



**SOUTH AFRICAN HUMAN RIGHTS COMMISSION**

**ANNUAL REPORT**

**For the year ended 31 March 2019**

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**Financial Statements** – Attached at the end of the non-financial performance information sections ending on page 69, as a different set of pages 1 – 46.

## FOREWORD BY THE CHAIRPERSON

The state of human rights in the country remains considerably challenged and especially with the unprecedented eruption of violence against women and children, a phenomenon that grossly undermines the right to life. We have seen further threats to life and property through violent public protests.

These and many other human rights challenges place increasing pressure and demand on the South African Human Rights Commission's (Commission) response in terms of its constitutional mandate to protect, promote and monitor the observance of human rights in the country. As the Commission, we have made strides in the execution of our mandate during this period. We have certainly raised the visibility and voice of the Commission, thereby further contributing to the increased demand for our interventions.

The voice of the Commission has been heard through various media platforms, reaching out to billions of people across the globe. We have also reached out to marginalised communities, mostly affected by human rights violations, through various public outreach initiatives across the country. In this way, we have managed to educate and empower our communities where their rights may be violated. Needless to say, this is an ongoing project.

We have executed our protection mandate in the interests of the victims of the seemingly endless human rights violations plaguing our country. We continued to provide redress to thousands of complainants during the period under review, using various mechanisms. These included dispute resolution, strategic impact litigation and the use of equality courts. The challenges of inequalities remain a growing concern, particularly racism and hate speech, which remain the highest number of complaints received by the Commission.

The Commission carried out its monitoring mandate through an assessment of the state of human rights in the country, including economic and social rights, civil and political rights, equality, and international and regional human rights obligations. From our observations, it is clear that much still needs to be done to improve the state of human rights significantly in the country. It is also clear that the Commission alone cannot alone turn the concerning trends of human rights violations around. We, therefore, acknowledge the need, in ensuring a successful implementation of our mandate and realisation of our vision of transforming South Africa, to establish strong collaborative relations with strategic stakeholders including the Executive, Legislatures, the Judiciary, civil society and the academia.

With regards to the relationships, and given the constitutional obligations placed on the state for the respect for human rights, while we urge the government and the private sector to progress towards improved observance of human rights, we also appeal to Parliament for more significant and more meaningful oversight. This will assist in ensuring that the founding ideals of our constitutional democracy are more effectively realised.

And for all the achievements of the financial year under review, including yet another unqualified audit, in spite of our resources constraints and the vast human rights challenges, we are grateful for the hard work and dedication

of Commissioners and the Secretariat staff, without whom nothing much would have been achieved. On behalf of the Commissioners, I declare our continued and unwavering commitment to a Commission that is impactful in the delivery of the human rights constitutional mandate.

**Advocate Bongani Majola**  
**Chairperson**

## OVERVIEW BY THE CHIEF EXECUTIVE OFFICER

Human rights complexities and challenges continue to threaten our hard earned freedom and democracy. The South African Human Rights Commission (Commission) constantly embarks on efforts to redress the ills in our society, as mandated by the constitution. The nature of human rights violations has persistently remained unchanged over the years, with complaints lodged largely including issues relating to equality, socio-economic rights, and human dignity.

It is concerning that our society is continuously plagued by violent expressions in response to limited opportunities for employment, access to higher education and consequent inequalities. Further exacerbating the situation are trends of violence against children, gender-based violence, hate crimes and violent protest action.

Our endeavours at addressing the human rights challenges facing our country are underpinned by integration of our mandate elements. During the financial year under review, our promotional mandate efforts have borne fruits, with significant increases in our public outreach and media visibility – in excess of 3 billion people and an average value equivalent above a quarter of a billion Rands. This has helped ascertain human rights awareness and advocacy of constitutional values in various communities, the general public and with key stakeholders.

Through our protection mandate we have managed to deal with more than 8 000 complaints, thereby providing effective redress to human rights violations. We have successfully instituted litigation on certain strategic matters, including in equality courts across the country, to enforce adherence with the upholding of constitutional values.

Our human rights monitoring findings indicate a state of human rights that is still far from an envisaged ideal society embedded with the values of dignity, equality and justice for all. There remains lack of accountability and poor observance of human rights in various sectors of society. During the financial year, we have conducted research and produced a 'State of Human Rights in South Africa Report', providing advisory recommendations with a view to influence the various actors towards improved observance of the rights enshrined in our constitution and entrench a human rights culture in the country.

The Commission will continue to deliver on its constitutional mandate to promote, protect, and monitor the observance of human rights, and ensure that there is increasing accountability and redress for all forms of human rights violations.

Despite resources constraints, our internal administration has sustainably provided the requisite support to ensure uninterrupted delivery. This was also evident in the maintenance of a further unqualified audit opinion for the 2018/19 financial year. As the accounting officer, I express my sincere gratitude to the support of all our Commissioners and the Secretariat staff for their commitment and dedication to delivering on the mandate of the Commission.

**Advocate Tseliso Thipanyane**  
**Chief Executive Officer**

## PART A: GENERAL INFORMATION

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### 1. STRATEGIC OVERVIEW

The South African Human Rights Commission's strategic intent is informed by various instruments and policy mechanisms. These include the Constitution as well as other founding and supporting legislation.

#### 1.1 *Vision*

To transform society, secure rights, and restore dignity.

#### 1.2 *Mission*

The SAHRC (or Commission), as an independent national human rights institution, is created to support constitutional democracy through promoting, protecting, and monitoring the attainment of everyone's human rights in South Africa without fear, favour or prejudice.

#### 1.3 *Values*

The values of the Commission are:

- a) Integrity
- b) Honesty
- c) Respