by AGSA in the Audit Report to ensure the attainment of a clean audit in the next financial year.

A handwritten signature in black ink, appearing to be 'Francois Beukman', written over a horizontal dashed line.

Francois Beukman  
Chairperson of the Audit and Risk Committee  
Pan South African Language Board  
Date: 16 August 2023



## 31. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Procurement processes implemented at PanSALB followed the regulation whether suppliers submitted their certified B-BBEE certificate or sworn affidavit that indicates the level of B-BBEE for a supplier. No deviation or discussion in appointing a non-compliant supplier.

Criteria	Response Yes/No	Discussion
Determining qualification criteria for the issuing of licenses, concessions or other authorisations in respect of economic activity in terms of any law	Yes / <input checked="" type="radio"/> No	N/A
Developing and implementing a preferential procurement policy	Yes / <input checked="" type="radio"/> No	N/A
Determining qualification criteria for the sale of state-owned enterprises	Yes / <input checked="" type="radio"/> No	N/A
Developing criteria for entering into partnerships with the private sector	Yes / <input checked="" type="radio"/> No	N/A
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-based Black Economic Empowerment	Yes / <input checked="" type="radio"/> No	N/A

# PANSALB MULTILINGUALISM CONFERENCE

16 -17 November 2022  
Emperors Palace, Kempton Park  
Johannesburg



The Pan South African Language Board (PanSALB) conducted a Multilingualism Conference on 16-17 November 2022, held at the Emperor's Palace in Kempton Park, Johannesburg. The discussions at the conference centered around the effective implementation of language prescripts and language practices for the furtherance of multilingualism in the country. The objective of the conference was to evaluate the extent to which multilingualism has been implemented by both the public and private sector, since the advent of democracy.



# PART: D

## HUMAN RESOURCE MANAGEMENT

### 32.1 INTRODUCTION

The information contained herein is in line with the Public Service Regulations, 2016 (Chapter 3, Paragraphs 1 and 2).

During the reporting period, human resources oversight and control mechanisms have ensured enhanced compliance with Human Resources Policies, which are aligned to the Department of Public Service and Administration's policies and prescripts.

#### 32.1.1 HUMAN RESOURCES POLICIES

The following HRM Policies were approved by the CEO and the Board in March 2022, following the endorsement by the Policy Task Team and adoption by the Bargaining Forum. The policies were also workshopped with the staff members.

- Employee Performance Management and Development System (EPMDS)
- OHS Recommencement procedure Alert Lockdown Levels (Risk Assessment)
- OHS Workplace Readiness Plan (COVID-19)
- Employee Wellness Policy
- Harassment Policy
- Policy on Disability
- Succession and Selection Policy

In addition, the Remuneration Policy on Remuneration of Board Committees. Audit and Risk Committee was approved by the Board in February 2023.

The following policies are due for review in the next financial year:

- Recruitment and Selection Policy
- Job Evaluation Committee
- Skills Development Policy
- Leave Policy
- Overtime Policy
- Ethics- Conflict of Interest Policy
- Employee Relations Policy
- Termination Policy
- Retirement Policy
- Access to Employee File Policy
- Occupational Health and Safety Policy
- HIV / Aids Policy
- Ill Health / Medical Incapacity Policy

The 5 - year Human Resource Management (HRM) Plan was approved by the CEO in November 2022. The plan focuses on the following HR priorities that support the achievement of PanSALB strategic objectives.

- Winning the war for talent in recruiting a suitably qualified, capable, and skilled workforce
- Achieving a diverse workforce by promoting Employment Equity
- Promoting sound employee relations by committing to fair labour practices and applying policies and procedures equitably and consistently without favour and/or prejudice.
- Reinforcing the application of the provisions of the Employee Performance Management Development system to distinguish high performers and links to the Annual Performance Plan (APP)
- Building our “own timber” by providing opportunities for employees with opportunities for learning, development, and career advancement
- Retaining skilled, motivated, capacitated, and empowered employees able to ensure service delivery by means of addressing knowledge and skills gap
- Effectively managing employee wellness and health programmes in the workplace
- Manage on-going transformation.

### 32.1.2 RECRUITMENT

During the period under review, PanSALB focused on the recruitment and selection processes to fill permanent vacant positions, as well as twelve (12) vacancies for the internship programme. The internship programme includes six posts in the Languages Division and one in each of the support units: Institutional Performance and Governance (IPG), Information and Communications Technology (ICT), Human Resources Management (HRM), Communications and Marketing, Finance, and Supply Chain Management (SCM).

### 32.1.3 VACANCY RATE

At the beginning of the financial year under review, there were eighty-four (84) positions within PanSALB, with the vacancy rate of 20%. At the end of the financial year, the vacancy rate had improved to 13% against the target of 20% or below.

Intervention: Filling vacant and funded positions in the 2022/2023 financial year.

PANSALB Vacancies	1 April 2022 - 31 March 2023
Vacant posts	11
Posts on organogram	86
Vacancy rate	13%

### 32.1.4 TRAINING AND DEVELOPMENT

PanSALB appointed a service provider in 2021 to conduct a skills audit for the institution. The main objective of the Skills Audit project was to determine the skills and competency of the institution, identify skills gaps, develop and implement the organization's development plan that will focus on addressing and closing identified skills gaps. The final report was presented to EXCO in March 2022. Staff members were provided individual feedback on their skills assessment results and Personal Development Plans were compiled and consolidated into organisational training plan. The organisational training plan is being implemented in line with annual training budget, prioritizing training that is linked to employees' core skills required to perform their jobs.



Employees are eligible for bursary scheme to assist them further their studies in line with their job functions. Four (4) employees were granted study bursaries on recommendation of the HRD Committee.

### **32.1.5 PERFORMANCE MANAGEMENT**

Performance management of employees is regulated by the Employee Performance Management and Development System Policy. The policy is utilised to reward employees for satisfactory and outstanding performance by presenting progress and or once-off performance bonuses where applicable.

Due to COVID1-19 PanSALB had a backlog on the moderation of the performance assessments for 2019/2020 and 2020/ 2021 financial years. Performance moderation for the two financial periods was concluded in December 2022. Performance rewards (salary progression and once-off performance bonuses) for staff members who achieved satisfactory and outstanding performance were rewarded in February 2023.

### **32.1.6 APPOINTMENTS AND TERMINATIONS**

The Human Resource Management division's performance during the period under review was satisfactory in that targets were achieved. The vacancy rate as of 31 March 2023 was at 13% measured against the target of 20% or below. This is an improvement compared to the vacancy rate of 20% in 2021/22 financial year. The new appointments for the financial year include the following:

- OHS Compliance Officer
- Board Secretary
- Senior Manager: Linguistic Human Rights
- Chief Language Practitioners (x2)
- Manager: Monitoring and Evaluation
- South African Sign Language Interpreter
- Deputy Director: Internal Communications
- Risk Manager
- Senior Manager: Human Resources Management

There were three terminations owing to the early retirement of a Chief Language Practitioner and General Assistant and the fixed term contract that came to an end for the Manager: Assets.

### **32.1.7 HUMAN RESOURCES PROJECTS**

The Organisational Development (OD) service provider was appointed to review the organisational structure, job descriptions, align the job profiles with the proposed organization structure and conduct job evaluation of the job profiles, amongst other responsibilities. The two phases of the OD project i.e. Conceptual and Diagnostic phase have been completed. The project is currently at the Organisational Design phase where the proposed structure, job profiles and job evaluation report were presented to EXCO for further engagements with relevant stakeholders. The Job Evaluation Committee has been appointed to review the job evaluation report and to recommend the proposed job gradings to EXCO.

As part of the continuous improvement to automate HR processes, the Employee Self Service (ESS) system was implemented in March 2023 to enable employees to submit leave applications and claims electronically, access payslips, IRP5 on the system and enable the HRM Division to easily manage, analyse and report accurate employee data.

### **32.1.8 LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION**

One disciplinary hearing process was conducted during the period under review and a verbal warning was issued. Bargaining Forum meetings were held with Organised Labour (PSA) to foster good working relations.

### **32.1.9 PENDING LITIGATION**

Five former employees who were dismissed continue to pursue disputes through the courts. One case has been referred by the Labour Court to the CCMA while the other four cases are pending before the court.

### **32.1.10 CHALLENGES**

The following are challenges experienced by the Human Resources Division:

- the volume of HRM policies that are pending review
- employees' personal records not secured in a fire-proof strong-room
- funding for the Organisation Design project
- new employee onboarding programme not implemented consistently
- lack of centralized point for HR templates and forms
- lack of Employment Equity (EE) Plan and non-compliance with the Employment Equity Act

### **32.1.11 INTERVENTIONS**

- Develop and implement HRM Policies review plan in 2023/24 financial year
- Finalise the EE Plan and submit Annual EE Report to the Department of Labour
- Move HR templates and forms to intranet for easy access
- advertise and fill vacant and funded posts
- Review onboarding programme in collaboration with the unit managers for consistent implementation

### **32.1.12 ACHIEVEMENTS**

- Five-year Human Resource Management (HRM) Plan approved
- Vacancy rate 13% against annual target of 20% or below
- ESS system automation for leave management and salary administration
- Access to intranet - organograms and policies are uploaded for ease of access
- 96% performance agreements concluded in 2022/2023 financial year
- Organisation training plan compiled in line Personal Development Plans
- Approval of study bursary application for five employees

## 32.2 HUMAN RESOURCES OVERSIGHT STATISTICS

### 32.2.1 PERSONNEL COST BY SALARY BAND

Level	Personnel Expenditure (R'000)	Personnel Expenditure to Total Personnel Cost (%) (R'000)	Number of Employees	Average Personnel Cost per Employee (R'000)
Senior Management (Level 13–16)	24 164	49.3%	19	1 272
Highly Skilled Supervision (Level 9–12)	15 498	31.6%	25	620
Highly Skilled Production (Level 6–8)	7 302	14.9%	20	365
Skilled (Level 3–5)	2 025	4.1%	11	184
Unskilled (Level 1–2)	0	0.0%	0	0
<b>TOTAL</b>	<b>48 989</b>	<b>100%</b>	<b>75</b>	<b>2 441</b>

### 32.2.2 PERFORMANCE REWARDS - BONUS FOR 2021–2022

Directorate/Business Unit	Personnel Expenditure (R'000)	Total Pay out to staff	Rewards Expenditure as a % of Personnel Cost	No. of Employees Trained	Average Rewards Cost per Employee
Office of the CEO	9 698	52 905	0.55%	2	26 453
Languages	25 939	29 853	0.12%	2	14 927
Finance	4 856	84 818	1.75%	4	21 205
Supply Chain Management	3 775	57 857	1.53%	3	19 286
Human Resource Management	3 623	75 496	2.08%	2	37 748
Information Communications Technology	1 098	12 672	1.15%	1	12 672
<b>TOTAL</b>	<b>48 989</b>	<b>313 601</b>	<b>7.18%</b>	<b>14</b>	<b>132 291</b>

### 32.2.3 PERFORMANCE REWARDS – NOTCH PROGRESSION FOR 2021–2022

Directorate/Business Unit	Personnel Expenditure (R'000)	Total Pay out to staff	Rewards Expenditure as a % of Personnel Cost	No. of Employees Trained	Average Rewards Cost per Employee
Office of the CEO	9 698	77 912	0.80%	4	19 478
Languages	25 939	219 279	0.85%	12	18 273
Finance	4 856	7 543	0.16%	1	7 543
Supply Chain Management	3 775	20 221	0.54%	4	5 055
Human Resource Management	3 623	7 543	0.21%	1	7 543
Information Communications Technology	1 098	0	0.00%	0	0
<b>TOTAL</b>	<b>48 989</b>	<b>332 498</b>	<b>2.56%</b>	<b>22</b>	<b>57 892</b>

### 32.2.4 TRAINING COSTS

Directorate/Business Unit	Personnel Expenditure (R'000)	Training Expenditure	Training Expenditure as a Percentage of Personnel Cost	No. of Employees Trained	Average Training Cost per Employee
Office of the CEO	9 698	128 865	1.33%	8	16 108
Languages	25 939	219 261	0.85%	35	6 264
Finance	4 856	44 782	0.92%	6	7 463
Supply Chain Management	3 775	38 445	1.02%	9	4 271
Human Resource Management	3 623	23 281	0.64%	3	7 760
Information Communications Technology	1 098	7 330	0.67%	2	3 665
TOTAL	48 989	461 964	5.43	63	45 531

### 32.2.5 EMPLOYMENT AND VACANCIES 2022–2023

Programme	2022/ 2023 Approved Posts	2022/ 2023 No. of Employees	2022/ 2023 Vacancies	Percentage of Vacancies
Senior Management (Level 13–16)	19	19	0	0.00%
Highly Skilled Supervision (Level 9–12)	33	25	8	24.24%
Highly Skilled Production (Level 6–8)	21	20	1	4.76%
Skilled (Level 3–5)	13	11	2	15.38%
Unskilled (Level 1–2)	0	0	0	0.00%
TOTAL	86	75	11	12.79%

### 32.2.6 EMPLOYMENT AND VACANCIES (SALARY BANDS)

Salary Band	Employment at Beginning of Period	Appointments	Terminations	Employment at End of Period
Senior Management (Level 13–16)	16	3	0	19
Highly Skilled Supervision (Level 9–12)	20	7	2	25
Highly Skilled Production (Level 6–8)	21	0	1	20
Skilled (Level 3–5)	11	0	0	11
Unskilled (Level 1–2)	0	0	0	0
TOTAL	68	10	3	75

### 32.2.7 REASONS FOR STAFF LEAVING

Reason	Number	Percentage of Staff leaving
Resignation	1	33.33%
Dismissal	0	0.00%
Retirement	1	33.33%
Expiry of Contract	1	33.33%
Total	3	100.00%

### 32.2.8 LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

Nature of Disciplinary Action	Number
Verbal Warning	1
Written Warning	0
Final Written warning	0
Dismissal	0
Total	1

### 32.2.9 EQUITY TARGET AND EMPLOYMENT EQUITY STATUS (FEMALE)

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Senior Management (Level 13–16)	9	0	0	0	0	0	0	0
Highly Skilled Supervision (Level 9–12)	14	0	0	0	0	0	2	0
Highly Skilled Production (Level 6–8)	17	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	50	0	0	0	0	0	2	0

### 32.2.10 EQUITY TARGET AND EMPLOYMENT EQUITY STATUS (MALE)

Levels	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Senior Management (Level 13–16)	9	0	1	0	0	0	0	0
Highly Skilled Supervision (Level 9–12)	6	0	1	0	0	0	0	0
Highly Skilled Production (Level 6–8)	5	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	21	0	2	0	0	0	0	0

### 32.2.11 EQUITY TARGET AND EMPLOYMENT EQUITY STATUS (DISABLED)

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

## PFMA COMPLIANCE REPORT

## 1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

### 1.1 IRREGULAR EXPENDITURE

#### a) Reconciliation of irregular expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	58 719	55 054
Add: Irregular expenditure confirmed	2 328	3 665
Less: Irregular expenditure condoned	0	0
Less: Irregular expenditure not condoned and removed	0	0
Less: Irregular expenditure irrecoverable	0	0
Less: Irregular expenditure not recovered and written off	0	0
<b>Closing balance</b>	<b>61 047</b>	<b>58 719</b>

#### Reconciliation notes

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure that was under assessment	60 810	58 719
Irregular expenditure that relates to 2021/22 and identified in 2022/23	237	0
<b>Total</b>	<b>61 047</b>	<b>58 719</b>

#### b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description <sup>34</sup>	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure under assessment		
Irregular expenditure under determination		
Irregular expenditure under investigation	2 328	0
<b>Total<sup>5</sup></b>	<b>2 328</b>	<b>0</b>

<sup>3</sup> Record amounts in the year in which it was incurred

<sup>4</sup> Group similar items

<sup>5</sup> Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation)

c) Details of current and previous year irregular expenditure condoned

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure condoned	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

No irregular expenditure has been condoned by National Treasury for both current and previous years. An application for condonation was submitted to the National Treasury in January 2023 for a total of amount of R55 million (2020/2021 - R2.5 million; 2019/2020 - R6.6 million and R45.9 million from 2016/2017 up to 2018/2019).

d) Details of current and previous year irregular expenditure removed - (not condoned)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure NOT condoned and removed	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

e) Details of current and previous year irregular expenditure recovered

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure recovered	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure written off	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

## 1.2 FRUITLESS AND WASTEFUL EXPENDITURE

### a) Reconciliation of fruitless and wasteful expenditure

Description	2022/2023 R'000	2021/2022 R'000
Opening balance	944	724
Add: Fruitless and wasteful expenditure confirmed	80	223
Less: Fruitless and wasteful expenditure recovered	(27)	(3)
Less: Fruitless and wasteful expenditure not condoned removed	(100)	
Less: Fruitless and wasteful expenditure irrecoverable		
Less: Fruitless and wasteful expenditure not recovered and written off		
Closing balance	897	944

### b) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
Individuals responsible for accident damages: Damages are deducted from salaries of the responsible employees after they have signed acknowledgement of debt.

Fruitless and wasteful expenditure consists mostly of interest charges on late payments to suppliers, which were incurred as result of inadequate cash flow available to settle amounts due timeously in the previous year's i.e., 2012/2013, as well as overpayments made by both current and former employees and commitments not honoured. No fruitless and wasteful expenditure has been written off in the current year and prior years as the matters are still being assessed for possible recovery or write-offs.

### Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii)

### c) Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2022/2023 R'000	2021/2022 R'000
Theft	0	0
Other material losses	0	0
Less: Recovered	0	0
Less: Not recovered and written off	0	0
Total	0	0

d) Details of other material losses

Nature of other material losses	2022/2023	2021/2022
	R'000	R'000
N/A		
Total	0	0

e) Other material losses recovered

Nature of losses	2022/2023	2021/2022
	R'000	R'000
N/A		
Total	0	0

f) Other material losses written off

	2022/2023	2021/2022
	R'000	R'000
N/A		
Total	0	0

### 1.3 LATE AND / OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
	R'000	R'000
Valid invoices received	1 013	49 529
Invoices paid within 30 days or agreed period	758	36 983
Invoices paid after 30 days or agreed period	185	8 851
Invoices older than 30 days or agreed period (unpaid and without dispute)	56	2 336
Invoices older than 30 days or agreed period (unpaid and in dispute)	1	586

## 1.4 SUPPLY CHAIN MANAGEMENT

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
Government gazette	Government Printing	Sole Supplier	PO10515	R1 261.00
Interpreting Services	Forch Communications & Projects	Procurement occurs in an emergency and urgent case	PO10561	R2 500.00
Broadcasting of the Awards on ETV Channel	ETV	SCM was unable to get the 3 quotations as required by regulations	PO10553	R57 500.00
Office Accommodation	Columbia Falls	Procurement occurs in an emergency and urgent case	Lease Agreement	R414 000.00
Network Connection and Security	Business Connection (Pty) Ltd	Limited Bidding (Business continuity while engaging SITA to provide the service)	PO10568	R54 619.78
Capacity Development in Quality Management (ISO 9001:2015)	SABS	Limited Bidding (Service provided by Organ of State - SCM policy par. 48.1(f)(vii))	MOU	R325 428.48
SASL Interpreting Service	Kwarenge Lagunage Solution	SCM was unable to get the 3 quotations as required by regulations due to late submission	PO10599	R7 200.00
Broadform Liability/ Directors & Officers Indemnity	Sankofa Insurance Brokers	Limited Bidding (Other insurance service provider declined to provide quote to PanSALB, citing PanSALB financial risk exposure)	SLA	R322 951.00
Breakaway session for EXCO	ASI Financial Services	Limited Bidding (PanSALB already has a wellness contract with service provider, but the service is not included on the contract)	PO10735	R14 030.00
Network Connection and Security	Business Connection (Pty) Ltd	Limited Bidding (Business continuity while engaging SITA to provide the service)	PO10676	R56 407.25
Research on Khwedam & !Xunthali San Languages	African Tongue CC	Limited Bidding (only one supplier responded to the RFQ)	PO10701	R235 000.00
Server Room Aircon repair	Bogamphemetse Business Enterprise	Limited Bidding (Single source-SCM policy par. 48.1(a)(v))	PO10700	R26 991.00
Additional Licence for Caseware System	Adapt IT Caseware	Limited Bidding (Single source - SCM policy par. 48.1(a)(ii))	Direct Payment	R22 036.88
Dictioary Content Editing (N!uu Language Orthography)	African Tongue CC	Limited Bidding (Single source - SCM policy par. 48.1(a)(ii))	PO10724	R60 000.00
Forch Communications & Projects	Forch Communications & Projects	Procurement occurs in an emergency and urgent case	PO10829	R4 500.00



Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
National Lexicography Units Dictionaries	South African National Lexicography Units	Limited Bidding (Single source - SCM policy par. 48.1(a)(ii))	PO10843	R52 625.00
National Lexicography Units Dictionaries	South African National Lexicography Units	Limited Bidding	PO10843	R52 625.00
SASL Interpretation Services	Forch Communications and Projects	Deviation due to short notice given to suppliers	PO10829	R4 500.00
Supply of indigenous dictionaries	South African National Lexicography Units	Sole Supplier	PO10843	R52 625.00
The 36th African Corporate Governance Conference	Tuscan Mood 1014 CC	Training & Conference	PO10857	R34 958.85
SASL Interpretation Services	Everything Language	LHR Meeting in Cape Town	PO10920	R3 800.00
Cloud hosting	Bottomline IT (Pty) Ltd	Lowest suppliers fail to meet all risk factors associated with hosting cloud service	PO10925	R845 934.00
Total				<b>R2,651,493.24</b>

## 1.5 CONTRACT VARIATIONS AND EXPANSIONS

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Travel & Accommodation	Ashcor Travel	Variations	PO10542	R100 448.97	R0.00	R7 023.50
Data Cabling for KZN	Majestic Data	Expansions	PO10551	R766 594.97	R0.00	R5 569.17
Travel & Accommodation	Image Travel	Variations	PO10628	R101 390.00	R0.00	R390.00
Catering & Performance	SR Dynamic	Variations	PO10643	R117 500.00	R0.00	R6 000.00
Travel & Accommodation	Ashcor Travel	Variations	PO10657	R4 848.80	R0.00	R2 662.58
Travel & Accommodation	Olebelo Travel Management	Variations	PO10644	R191 689.02	R0.00	R43 361.32
Travel & Accommodation	Olebelo Travel Management	Variations	PO10652	R321 439.80	R0.00	R40 612.93

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
SASL Interpretation Services	Mncube Sign Language	Variations	PO10690	R16 400.00	R0.00	R2 000.00
Travel & Accommodation	Square Travel & Event Tours	Variations	PO10715	R740 139.53	R0.00	R37 935.16
Travel & Accommodation	Ashcor Travel	Variations	PO10631	R69 065.70	R0.00	R2 500.00
Travel & Accommodation	Ashcor Travel	Variations	PO10699	R14 734.54	R0.00	R6 435.92
Travel & Accommodation	Belle Travel Agency	Variations	PO10734	R2 088.00	R0.00	R411.16
Patch Management platform	SecureSphere	Expansion	PO10762	R697 488.00	R0.00	R100 740.00
Shuttle Service	Olebelo Travel Management	Variations	PO10756	R21 787.26	R0.00	R1 500.00
SASL Interpretation Services	Everything Language	Variations	PO10804	R5 650.00	R0.00	R1 050.00
Shuttle Service	Travel Reps	Variations	PO10838	R601 784.00	R0.00	R2 150.00
Venue Hire	Ashcor Travel	Variations	PO10845	R487 700.00	R0.00	R131 404.80
Accommodation	Ashcor Travel	Variations	PO10872	R63 186.05	R0.00	R4 680.00
Replace, Supply and Installation of NC Entrance Door	Ikharhi Investments	Expansion	PO10923	R249 289.08	R0.00	R23 980.00
Travel & Accommodation	Wanderlust Travel Associates	Variations	PO10858	R111 424.48	R0.00	R14 042.46
Travel & Accommodation	Blue Cloud Travel	Variations	PO10876	R100 070.00	R0.00	R16 983.27
Travel & Accommodation	Ashcor Travel	Variations	PO10542	R100 448.97	R0.00	R7 023.50
<b>Total</b>				<b>R4,784,718.20</b>	<b>R0.00</b>	<b>R451,432.27</b>

# PART: F

## FINANCIAL INFORMATION

# REPORT OF THE AUDITOR GENERAL TO PARLIAMENT ON THE Pan SOUTH AFRICAN LANGUAGE BOARD

## Report on the audit of the Consolidated and Separate Financial Statements

### OPINION

1. I have audited the consolidated and separate financial statements of the Pan South African Language Board set out on pages 111 to 159, which comprise the consolidated and separate statement of financial position as at 31 March 2023, consolidated and separate statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Pan South African Language Board as at 31 March 2023 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

### BASIS FOR OPINION

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the consolidated and separate financial statements section of my report.
4. I am independent of the constitutional institution in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### EMPHASIS OF MATTER

#### Restatement of corresponding figures

6. As disclosed in note 35 to the consolidated and separate financial statements, the corresponding figures for 31 March 2022 were restated as a result of an error in the financial statements of the constitutional institution for the year ended 31 March 2023.

## OTHER MATTER

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

### National Treasury Instruction No. 4 of 2022/2023: PFMA Compliance and Reporting Framework

8. On 23 December 2022 National Treasury issued Instruction No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA, which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Among the effects of this framework is that irregular and fruitless and wasteful expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note 41 and 42 to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of Pan South African Language Board. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now required to be included as part of other information in the annual report of the auditees.
9. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

## RESPONSIBILITIES OF THE ACCOUNTING OFFICER FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

10. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and for such internal control as the accounting officer 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.
11. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the constitutional institution's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the constitutional institution or to cease operations, or has no realistic alternative but to do so.

## RESPONSIBILITIES OF THE AUDITOR-GENERAL FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

12. My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

13. A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report.

## REPORT ON THE ANNUAL PERFORMANCE REPORT

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
15. I selected the following material performance indicators related to programme 2: Language Development, Use and Equitability (Business Development) presented in the annual performance report for the year ended 31 March 2023. I selected those indicators that measure the constitutional institution's performance on its primary mandated functions and that are of significant national, community or public interest.
- Indicator 2.1 a - Proposed amendments or recommendations for the PanSALB Act and the UOLA submitted to Parliament
  - Indicator 2.1 b - Number of language legislative prescripts and policies adhered to
  - Indicator 2.1 c - Percentage of received terminology lists authenticated
  - Indicator 2.1 d - Research conducted on N/uu, Khwedam and !Xunthali
  - Indicator 2.1 e - Number of printed and recorded lexicographical materials
  - Indicator 2.1 f - Number of community language schools (Khoi and San) languages supported through provision of language related materials
  - Indicator 2.1 g - Number of software modules installed and used
  - Indicator 2.1 h - Number of research findings shared on various media platforms
  - Indicator 2.1 i - Number of events held to share research findings
  - Indicator 2.1 j - Engagement on SASL lexical standardisation and grammatical rules conducted
  - Indicator 2.2 a - Number of language advice and recommendations of the Board published in the Gazettes (National and provincial Gazettes)
  - Indicator 2.2 b - Percentage of national departments submitting compliance reports as per language prescripts
  - Indicator 2.2 c - Percentage of provincial departments submitting compliance reports of language prescripts
  - Indicator 2.2 d - Percentage of local government (district and metropolitan municipalities) submitting compliance reports as per language related prescripts
  - Indicator 2.2 e - Number of language policy practice public hearings conducted
  - Indicator 2.2 f - Number of SGBs structures trained on language-in-education legislative prescripts
  - Indicator 2.3 a - Percentage of linguistic human rights violations resolved
  - Indicator 2.3 b - Number of publications on Linguistic Human Rights on PanSALB website
16. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the constitutional



institution's planning and delivery on its mandate and objectives.

17. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the constitutional institution's mandate and the achievement of its planned objectives
  - the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
  - the targets linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
  - the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
  - the reported performance information is presented in the annual performance report in the prescribed manner
  - there are adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
18. I performed the procedures for the purpose of reporting material findings only.
19. I did not identify any material findings on the reported performance information for the selected material performance indicators.

## **OTHER MATTER**

20. I draw attention to the matter below.

### **Material misstatements**

21. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for programme 2: Language Development, Use and Equitability (Business Development). Management subsequently corrected all the misstatements and I did not include any material findings in this report.

## **REPORT ON COMPLIANCE WITH LEGISLATION**

22. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the constitutional institution's compliance with legislation.
23. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

24. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the constitutional institution, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
25. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:
26. The 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.
27. Material misstatements of statement of budgets and actuals, statement of cash flows, statement of changes in net assets, payables from exchange transactions, non-controlling interest, transfers and subsidies and risk management identified by the auditors in the submitted financial statement were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified opinion.

## OTHER INFORMATION IN THE ANNUAL REPORT

28. The accounting officer is responsible for the other information included in the annual report, which includes the directors' report, the audit committee's report and the company secretary's certificate, as required by the Companies Act 71 of 2008. The other information referred to does not include the consolidated and separate financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.
29. My opinion on the consolidated and separate financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
30. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the consolidated and separate financial statements and the selected material indicators in the scoped-in programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
31. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

## INTERNAL CONTROL DEFICIENCIES

32. I considered internal control relevant to my audit of the consolidated and separate financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
33. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion, and the material findings on compliance with legislation included in this report.
34. Management did not perform adequate review processes to ensure preparation of regular, accurate and complete financial statements that are supported and evidenced by reliable information.

Auditor-General

Pretoria

31 July 2023



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## ANNEXURE – AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

The annexure includes the following:

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

### AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

#### Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the consolidated and separate financial statements and the procedures performed on reported performance information for selected material performance indicators and on the constitutional institution’s compliance with selected requirements in key legislation.

#### Financial statements

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

- identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the constitutional institution’s internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the consolidated and separate financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the constitutional institution to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the consolidated and separate financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the consolidated and separate financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a constitutional institution to cease operating as a going concern
- evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and determine whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

### Communication with those charged with governance

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

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

### Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Selected legislation and regulations	Consolidated firm level requirements
Public Finance Management Act No.1 of 1999 (PFMA)	Section 38(1)(b); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 44; 45(b); 57 (b)
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulations 3.2 (a) Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c) Treasury Regulation 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) & (b) 16A 6.3(a)(i); 16A 6.3(b); 16A 6.3(c); 16A 6.4; 16A 6.5; 16A 6.6; TR 16A.7.1; 16A.7.3; 16A.7.6; 16A.7.7; 16A 8.3; 16A 8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A 9.2(a)(ii); Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.6.1 Treasury Regulation 19.8.4
Public service regulation	Public service regulation 18 (1) and (2); 25 (1) (e) (i) and (iii);
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
CIDB Regulations	CIDB regulation 17; 25(7A)
PPPFA	Section 1; 2.1(a) and b; ; 2.1(f)

PPR 2017	Paragraph 4.1; 4.2 Paragraph 5.1-5.7 Paragraph 6.8 Paragraph 7.8 Paragraph 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1;
PPR 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
NT SCM Instruction Note 03 2021/22	Definitions, Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4 (c) -(d); Paragraph 7.2
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 11 2020/21	Paragraph 3.1
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(b) ; 3.3.1
Practice Note 5 of 2009/10	Paragraph 3.3
NT instruction note 4 of 2015/16	Paragraph 3.4
NT Instruction note 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second amendment of NTI 05 of 2020/21	Paragraph 1
Erratum NTI 5 of 2020/21	Paragraph 2
<b>Selected legislation and regulations</b>	<b>Consolidated firm level requirements</b>
Practice note 7 of 2009/10	Paragraph 4.1.2



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## Pan South African Language Board

for the year ended 31 March 2023

### Statement of Responsibilities and Approval

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The Accounting Officer is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the consolidated annual financial statements and related financial information included in this report. It is the responsibility of the Accounting Officer to ensure that the consolidated annual financial statements fairly present the state of affairs of the Pan South African Language Board (PanSALB) as at the end of the financial year and the results of its operations and cash flows for the period then ended.

The consolidated annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board and in the manner required by the Public Finance Management Act (PFMA).

The consolidated annual 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 consistent with the consolidated annual financial statements.

The Accounting Officer has reviewed the economic entity's cash flow forecast for the year to 31 March 2024 and, in the light of this review and the current financial position, he is satisfied that the economic entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The going concern basis has been adopted in preparing the consolidated annual financial statements. The Accounting Officer has no reason to believe the Pan South African Language Board (PanSALB) will not be on a going concern in the foreseeable future based on the forecasts available and available cash resources.

The consolidated annual financial statements set out on page 4, which have been prepared on the going concern basis were approved by the Accounting Officer on 31 July 2023 and were signed on its behalf by:

---

Mr LC Schultz  
Chief Executive Officer

# Pan South African Language Board

for the year ended 31 March 2023

## Statement of Financial Position as at 31 March 2023

		Consolidated		PanSALB	
Figures in Rand thousand	Note(s)	2023	2022 *Restated	2023	2022 *Restated
<b>Assets</b>					
<b>Current Assets</b>					
Inventories	7	1 512	1 585	-	-
Loans to directors-NLUs	8	-	7	-	-
Other financial assets	5	38 289	33 293	-	-
Receivables from exchange transactions	9	3 786	2 901	2 393	1 715
Cash and cash equivalents	10	66 406	83 018	61 715	80 355
		<b>109 993</b>	<b>120 804</b>	<b>64 108</b>	<b>82 070</b>
<b>Non-Current Assets</b>					
Property, plant and equipment	3	9 320	6 430	7 204	3 696
Intangible assets	4	1 854	2 346	1 854	2 346
		<b>11 174</b>	<b>8 776</b>	<b>9 058</b>	<b>6 042</b>
<b>Total Assets</b>		<b>121 167</b>	<b>129 580</b>	<b>73 166</b>	<b>88 112</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Other financial liabilities	13	1 816	-	-	-
Finance lease obligation	11	796	657	-	-
Payables from exchange transactions	15	22 767	16 261	20 918	14 355
Unspent conditional grants and receipts	12	7 300	7 006	7 300	7 006
Provisions	14	776	-	776	-
		<b>33 455</b>	<b>23 924</b>	<b>28 994</b>	<b>21 361</b>
<b>Non-Current Liabilities</b>					
Finance lease obligation	11	1 136	1 937	-	-
Employee benefit obligation	6	4 222	4 738	-	-
		<b>5 358</b>	<b>6 675</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>38 813</b>	<b>30 599</b>	<b>28 994</b>	<b>21 361</b>
<b>Net Assets</b>		<b>82 354</b>	<b>98 981</b>	<b>44 172</b>	<b>66 751</b>
Accumulated surplus		82 354	98 714	44 172	66 751
<b>Total Net Assets</b>		<b>82 354</b>	<b>98 714</b>	<b>44 172</b>	<b>66 751</b>

# Pan South African Language Board

for the year ended 31 March 2023

## Statement of Financial Performance as at 31 March 2023

		Consolidated		PanSALB	
Figures in Rand thousand	Note(s)	2023	2022 Restated*	2023	2022 Restated*
<b>Revenue</b>					
<b>Revenue from exchange transactions</b>					
Sales		414	559	-	-
Royalty income		99	21	-	-
Other income	17	1 313	529	-	402
Interest received	18	4 520	2 884	3 370	2 232
Actuarial gains	6	900	-	-	-
<b>Total revenue from exchange transactions</b>		<b>7 246</b>	<b>3 993</b>	<b>3 370</b>	<b>2 634</b>
<b>Revenue from non-exchange transactions</b>					
<b>Transfer revenue</b>					
Government grants & subsidies	20	123 577	121 502	123 322	121 502
Distribution received from WAT Trust		12 000	7 966	-	-
<b>Total revenue from non-exchange transactions</b>		<b>135 577</b>	<b>129 468</b>	<b>123 322</b>	<b>121 502</b>
<b>Total revenue</b>		<b>142 823</b>	<b>133 461</b>	<b>126 692</b>	<b>124 136</b>
<b>Expenditure</b>					
Staff costs	21	(88 029)	(78 782)	(61 021)	(51 953)
Administrative expenses	22	(4 811)	(5 476)	(3 641)	(4 603)
Depreciation and amortisation	23	(5 011)	(2 375)	(3 977)	(1 549)
Impairment loss		1	-	-	-
Finance costs	24	(174)	(244)	-	-
Lease rentals on operating lease	16	(7 840)	(8 956)	(7 336)	(8 506)
Bad debts written off	25	1	31	-	-
Transfers and Subsidies	19	-	-	(27 261)	(34 500)
Loss on disposal of assets and liabilities		(15)	(24)	(15)	(24)
Actuarial losses		-	(62)	-	-
Sale of goods/Inventory		(73)	(241)	-	-
Other operating expenses	26	(49 158)	(47 867)	(42 165)	(43 655)
Auditor's remuneration	28	(4 326)	(4 351)	(3 855)	(3 661)
<b>Total expenditure</b>		<b>(159 435)</b>	<b>(148 347)</b>	<b>(149 271)</b>	<b>(148 451)</b>
<b>Deficit for the year</b>		<b>(16 612)</b>	<b>(14 887)</b>	<b>(22 579)</b>	<b>(24 315)</b>

# Pan South African Language Board

for the year ended 31 March 2023

## Statement of Changes in Net Assets as at 31 March 2023

Figures in Rand thousand	Accumulated surplus	Total net assets
<b>Consolidated</b>		
Opening balance as previously reported	112 160	112 160
Adjustments		
Correction of errors	(1 114)	(1 114)
<b>Balance at 01 April 2021 as restated*</b>	<b>111 046</b>	<b>111 046</b>
Changes in net assets		
Surplus for the year	(14 887)	(14 887)
Total changes	(14 887)	(14 887)
Opening balance as previously reported	96 159	96 159
Adjustments		
Prior year adjustments	2 822	2 822
<b>Balance at 01 April 2022 as restated*</b>	<b>98 981</b>	<b>98 981</b>
Changes in net assets		
Surplus for the year	(16 612)	(16 612)
Total changes	(16 612)	(16 612)
<b>Balance at 31 March 2023</b>	<b>82 369</b>	<b>82 369</b>
Note(s)		
<b>PanSALB</b>		
<b>Balance at 01 April 2021</b>	<b>87 661</b>	<b>87 661</b>
Changes in net assets		
Surplus for the year	(24 315)	(24 315)
Total changes	(24 315)	(24 315)
Opening balance as previously reported	63 346	63 346
Adjustments		
Correction of errors	3 405	3 405
<b>Balance at 01 April 2022 as restated*</b>	<b>66 751</b>	<b>66 751</b>
Changes in net assets		
Surplus for the year	(22 579)	(22 579)
Total changes	(22 579)	(22 579)
<b>Balance at 31 March 2023</b>	<b>44 172</b>	<b>44 172</b>
Note(s)		

# Pan South African Language Board

for the year ended 31 March 2023

## Cash Flow Statement as at 31 March 2023

		Consolidated		PanSALB	
Figures in Rand thousand	Note(s)	2023	2022 Restated*	2023	2022 Restated*
<b>Cash flows from operating activities</b>					
<b>Receipts</b>					
Sale of goods and services		414	559	-	-
Grants		151 752	154 550	123 322	122 759
Other income		437	529	296	90
Royalties		112	21	-	-
Interest received		4 292	2 884	3 179	2 160
Donations and distributions		12 000	7 966	-	-
		169 007	166 509	126 797	125 009
<b>Payments</b>					
Employee costs		(85 009)	(78 783)	(58 037)	(49 348)
Payments to suppliers		(64 352)	(68 568)	(55 014)	(64 209)
Transfers and Subsidies paid		(25 637)	(29 117)	(25 637)	(29 117)
Finance costs		(174)	(244)	-	-
		(175 172)	(176 712)	(138 688)	(142 674)
<b>Net cash flows from operating activities</b>	29	<b>(6 165)</b>	<b>(10 203)</b>	<b>(11 891)</b>	<b>(17 665)</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	3	(5 317)	(2 581)	(4 888)	(2 236)
Proceeds from sale of property, plant and equipment	3	(59)	47	(60)	8
Purchase of other intangible assets	4	(2 120)	(2 387)	(2 120)	(2 387)
Movement in financial assets		(4 748)	(6 774)	-	-
<b>Net cash flows from investing activities</b>		<b>(12 244)</b>	<b>(11 695)</b>	<b>(7 068)</b>	<b>(4 615)</b>
<b>Cash flows from financing activities</b>					
Repayment of other financial liabilities		1 816	-	-	-
Movement in loans to directors-nlus		7	(7)	-	-
Finance lease payments		(661)	518	-	-
Interest income		319	222	319	222
<b>Net cash flows from financing activities</b>		<b>1 481</b>	<b>733</b>	<b>319</b>	<b>222</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(16 928)</b>	<b>(21 165)</b>	<b>(18 640)</b>	<b>(22 058)</b>
Cash and cash equivalents at the beginning of the year		83 018	103 914	80 355	102 414
<b>Cash and cash equivalents at the end of the year</b>	10	<b>66 090</b>	<b>82 749</b>	<b>61 715</b>	<b>80 355</b>

# Pan South African Language Board

for the year ended 31 March 2023

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final and actual	Reference
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Figures in Rand thousand

### Statement of Financial Performance

#### Revenue

##### Revenue from exchange transactions

Interest received - investment	-	-	-	3 370	3 370	Ref. Note 41
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##### Revenue from non-exchange transactions

##### Transfer revenue

Government grants & subsidies	123 124	-	123 124	123 322	198	Ref. Note 41
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<b>Total revenue</b>	<b>123 124</b>	<b>-</b>	<b>123 124</b>	<b>126 692</b>	<b>3 568</b>	
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#### Expenditure

Personnel	(66 049)	-	(66 049)	(61 021)	5 028	Ref. Note 41
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Administration	(4 825)	-	(4 825)	(3 641)	1 184	Ref. Note 41
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Depreciation and amortisation	-	-	-	(3 977)	(3 977)	Ref. Note 41
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Lease rentals on operating lease	(7 220)	-	(7 220)	(7 336)	(116)	Ref. Note 41
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Transfers and Subsidies	(27 261)	-	(27 261)	(27 261)	-	Ref. Note 41
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Loss on disposal of assets	-	-	-	(15)	(15)	Ref. Note 41
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General Expenses	(17 769)	-	(17 769)	(46 020)	(28 251)	Ref. Note 41
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<b>Total expenditure</b>	<b>(123 124)</b>	<b>-</b>	<b>(123 124)</b>	<b>(149 271)</b>	<b>(26 147)</b>	
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<b>Deficit before taxation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(22 579)</b>	<b>(22 579)</b>	
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<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(22 579)</b>	<b>(22 579)</b>	
------------------------------------------------------------------------------------------------------	----------	----------	----------	-----------------	-----------------	--

PanSALB was granted an approval to utilise retained cash surplus by National Treasury in terms PFMA section 53(3) and National Treasury Instruction 12 of 2020/21. PanSALB was approved to retain the cash surplus of R57.3 million of which the surplus will be used to settle the existing and pending legal claims and commitments, filling of vacant positions and creation of new positions to promote job creation, IT infrastructure to ensure employees can effectively work remotely and enhanced IT security to protect PanSALB data as well as for planned projects from 2021/22 of which none of them took place due to high staff turnover in leadership positions and for the advertising of tenders which were delayed as a result of the National Treasury e-tender portal being offline.



# Pan South African Language Board

for the year ended 31 March 2023

## Accounting Policies

Figures in Rand thousand	Note(s)	Consolidated		PanSALB	
		2023	2022 Restated*	2023	2022 Restated*

### 1. Presentation of annual financial statements

The 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 IGRAP 21.

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

A summary of the significant accounting policies, which have been consistently applied in the preparation of these consolidated annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

#### 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 Going concern assumption

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

#### 1.3 Consolidation

##### Consolidated financial statements

The consolidated financial statements include the financial information of the National Lexicography Units (NLU's), which are named in the notes to the financial statements. The NLU's are Non-Profit Companies, representing the eleven (11) official languages of South Africa, are situated and administered by the respective universities. The NLU's were consolidated according to GRAP 35.

##### Basis of consolidation

The consolidated annual financial statements incorporate consolidated annual financial statements of the controlling entity and all controlled entities, including special purpose entities, 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 preparation of the consolidated annual financial statements are prepared as of the same 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.

# Pan South African Language Board

for the year ended 31 March 2023

## Accounting Policies

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### 1.3 Consolidation (continued)

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

## Accounting Policies

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### 1.4 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 / Held to maturity investments and/or loans and receivables

The entity 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 the entity 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. It is reasonably possible that the assumptions may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible 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. In addition, goodwill is tested on an annual basis for impairment. 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 goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including [list entity specific variables, i.e. production estimates, supply demand], together with economic factors such as [list economic factors such as exchange rates inflation interest].

#### 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.

The entity 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, the entity 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 6.

#### Effective interest rate

The 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.

# Pan South African Language Board

for the year ended 31 March 2023

## Accounting Policies

### 1.5 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.

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 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.

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.

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

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

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

Item	Depreciation method	Average useful life
Land-Right of use	Straight-line	5-10 years
Furniture and fixtures	Straight-line	5-20 years
Motor vehicles	Straight-line	10-17 years
Office equipment	Straight-line	5-7 years
IT equipment	Straight-line	3-5 years
Computer software	Straight-line	3-5 years
Leasehold improvements	Straight-line	5-20 years
Leased assets	Straight-line	Lease period
Library books	Straight-line	Indefinite life

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

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.

## Accounting Policies

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### 1.5 Property, plant and equipment (continued)

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

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.

Assets which the 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.

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

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.

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

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:

# Pan South African Language Board

for the year ended 31 March 2023

## Accounting Policies

### 1.6 Intangible assets (continued)

Item	Depreciation method	Average useful life
Licenses	Straight-line	1-3 years
Computer software	Straight-line	3-5 years
Website	Straight-line	3 years

### 1.7 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.

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 uncollectability.

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 (see the Standard of GRAP on Revenue from Exchange Transactions), 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.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

# Pan South African Language Board

for the year ended 31 March 2023

## Accounting Policies

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### 1.7 Financial instruments (continued)

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.

#### 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 equivalents  
Receivables

#### Category

Financial asset measured at Amortised  
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

Other financial liabilities  
Finance lease obligations  
Retirement benefit obligations  
Payables

#### Category

Financial liability measured at Amortised  
Financial liability measured at fair value  
Financial liability measured at fair value  
Financial liability measured at fair value

### 1.8 Leases

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.

### 1.9 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.



# Pan South African Language Board

for the year ended 31 March 2023

## Accounting Policies

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### 1.9 Inventories (continued)

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.

Current replacement cost is the cost the entity incurs to acquire the asset on the reporting date.

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 the entity.

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.

### 1.10 Employee benefits

#### Defined contribution plans

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 related.

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.

### 1.11 Provisions and contingencies

Provisions are recognised when:

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

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 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.

# Pan South African Language Board

for the year ended 31 March 2023

## Accounting Policies

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### 1.11 Provisions and contingencies (continued)

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.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of an activity/operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

No obligation arises as a consequence of the sale or transfer of an operation until the entity is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 31.

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 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 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 entity considers that an outflow of economic resources is probable, an 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.

# Pan South African Language Board

for the year ended 31 March 2023

## Accounting Policies

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### 1.12 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

### 1.13 Revenue from exchange transactions

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.

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.

### 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.

### Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- 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 and royalties

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

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

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

# Pan South African Language Board

for the year ended 31 March 2023

## Accounting Policies

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### 1.14 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the entity can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

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

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting entity.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

### 1.15 Turnover

Turnover comprises of sales to customers and service rendered to customers. Turnover is stated at the invoice amount and is exclusive of value-added taxation.

### 1.16 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all surplus (deficit) 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, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

# Pan South African Language Board

for the year ended 31 March 2023

## Accounting Policies

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### 1.16 Cost of sales (continued)

Contract costs comprise:

- costs that relate directly to the specific contract;
- costs that are attributable to contract activity in general and can be allocated to the contract on a systematic and rational basis; and
- such other costs as are specifically chargeable to the customer under the terms of the contract.

### 1.17 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

### 1.18 Fruitless and wasteful expenditure

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

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

### 1.19 Irregular 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.

### 1.20 Budget information

Entities are 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 2022/04/01 to 2023/03/31.

The budget for the economic entity includes all the entities approved budgets under its control.

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.

# Pan South African Language Board

for the year ended 31 March 2023

## Accounting Policies

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### 1.21 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.

### 1.22 Events after 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.

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022 *Restated	2023	2022 *Restated

### 2. New standards and interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

In the current year, the economic entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none"> <li>GRAP 108: Statutory Receivables</li> </ul>	01 April 2021	The impact of the adoption is not material.

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

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

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none"> <li>GRAP 25 on Employee Benefits (and IGRAP 7)</li> </ul>	01 April 2023	Unlikely there will be a material impact
<ul style="list-style-type: none"> <li>Amendments to GRAP 1 on Presentation of financial Statements</li> </ul>	01 April 2023	Unlikely there will be a material impact
<ul style="list-style-type: none"> <li>IGRAP 21: The Past Effect of Decisions on Materiality</li> </ul>	01 April 2023	Unlikely there will be a material impact

#### 2.3 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the economic entity's accounting periods beginning on or after 01 April 2023 or later periods but are not relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none"> <li>GRAP 104 (Amended): Financial Instruments</li> </ul>	01 April 2025	Unlikely there will be a material impact
<ul style="list-style-type: none"> <li>GRAP 20: Related parties</li> </ul>	01 April 2021	Unlikely there will be a material impact



# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

Figures in Rand thousand

### 3. Property, plant and equipment

Consolidated	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land and buildings-Right of use	1 939	(610)	1 329	2 549	(610)	1 939
Furniture and fixtures	3 681	(2 974)	707	3 223	(2 795)	758
Motor vehicles	1 618	(1 408)	210	1 618	(1 359)	259
Office equipment	2 770	(2 026)	744	2 197	(1 738)	459
IT equipment	8 467	(2 894)	5 573	4 250	(1 984)	2 266
Computer software	74	(65)	9	74	(60)	14
Leasehold improvements	1 215	(467)	748	942	(208)	734
Donated assets	9	(9)	-	9	(8)	1
Leased equipment	-	-	-	26	(26)	-
Library books	29	(29)	-	29	(29)	-
<b>Total</b>	<b>19 802</b>	<b>(10 482)</b>	<b>9 320</b>	<b>15 247</b>	<b>(8 817)</b>	<b>6 428</b>

PanSALB	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fixtures	2 163	(1 754)	409	2 164	(1 683)	481
Motor vehicles	1 055	(951)	104	1 055	(951)	104
Office equipment	2 195	(1 410)	785	1 623	(1 241)	382
IT equipment	7 715	(2 513)	5 202	3 731	(1 671)	2 060
Leasehold improvements	1 031	(327)	704	758	(90)	668
Donated assets	9	(9)	-	9	(8)	1
<b>Total</b>	<b>14 168</b>	<b>(6 964)</b>	<b>7 204</b>	<b>9 340</b>	<b>(5 644)</b>	<b>3 696</b>

## Pan South African Language Board

for the year ended 31 March 2023

### Notes to the Annual Financial Statements as at 31 March 2023

Figures in Rand thousand

#### 3. Property, plant and equipment (continued)

##### Reconciliation of property, plant and equipment - Consolidated - 2023

	Opening balance	Additions	Disposals	Depreciation	Total
Land and buildings-Right of use	1 939	-	-	(610)	1 329
Furniture and fixtures	758	162	(1)	(212)	707
Motor vehicles	259	-	-	(49)	210
Office equipment	458	501	-	(216)	743
IT equipment	2 266	4 303	(15)	(981)	5 573
Computer software	14	-	-	(5)	9
Leasehold improvements	734	274	-	(260)	748
Donated assets	1	-	-	(1)	-
	<b>6 428</b>	<b>5 240</b>	<b>(16)</b>	<b>(2 334)</b>	<b>9 319</b>

## Pan South African Language Board

for the year ended 31 March 2023

### Notes to the Annual Financial Statements as at 31 March 2023

Figures in Rand thousand

#### 3. Property, plant and equipment (continued)

##### Reconciliation of property, plant and equipment - Consolidated - 2022

	Opening balance	Additions	Disposals	Depreciation	Total
Land and buildings-Right of use	2 549	-	-	(610)	1 939
Furniture and fixtures	760	182	-	(184)	758
Motor vehicles	308	-	-	(49)	259
Office equipment	583	35	-	(160)	458
IT equipment	1 287	1 591	(71)	(541)	2 266
Computer software	-	15	-	(1)	14
Leasehold improvements	90	758	-	(114)	734
Donated assets	1	-	-	(1)	-
Library books	-	-	-	-	-
	<b>5 578</b>	<b>2 581</b>	<b>(71)</b>	<b>(1 660)</b>	<b>6 428</b>

##### Reconciliation of property, plant and equipment - PanSALB - 2023

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	481	-	(1)	(72)	409
Motor vehicles	104	-	-	-	104
Office equipment	382	572	-	(169)	785
IT equipment	2 060	4 043	(15)	(885)	5 202
Leasehold improvements	668	273	-	(237)	704
Donated assets	1	-	-	(1)	-
	<b>3 696</b>	<b>4 888</b>	<b>(16)</b>	<b>(1 364)</b>	<b>7 204</b>

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

Figures in Rand thousand

### 3. Property, plant and equipment (continued)

#### Reconciliation of property, plant and equipment - PanSALB-2022

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	529	28	-	(76)	481
Motor vehicles	104	-	-	-	104
Office equipment	491	11	-	(120)	382
IT equipment	1 186	1 453	(32)	(547)	2 060
Leasehold improvements	-	758	-	(90)	668
Donated assets	1	-	-	(1)	1
	<b>2 311</b>	<b>2 250</b>	<b>(32)</b>	<b>(834)</b>	<b>3 696</b>

#### Assets subject to operating lease (Net carrying amount)

Leasehold improvements	748	734	704	668
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#### Expenditure incurred to repair and maintain property, plant and equipment

##### Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

General expenses	-	473	-	352
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## Pan South African Language Board

for the year ended 31 March 2023

### Notes to the Annual Financial Statements as at 31 March 2023

Figures in Rand thousand

#### 4. Intangible assets

Consolidated	2023			2022		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	3 333	(1 490)	1 843	4 399	(2 053)	2 346
Website	397	(386)	11	-	-	-
<b>Total</b>	<b>3 730</b>	<b>(1 876)</b>	<b>1 854</b>	<b>4 399</b>	<b>(2 053)</b>	<b>2 346</b>

PanSALB	2023			2022		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	2 905	(1 062)	1 843	4 248	(1 902)	2 346
Website	397	(386)	11	-	-	-
<b>Total</b>	<b>3 302</b>	<b>(1 448)</b>	<b>1 854</b>	<b>4 248</b>	<b>(1 902)</b>	<b>2 346</b>

#### Reconciliation of intangible assets - Consolidated - 2023

	Opening balance	Additions	Transfers	Amortisation	Total
Computer software	2 346	2 120	(155)	(2 481)	1 831
Website	-	-	155	(132)	23
	<b>2 346</b>	<b>2 120</b>	<b>-</b>	<b>(2 613)</b>	<b>1 854</b>

## Pan South African Language Board

for the year ended 31 March 2023

### Notes to the Annual Financial Statements as at 31 March 2023

Figures in Rand thousand

#### 4. Intangible assets (continued)

##### Reconciliation of intangible assets - Consolidated - 2022

	Opening balance	Additions	Amortisation	Total
Computer software	674	2 387	(715)	2 346

##### Reconciliation of intangible assets - PanSALB - 2023

	Opening balance	Additions	Reclassificatio n	Amortisation	Total
Computer software	2 346	2 120	(155)	(2 481)	1 831
Website	-	-	155	(132)	23
	<b>2 346</b>	<b>2 120</b>	<b>-</b>	<b>(2 613)</b>	<b>1 854</b>

##### Reconciliation of intangible assets - PanSALB - 2022

	Opening balance	Additions	Amortisation	Total
Computer software	674	2 387	(715)	2 346

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022
<b>5. Other financial assets</b>				
<b>Designated at fair value</b>				
University of Zululand	30	792	-	-
The loan is unsecured and there are no fixed terms of repayment				
Rhodes University	-	867	-	-
The loan is unsecured and there are no fixed terms of repayment				
University of Venda	3 790	2 860	-	-
The loan is unsecured and there are no fixed terms of repayment				
University of Pretoria	11 842	9 856	-	-
The loan is unsecured and there are no fixed terms of repayment				
University of North West	4 414	5 121	-	-
The loan is unsecured and there are no fixed terms of repayment				
University of Fort Hare	2 670	2 352	-	-
Terms and conditions				
University of Limpopo	1 469	1 292	-	-
The loan is unsecured and there are no fixed repayment terms				
Stellenbosch University	5 590	2 508	-	-
The loan is unsecured and there no fixed terms of repayment				
University of Free State	8 484	7 645	-	-
The loan is unsecured and there are no repayment terms				
	<b>38 289</b>	<b>33 293</b>	<b>-</b>	<b>-</b>
<b>Current assets</b>				
At fair value	38 289	33 293	-	-

## 6. Employee benefit obligations

### Defined benefit plan

The Bureau of the Woordboek van Die Afrikaanse Taal NPC 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 full valuation was done on 31 March 2020. The next valuation will be done on or before 31 March 2024. A medical cost inflation rate of 9.0% (2020: 8.4%), a discount rate of 12.3% (2020: 11.2%) for post-retirement medical and 12.3% (2020: 11.5%) for group life, and an insurance premium inflation rate of 7.0% (2020: 6.60%) were assumed. The average retirement age was set at 65 and 70 (2020: 65 and 70) years.

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

### Carrying value

Present value of the defined benefit obligation-wholly unfunded	(4 738)	(4 323)	-	-
Current service cost	(415)	(98)	-	-
Interest cost	(174)	(504)	-	-
Contributions	205	249	-	-
Actuarial profit/loss	900	(62)	-	-
	<b>(4 222)</b>	<b>(4 738)</b>	<b>-</b>	<b>-</b>



# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022
<b>7. Inventories</b>				
Finished goods	1 512	1 585	-	-
<b>8. Loans to directors-NLUs</b>				
<b>Loans to directors, managers and employees</b>				
At beginning of the year	7	7	-	-
Advances/Payments	(7)	-	-	-
	-	7	-	-
<b>9. Receivables from exchange transactions</b>				
Trade debtors	-	494	-	296
Deposits	383	555	383	555
Interest receivable	302	156	214	81
Other receivables	2 460	1 619	1 502	781
Prepaid expenses	641	77	294	2
	<b>3 786</b>	<b>2 901</b>	<b>2 393</b>	<b>1 715</b>
<b>10. Cash and cash equivalents</b>				
Cash and cash equivalents consist of 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.:				
Bank balances	20 649	17 826	16 017	15 372
Short-term deposits	45 757	65 192	45 698	64 983
	<b>66 406</b>	<b>83 018</b>	<b>61 715</b>	<b>80 355</b>
<b>11. Finance lease obligation</b>				
<b>Minimum lease payments due</b>				
- within one year	917	610	-	-
- in second to fifth year inclusive	1 180	2 547	-	-
	2 097	3 157	-	-
less: future finance charges	(165)	(563)	-	-
<b>Present value of minimum lease payments</b>	<b>1 932</b>	<b>2 594</b>	-	-
<b>Present value of minimum lease payments due</b>				
- within one year	796	657	-	-
- in second to fifth year inclusive	1 136	1 937	-	-
	<b>1 932</b>	<b>2 594</b>	-	-
Non-current liabilities	1 136	1 937	-	-
Current liabilities	796	657	-	-
	<b>1 932</b>	<b>2 594</b>	-	-

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022
<b>12. Unspent conditional grants and receipts</b>				
<b>Unspent conditional grants and receipts comprises of:</b>				
<b>Unspent conditional grants and receipts</b>				
Lottery Fund (Including interest received)	5 381	5 084	5 381	5 084
National Arts Council (Including interest received)	235	222	235	222
Gauteng Legislature (Including interest received)	575	543	575	543
Department of Sports, Arts and Culture(Covid-19 relief)	1 109	1 157	1 109	1 157
	<b>7 300</b>	<b>7 006</b>	<b>7 300</b>	<b>7 006</b>

## 13. Other financial liabilities

### Designated at fair value

Other financial liability	1 816	-	-	-
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The inter-company liability relates to amounts paid by Rhodes University on behalf of the Dictionary Unit for South African English (DSAE). Rhodes University pays the expenses on behalf of DSAE. Due to technical challenges experienced with the Rhodes University Fin Core system, the amount has not been reimbursed to Rhodes University by DSAE. This resulted in DSAE holding a substantial amount of cash and cash equivalents at the end of the financial year.

### Current liabilities

Designated at fair value	1 816	-	-	-
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## 14. Provisions

### Reconciliation of provisions - Consolidated - 2023

	Opening Balance	Additions	Utilised during the year	Total
Provision for pay progression and performance bonus	-	2 083	(1 307)	776

### Reconciliation of provisions - PanSALB - 2023

	Opening Balance	Additions	Utilised during the year	Total
Provision for pay progression and performance bonus	-	2 083	(1 307)	776

The performance bonus and pay progression provision is based on the key performance bonuses criteria that have to be met in order for the cash pay-out to be made. The amount of the performance bonus incentives paid to employees is always subject to approval by the Board. This then results in uncertainty regarding the amount of the liability to be recognised in the financial statements.

## 15. Payables from exchange transactions

Trade payables	3 088	4 772	2 954	4 451
Other payables	4 752	3 550	4 065	3 088
Accrued leave pay	787	722	-	-
Leave and bonuses	3 216	1 369	3 178	1 334
Accruals	10 626	5 507	10 423	5 150
Accrued audit fees	-	9	-	-
Operating lease payables	298	332	298	332
	<b>22 767</b>	<b>16 261</b>	<b>20 918</b>	<b>14 355</b>

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022

### 15. Payables from exchange transactions (continued)

The amortised cost of trade and other payables approximates their carrying amounts.  
Leave and bonuses are classified as accruals in accordance with the policy adopted by PanSALB.

### 16. Lease rentals on operating lease

#### Premises

Contractual amounts	7 834	8 936	7 336	8 506
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#### Equipment

Contractual amounts	6	-	-	-
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#### Machinery

Contractual amounts	-	20	-	-
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	<b>7 840</b>	<b>8 956</b>	<b>7 336</b>	<b>8 506</b>
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### 17. Other income

Other income	1 313	529	-	402
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### 18. Interest received

#### Interest revenue

Bank	3 804	2 426	3 370	2 232
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Interest-NLU	716	458	-	-
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	<b>4 520</b>	<b>2 884</b>	<b>3 370</b>	<b>2 232</b>
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### 19. Grants and subsidies paid

#### Other subsidies

National Lexicography Units(Refer to Related parties note)	-	-	27 261	34 500
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### 20. Government grants and subsidies

#### Operating grants

National Department of Sports, Arts and Culture-MTEF	123 124	120 913	123 124	120 913
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Mpumalanga Provincial Department of Sports, Arts and Culture	150	150	150	150
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National Department of Sports, Arts and Culture-	48	439	48	439
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COVID-19 relief				
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Government received NLU	254	-	-	-
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	<b>123 576</b>	<b>121 502</b>	<b>123 322</b>	<b>121 502</b>
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# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022
<b>21. Staff costs</b>				
Basic salary	62 582	58 522	38 418	33 938
Bonus	1 530	1 574	1 403	1 451
Medical aid - company contributions	1 630	1 494	1 553	1 420
UIF	151	137	151	131
WCA	46	2	46	-
Other payroll levies	730	-	-	-
Leave pay provision charge	1 806	446	1 806	446
Provident fund contributions	3 608	3 269	2 987	2 737
Travel, motor car, accommodation, subsistence and other allowances	7 348	5 839	7 348	5 839
Overtime payments	52	75	52	75
Acting allowances	247	241	247	241
Housing benefits and allowances	1 421	1 514	1 421	1 514
Board fees paid	3 004	2 659	1 715	1 151
Pay progression/Performance bonus	2 083	-	2 083	-
Relocation costs	-	53	-	53
Back-pay	1 279	1 217	1 279	1 217
Termination benefits	512	1 740	512	1 740
	<b>88 029</b>	<b>78 782</b>	<b>61 021</b>	<b>51 953</b>
<b>22. Administrative expenditure</b>				
Administration and management fees	4 811	5 476	3 641	4 603
<b>23. Depreciation and amortisation</b>				
Property, plant and equipment	2 398	1 660	1 364	834
Intangible assets	2 613	715	2 613	715
	<b>5 011</b>	<b>2 375</b>	<b>3 977</b>	<b>1 549</b>
<b>24. Finance costs</b>				
Trade and other payables	-	5	-	-
Finance leases	174	239	-	-
	<b>174</b>	<b>244</b>	<b>-</b>	<b>-</b>
<b>25. Bad debts written off</b>				
Bad debts written off	(1)	(31)	-	-

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

Figures in Rand thousand	Consolidated		PanSALB	
	2023	2022	2023	2022
<b>26. Other operating expenses</b>				
Advertising	141	135	-	-
Bank charges	19	7	-	-
Computer expenses	739	589	-	132
Consulting and professional fees	7 678	11 903	6 169	10 421
Consumables	13	166	11	166
Entertainment	88	20	-	-
Fines and penalties	4	74	4	71
Insurance	58	252	-	-
Conferences and seminars	71	45	-	-
IT expenses	4	-	-	-
Incorporation costs	50	-	-	-
Magazines, books and periodicals	1	-	-	-
Motor vehicle expenses	3	-	-	-
Postage and courier	25	59	-	-
Printing and stationery	83	42	-	15
Repairs and maintenance	663	547	660	427
Research and development costs	-	10	-	-
Staff welfare	-	173	-	-
Subscriptions and membership fees	425	33	118	30
Telephone and fax	162	90	-	-
Training	580	645	434	563
Travel - local	2 149	1 351	912	1 019
Assets expensed	-	10	-	-
National Language Bodies expenditure	3 843	5 532	3 843	5 532
Provincial Language Committees expenditure	1 884	1 873	1 884	1 873
Linguistic Human Rights expenditure	1 514	883	1 514	883
Other project expenses	13 926	14 812	13 909	14 794
Communication and Marketing	4 086	2 532	4 083	2 529
Loss on asset written off	15	5	-	-
Other expenses	10 809	6 002	8 624	5 200
	<b>49 033</b>	<b>47 790</b>	<b>42 165</b>	<b>43 655</b>

## 27. Cost of sales

### Sale of goods

Cost of goods sold	73	241	-	-
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## 28. Auditors' remuneration

External audit	3 840	4 186	3 369	3 496
Internal audit	486	165	486	165
	<b>4 326</b>	<b>4 351</b>	<b>3 855</b>	<b>3 661</b>

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022
<b>29. Cash used in operations</b>				
Deficit	(16 612)	(14 887)	(22 579)	(24 315)
<b>Adjustments for:</b>				
Depreciation and amortisation	5 011	2 375	3 977	1 549
Gain on sale of assets and liabilities	15	24	15	24
Impairment reversals	(1)	-	-	-
Debt impairment	(1)	(31)	-	-
Movements in retirement benefit assets and liabilities	(516)	415	-	-
Movements in provisions	776	-	776	-
Actuarial gain and losses	900	(62)	-	-
Other non-cash items	(1 587)	-	-	-
<b>Changes in working capital:</b>				
Inventories	73	(163)	-	-
Receivables from exchange transactions	(877)	(1 154)	(678)	(573)
Consumer debtors	1	31	-	-
Statutory receivables	-	1 482	-	-
Payables from exchange transactions	6 359	662	6 304	4 278
Unspent conditional grants and receipts	294	1 105	294	1 372
	<b>(6 165)</b>	<b>(10 203)</b>	<b>(11 891)</b>	<b>(17 665)</b>

## 30. Commitments

### Authorised operational expenditure

#### Already contracted for but not provided for

☑ Approved contracts	10 009	4 575	10 009	4 575
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#### Total operational commitments

Already contracted for but not provided for	10 009	4 575	10 009	4 575
---------------------------------------------	--------	-------	--------	-------

This committed expenditure relates to operational expenditure and will be financed by available bank facilities, retained surpluses and existing cash resources.

### Operating leases commitments

#### Minimum lease payments due

- within one year	3 001	4 712	3 001	4 712
- in second to fifth year inclusive	5 213	6 953	5 213	6 953
	<b>8 214</b>	<b>11 665</b>	<b>8 214</b>	<b>11 665</b>

The lease agreement for the PanSALB North West office was terminated in September 2022 before the actual end of the contract. A new agreement was entered into from for a period of 14 months.

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022

### 31. Contingencies

#### Contingent liabilities

Various other proceedings were instituted against PanSALB relating to unfair dismissal and unfair labour practice disputes.

In the matter between **Various employees vs Pan South African Language Board**; The legal claims instituted against the entity are unknown at this stage. PanSALB's legal advisors believe that PanSALB has reasonable defences against the claims and that the probability of loss will be minimal. Accordingly no provision has been made in the annual financial statements. Legal costs on the above stated cases are expected to be roughly R1,660 million. The entity's lawyers and management consider the likelihood of the action against the entity being successful as unlikely, and the case should be resolved within the next two-three years.

In the matter between **Adv. Feni vs Pan South African Language Board**; The legal proceedings by a former dismissed employee against PanSALB are still ongoing. The former dismissed employee has referred an unfair dismissal and unfair labour practice disputes to the CCMA pertaining to his alleged protected disclosures and subsequent dismissal. The exception was heard on 17 November 2017 and the court upheld the exception, with costs. Leave to appeal against the court order was sought and on 18 January 2018 the Labour Court dismissed this too, with costs again. Thereafter he petitioned to the Labour Appeal Court, which was also dismissed. The former dismissed employee has proceeded to seek that the parties agree upon a pre-trial minute; which is being drawn up. PanSALB will bring an interlocutory application to seek finalisation of the matter. If PanSALB were to be unsuccessful in this matter the potential exposure is estimated at an excess of R5 million. The former dismissed employee is also claiming R16,682,601.00 for his unlawful dismissal plus interest thereon and legal costs. The former dismissed employee is further claiming for back-pay estimated to be in excess of R5 million. Matter is still proceeding as employee is appealing the matter. The attorneys consider the matter finalized but it remains subject to how the Labour Court deals with the matter as the complainant has not indicated if they will proceed with the matter since a sitting took place in May 2020.

In the matter between **MTW Global Travel vs Pan South African Language Board**; A legal claim of R1,267,009.02 instituted against the entity of which the outcome is unknown at this stage. A total amount of R585,977.00 relating to this claim was already accrued in PanSALB's annual financial statements.

#### Contingent assets

In the matter between **Adv. Feni vs Pan South African Language Board**; In the matter Subsequent to the finalization of a High Court matter between a former employee dismissed and PanSALB in November 2022, the matter was ruled in favour of the defendant resulting in the High Court issuing a court bill amounting to R323,398.96 and additional R361,303.09 was billed by the High Court for taxed bill of costs against the former employee of which R71,685.20 is sitting in the trust account held by the attorneys, the remaining amounts have been instructed to the sheriff to attach to the former employee's assets.

In the matter between **Dr J Sukumane vs Pan South African Language Board**; An additional R326,607.42 bill of costs was taxed by the High Court following a ruling in favour of PanSALB against a matter laid in 2017 relating to dispute against an appointment of an employee. An amount for R51,001.00 was recovered by the attorneys and the balance will be payable by the applicant into the trust account.



# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022

### 32. Related parties

#### Relationships

##### PanSALB board members

Prof RL Makhubu-Badenhorst (Chairperson)  
 Ms SB Dichabe (Member)  
 Mr C Gqabu (Member)  
 Ms P Dabideen (Member)  
 Mr NE Mudau (Member)  
 Ms KG Bilankulu (Member)  
 Dr FDG Dlavane (Member)  
 Ms M Maartens (Member)  
 Ms PP Chilwane (Member)  
 Dr NH Rasana (Member)  
 Mr AG Mthembu (Member)  
 Mr MK Molebaloa (Member)

##### Audit and Risk committee members

Mr SZ Hlophe (Contract ended Sept 2022)  
 Ms A Mazibuko (Contract ended Sept 2022)  
 Mr F Beukman (Chairperson)  
 Dr FDG Dlavane (Member)  
 Mr VG Magan (Member)  
 Ms RS Maiwashe (Member)  
 Ms PP Chilwane (Member)

##### Members of key management

Members of key management Exco members  
 Senior managers  
 Directors of NLU's

##### Non-profit entities(National Lexicography Units)

Bureau of the Woordeboek van die Afrikaanse Taal NPC  
 Dictionary Unit for South African English NPC  
 Iziko Lesihlathululi-Mezwi Sesindebele NPC  
 IsiXhosa National Lexicography NPC  
 Isikhungo Sesichazamazwi Sesizulu NPC  
 Sesiu sa Sesotho Lexicography Unit NPC  
 Setswana National Lexicography Unit NPC  
 Silulu Seswati National Lexicography NPC  
 Tshivenda National Lexicography Unit NPC  
 Xitsonga National Lexicography Unit NPC  
 Sesotho sa Leboa Dictionary NPC

##### Controlling entity

##### Provincial departments

##### Public Entities

National Department of Sports, Arts and Culture (DSAC)  
 Mpumalanga Provincial Department of Sports, Arts and Culture  
 National Arts Council (NAC)  
 Gauteng Legislature  
 National Lotteries Council (NLC)  
 South African Revenue Services (SARS)  
 National Department of Labour (Workmens Compensation Fund)

PanSALB is a schedule 1 entity in terms of the Public Finance Management Act (PFMA). The related party disclosure is required in terms of GRAP 20 issued by National Treasury

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022

### 32. Related parties (continued)

#### Related party balances

##### Amounts included in payables from exchange/non exchange transactions

National Arts Council	234	222
National Lotteries Council	5 339	5 084
National Department of Sports, Arts and Culture	1 109	1 157
Gauteng Legislature	590	543
Silulu SeSwati National Lexicography NPC	1 876	2 055
Sesotho sa Leboa Dictionary NPC	689	-

##### Amounts included in Trade receivable regarding related parties

South African Revenue Services	-	295
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#### Related party transactions

##### Grant received from related parties

National Department of Sports, Arts and Culture	123 124	120 913
National Department of Sports, Arts and Culture (COVID-19 grant)	48	439
Mpumalanga Provincial Department of Sports, Arts and Culture	150	150
National Department of Sports, Arts and Culture - ITD project	-	100

##### Grants paid to related parties

Bureau of the Woordboek van die Afrikaanse Taal NPC	2 478	2 377
Dictionary Unit for South African English NPC	2 478	3 127
Iziko Lesihlathululi-Mezwi Sesindebele NPC	2 478	3 323
IsiXhosa National Lexicography NPC	2 478	3 323
Isikhungo Sesichazamazwi Sesizulu NPC	2 478	2 378
Sesiu sa Sesotho Lexicography Unit NPC	2 478	3 328
Setswana National Lexicography Unit NPC	2 478	3 328
Silulu Seswati National Lexicography NPC	2 478	3 328
Tshivenda National Lexicography Unit NPC	2 478	3 328
Xitsonga National Lexicography Unit NPC	2 478	3 328
Sesotho sa Leboa Dictionary NPC	2 478	3 328

## Pan South African Language Board

for the year ended 31 March 2023

### Notes to the Annual Financial Statements as at 31 March 2023

Figures in Rand thousand

#### 32. Related parties (continued)

##### Remuneration of management

##### Management class: Board members

##### 2023

Name	Board fees	Total
Mr MK Molebaloa	105	105
Ms P Dabideen	144	144
Prof RL Makhubu-Badenhorst	212	212
Dr NH Rasana	168	168
Mr C Gqabu	97	97
Mr NE Mudau	173	173
Ms KG Bilankulu	90	90
Dr FDG Dlavane	119	119
Ms M Maarteens	131	131
Ms PP Chilwane	116	116
Ms SB Dichabe	187	187
Mr AZ Mthembu	84	84
	<b>1 626</b>	<b>1 626</b>

##### 2022

Name	Board fees	Total
Mr MK Molebaloa	43	43
Ms P Dabideen	125	125
Prof RL Makhubu-Badenhorst	54	54
Dr NH Rasana	117	117
Mr C Gqabu	54	54
Mr NE Mudau	206	206
Ms KG Bilankulu	44	44
Dr FDG Dlavane	99	99
Ms M Maarteens	68	68

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

Figures in Rand thousand

### 32. Related parties (continued)

Ms PP Chilwane	87	87
Ms SB Dichabe	119	119
Mr AZ Mthembu	38	38
	<b>1 054</b>	<b>1 054</b>

### Management class: Executive management

#### 2023

Name	Basic salary	Other benefits received	Total
Chief Executive Officer-Mr LC Schultz	1 143	681	1 824
Executive Head of Languages-Mr J Dantile	808	533	1 341
Company Secretary - Adv K Sibanyoni (Started 1 September 2022 to date)	613	265	878
Chief Financial Officer-Mr BTA Matabane	1 227	369	1 596
	<b>3 791</b>	<b>1 848</b>	<b>5 639</b>

#### 2022

Name	Basic salary	Other benefits received	Total
Acting Chief Executive Officer-Mr X Tshongolo (Started February 2021 to 31 August 2021)	193	-	193
Executive Head of Languages-Mr J Dantile (Started March 2021 to date)	788	569	1 357
Chief Financial Officer-Mr BTA Matabane(Started 1 December 2021 to date)	389	118	507
Chief Executive Officer-Mr LC Schultz(Started 1 September 2021 to date)	625	409	1 034
Chief Financial Officer - Ms R Mogale (1 June 2021 to 31 December 2021)	461	355	816
	<b>2 456</b>	<b>1 451</b>	<b>3 907</b>

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022

### 32. Related parties (continued)

#### Audit and Risk Committee

##### 2023

Name	Board fees	Total
Mr SZ Hlophe(Contract ended Sept 2022)	25	25
Ms A Mazibuko(Contract ended Sept 2022)	15	15
Ms PP Chilwane	16	16
Dr FDG Dlavane	14	14
Mr F Beukman (Started 4 Oct 2022 to date)	9	9
Mr VG Magan (Started 4 Oct 2022 to date)	5	5
	<b>84</b>	<b>84</b>

##### 2022

Name	Board fees	Total
Mr SZ Hlophe	45	45
Ms A Mazibuko	19	19
Ms PP Chilwane	11	11
Dr FDG Dlavane	22	22
	<b>97</b>	<b>97</b>

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

Figures in Rand thousand	Consolidated		PanSALB	
	2023	2022	2023	2022

### 33. Members' emoluments

The following directors were appointed for both years ending 31 March 2022 and 31 March 2023 at the undermentioned NLUs:

#### Bureau of the Woordeboek van die Afrikaanse Taal NPC

- Prof HC Klopper (Chairperson)
- Dr W.F. Botha (Retired on 1 January 2023)
- Dr P.A. Louw (Appointed on 1 January 2023)
- Prof. R.H. Gouws (Deputy Chairperson)
- Mr. H.A.J. Lombard
- Dr. M. Pienaar
- Mr. R.A. Stevens
- Prof. W.A.M. Carstens
- Dr. F.S. Hendricks

#### Dictionary Unit for South African English NPC

- G Glover
- M.M. Hacksley
- T.L. Amos (Chairperson)
- D.R. Harris
- Y. Motara
- R.D. Adendorff (Deputy Chairperson)
- M. Hendricks
- D. Nkomo
- J.C. Roux
- J.D. Linnegar
- T. van Niekerk

#### Iziko Lesihlathululi-Mezwi Sesindebele NPC

- Mr. P.J. Masilela (Chairperson)
- Mr J. Mahlangu (Deputy Chairperson)
- Ms N.M. Mahlangu
- Ms B.Z. Mtsweni
- Ms L. Mabena
- Adv. SY Mahlangu
- Ms. K.S. Mahlangu (Ex-officio Member)

#### Isixhosa National Lexicography Unit

- Dr. F Shoba
- Prof D Nkomo (Deputy Chairman)
- Mr N Nkunzi
- Mr L Martins (Chairperson)
- Mr F Gosa
- Mr F Dyubhele
- Ms T Ndlazi
- Mr X Tshongolo

#### Isikhungo Sesichazamazwi Sesizulu NPC

- Justice S.J. Ngwenya (Chairman)
- Mr. M.A. Simelane (Financial Officer)
- Prof. A.M Maphumulo
- Dr. N. Sibiyi (Deputy Chairperson)
- Mr. M. Mbatha (CEO and Editor in Chief)
- Ms TP Shabalala - Appointed 1 August 2020
- Ms FH Ngcongco - Appointed 1 August 2020

#### Sesiu sa Sesotho Lexicography Unit NPC

- Prof P Phindane
- Mr C Mocwana

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022

### 33. Members' emoluments (continued)

- Mr S Rabanye
- Ms P Liphoko
- Mr M Rampeta

#### Sesotho Sa Leboa Dictionary Unit NPC

- Dr. S.J. Chokoe (Chairperson)
- Dr. K.M. Makgopa (Deputy Chairperson)
- Dr LE Mphasha
- Ms. M.P. Mogodi
- Mr MC Mphahlele
- Mr. S.J Dolamo
- Mr J.O. Matlala
- Mr KF Mothiba-Appointed on 31 March 2021
- Dr TJ Rakgogo-Appointed on 31 March 2021

#### Setswana National Lexicography Unit NPC

- GB Phuti (Editor in Chief)
- TT Maotoe (Chairperson)
- BD Sebolao
- KA Mhlongo
- ID Mnyingwa
- MP Sekhobela
- GM Isaka
- GM Tlale
- MS Sebola (Deputy Chairperson)
- E Mokone

#### Silulu Sesiwati Lexicography Unit NPC

- Under administration

#### Tshivenda National Lexicography Unit NPC

- Dr T.D Raphaelalani (Chairperson)
- Dr N.C Netshisaulu (Deputy Chairperson)
- Mr M.S.Munyai
- Dr M Nthambeleni
- Mr N.P Mutsila
- Mr M.E Nemutamvun

#### Xitsonga National Lexicography Unit

- Dr M.J Baloyi (Chairperson)
- Mrs F.J Manugu (Deputy Chairperson)
- Dr M.C Hlungwani
- Mr S.V Mabunda
- Mrs T.G Maluleke-Sihlangu
- Mr O.G Mtonga
- Prof. X.E Mabaso
- Dr M.A Mabasa
- Dr H.T Mashele (Ex-Officio Board Member)

### 34. Prior period errors

#### Consolidation

Under cash and cash equivalents an amount of R302 000 was incorrectly classified as cash on hand instead of bank balance, the error was corrected.

Accumulated surplus was erroneously overstated by R3,6 million as in the prior years. The balance was corrected in the current year on the consolidated statement of financial position and the statement of changes in net asset.



# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022

### 34. Prior period errors (continued)

Furniture and fittings opening carrying values were incorrectly disclosed on the notes to the consolidated financial statements with a difference of R45 000 which was corrected for both the 2022 and 2023 balances respectively. Administrative expenses were incorrectly overstated by R39 000 which was corrected respectively. Sesi NLU understated its operating expenditure and payables on their financial statements.

#### PanSALB

Property, plant and equipment reconciliation note relating to office equipment and IT equipment was incorrectly disclosed in the prior year. Management considers the error to be immaterial given its nature R15 thousands, however the reconciliation note has been corrected accordingly to correspond with the Statement of Financial Position.

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

#### Statement of financial position

Payables from exchange transactions	-	-	-	3 405
Opening Accumulated Surplus or Deficit	-	-	-	(3 405)

### 35. Prior-year adjustments

Changes on opening accumulated surplus is as a result of:

- Correction of error as a result of the overstatement on accruals and operating lease accrual.
- Sesi NLU understated its operating expenditure and payables on their financial statements.
- Receivables from non-exchange transactions was overstated at consolidation.
- Unspent conditional grant was overstated at consolidation.
- Other financial assets was reclassified to cash and cash equivalents for the English NLU.

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

#### Statement of financial position

##### Consolidated- 2021

	Note	As previously reported	Correction of error	Restated
Opening accumulated surplus or deficit		(112 160)	1 114	(111 046)

##### PanSALB - 2022

	Note	As previously reported	Correction of error	Restated
Payables from exchange transactions	15	(17 760)	3 405	(14 355)
Opening accumulated surplus or deficit		(63 346)	(3 405)	(66 751)
		<b>(81 106)</b>	<b>-</b>	<b>(81 106)</b>

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB		
Figures in Rand thousand	2023	2022	2023	2022	
<b>35. Prior-year adjustments (continued)</b>					
<b>Consolidated - 2022</b>					
	Note	As previously reported	Correction of error	Re-classification	Restated
Unspent conditional grant		(7 273)	267	-	(7 006)
Payables from exchange transactions		(19 480)	3 405	-	(16 075)
Opening accumulated surplus or deficit		(96 159)	(3 503)	-	(99 662)
Receivables from non-exchange transactions		2 055	(2 055)	-	-
Other financial assets		34 043	-	(750)	33 293
Cash and cash equivalents		82 268	-	750	83 018
		<b>(4 546)</b>	<b>(1 886)</b>	<b>-</b>	<b>(6 432)</b>

### Statement of financial performance

#### Consolidated - 2022

	Note	As previously reported	Correction of error	Restated
Operating expenses		(47 789)	(78)	(47 867)
Other Expenditure-Setswana NLU		-	229	(229)
<b>(deficit) Surplus for the year</b>		<b>(47 789)</b>	<b>151</b>	<b>(48 096)</b>

# Pan South African Language Board

for the year ended 31 March 2023

## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022
<b>35. Prior-year adjustments (continued)</b>				
<b>Cash flow statement</b>				
<b>PanSALB - 2022</b>				
	Note	As previously reported	Correction of error	Restated
Cash flow from operating activities				
Receipts		123 734	1 275	125 009
Payments		(142 382)	(292)	(142 674)
		<b>(18 648)</b>	<b>983</b>	<b>(17 665)</b>
Cash flow from investing activities				
Other cash item	-	2 614	(2 614)	-
Cash flow from financing activities				
Interest income		2 383	(2 161)	222
<b>Consolidated - 2022</b>				
	Note	As previously reported	Correction of error	Restated
Cash flow from operating activities				
Receipts		138 416	28 093	166 509
Payments		(147 869)	(28 843)	(176 712)
		<b>(9 453)</b>	<b>(750)</b>	<b>(10 203)</b>
Cash flow from investing activities				
Movement in financial assets		(7 374)	600	(6 774)
Cash flow from financing activities				
Finance lease payments		(757)	1 275	518
Movement in payables		(2 018)	2 018	-
Interest income		2 884	(2 662)	222
		<b>109</b>	<b>631</b>	<b>740</b>

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## Notes to the Annual Financial Statements as at 31 March 2023

	Consolidated		PanSALB	
Figures in Rand thousand	2023	2022	2023	2022

### 35. Prior-year adjustments (continued)

#### Reclassifications

The following reclassifications adjustment occurred:

#### Reclassification-2022

Note 22. Staff costs

The following was staff costs line items were reclassified

	2022	Reclassification	2022-Reclassified
Basic salary	57 397	1 125	58 522
Bonus	1 458	116	1 574
UIF	118	13	137
Medical aid-company contributions	1 444	49	1 493
WCA	78	(76)	2
SDL	6	(6)	-
Board fees	3 887	(1 228)	2 659

### 36. Risk management

#### 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.

The table below analyses the entity's financial liabilities exposed to liquidity risk:

#### Consolidated

At 31 March 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	19 551	-	-	-

At 31 March 2022(Restated)	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	14 892	-	-	-

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At 31 March 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	17 740	-	-	-

At 31 March 2022(Restated)	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	13 021	-	-	-

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### 36. Risk management (continued)

#### Credit risk

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

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.

Financial assets exposed to credit risk at year were as follows:

Financial instrument	Consolidated - 2023	Consolidated - 2022	PanSALB - 2023	PanSALB - 2022
Receivables	3 145	2 824	2 099	1 713
Cash and Cash equivalents	66 406	83 018	61 715	80 355
Other financial assets	38 289	33 293	-	-

#### Market risk

##### 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.

### 37. Going concern

The 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.

### 38. Events after the reporting date

No events after the reporting date have been identified.

### 39. Fruitless and wasteful expenditure

Expenditure identified - current	80	223	80	223
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Fruitless and wasteful expenditure consists mostly of interest charges on late payments to suppliers; which were incurred as result of inadequate cash flow available to settle amounts due timeously in the previous years i.e. 2012/2013, as well as overpayments made by both current and former employees and commitments not honoured. No fruitless and wasteful expenditure has been written off in the current year and prior years as the matters are still being assessed for possible recovery or write-offs.

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### Notes to the Annual Financial Statements as at 31 March 2023

		Consolidated		PanSALB	
Figures in Rand thousand		2023	2022	2023	2022
<b>39. Fruitless and wasteful expenditure (continued)</b>					
<b>Expenditure identified in the current year include those listed below:</b>					
	<b>Disciplinary steps taken/criminal proceedings</b>				
Interest and penalties charged by SARS for late submission of EMP201 return	Awaiting feedback from SARS following a query lodged on 25 April 2022	-	100	-	100
Staff debtors	Under investigation	22	13	22	13
Interest charged for late payment of supplier invoices	Under investigation	3	110	3	110
Interest and penalties charged by Worksmen Compensation fund for late payments	Under investigation	14	-	14	-
Training services not utilised	Under investigation	41	-	41	-
		<b>80</b>	<b>223</b>	<b>80</b>	<b>223</b>

Following the query lodged with SARS on 25th April 2022, the interest and penalties charged were reversed from our account in the current financial year.

Debtor's amount relates to excess amount paid by PanSALB on behalf of employees for accident damages caused by employees, transactions were investigated and employees signed acknowledgement of debt.

Telkom transactions amounting to R35,605.52(2022) were investigated and Telkom was requested to provide clarity on all transactions listed on their statements, however, Telkom did not respond to the PanSALB's request. Management will continue to engage Telkom regarding the outstanding balance.

Rental transactions amounting to R74,367.69(2022) relates to interest and penalties charged by landlords. These transactions were investigated, however, not all landlords responded to PanSALB's request. Management will continue to engage landlords regarding the outstanding balance.

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#### 39. Fruitless and wasteful expenditure (continued)

##### Amounts recoverable

A total amount of R26,719.03 was recovered to date from employees who signed acknowledgement of debt forms and such monies were recovered from their salaries.

Accident damages caused by employees	12	7	12	7
Interest and penalties charged by Worksmen Compensation fund for late payments	14	19	14	19
Expenditure incurred on services not used	-	33	-	33
	<b>26</b>	<b>59</b>	<b>26</b>	<b>59</b>

##### Recoverability steps taken/criminal proceedings

Steps to recover the expenditure below from the responsible individuals has commenced and no debt acknowledgement forms had been signed by the date of this annual financial statements sign-off and release:

#### 40. Irregular expenditure

Irregular Expenditure - current	2 091	3 665	2 091	3 665
Irregular Expenditure - prior period (PanSALB)	237	-	237	-
Irregular Expenditure - prior period (NLU)	-	210	-	-
	<b>2 328</b>	<b>3 875</b>	<b>2 328</b>	<b>3 665</b>



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		Consolidated		PanSALB	
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<b>40. Irregular expenditure (continued)</b>					
<b>Incidents/cases identified in the current year include those listed below:</b>					
	<b>Disciplinary steps taken/criminal proceedings</b>				
Competitive bidding not invited	Transactions were investigated and a report was prepared and submitted to National Treasury. Incident/cases identified during the 2022/23 financial year relate to cases already investigated in 2021/22.	336	1 037	336	1 037
Variations above 15% not recommended or approved by National Treasury	Transactions were investigated by the risk management unit and a report was prepared for EXCO consideration.	1 614	2 628	1 614	2 628
Contravention of the legislation and policies	Transactions were investigated and a report was prepared and submitted to the Board. Incidents/Cases identified relate to the 2022/23 and 2021/22 financial years.	378	-	378	-
Unauthorised payments made	The Silulu IsiSwati NLU incurred unauthorised expenditure which is still under investigation by the PanSALB Board. Since October 2021 PanSALB took over the administration of the NLU pending the finalization of the misappropriation of funds investigation.	-	210	-	-
		<b>2 328</b>	<b>3 875</b>	<b>2 328</b>	<b>3 665</b>

#### Cases under investigation

The following incidents/cases were identified and are still under investigation:

Contract extension and/Order expansion/variation without appropriate approval	1 614	-	1 614	-
No procurement process was followed in procuring the services	336	-	336	-
Contravention of the legislation and policies	378	-	378	-
	<b>2 328</b>	<b>-</b>	<b>2 328</b>	<b>-</b>

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#### 40. Irregular expenditure (continued)

##### Details of current and previous irregular expenditure recovered

No recoveries have been made to date.

##### Details of current and previous year irregular expenditure condoned

No irregular expenditure has been condoned by National Treasury for both current and previous years. An application for condonation was submitted to the National Treasury in January 2023 for a total of amount of R55 million (2020/2021 - R2.5 million; 2019/2020 - R6.6 million and R45.9 million from 2016/2017 up to 2018/2019).

#### 41. Budget differences

##### Material differences between budget and actual amounts

The excess of actual revenue over the final budget for PanSALB was due to:

- Interest received from deposits held which are not budgeted for annually.
- Grant received from Provincial Department of Sports, Arts and Culture as well as the National Department of Sports, Arts and Culture grant utilized relating to COVID-19 disinfection of offices

The excess of actual expenditure over the final budget for PanSALB was due to expenditures:

- Variance is due to the high vacancy rate within the institution and the provision for performance bonus and pay progression.
- No budget has been allocated for depreciation and amortisation.
- Variance is due to new two offices been occupied.
- Variance is due to utilization of approved cash surplus. Refer below for list of approved projects .
- Variance is due to utilization of approved cash surplus. Refer below for list of approved projects.

PanSALB was granted an approval to utilise retained cash surplus by National Treasury in terms PFMA section 53(3) and National Treasury Instruction 12 of 2021/22. PanSALB was approved to retain the cash surplus of R57 million of which the surplus will be used to settle the existing and pending legal claims and commitments, filling of vacant positions and creation of new positions to promote job creation, IT infrastructure to ensure employees can effectively work remotely and enhanced IT security to protect PanSALB data as well as for planned projects from 2019/20 of which none of them took place due to high staff turnover in leadership positions and for the advertising of tenders which were delayed as a result of the National Treasury e-tender portal being offline.

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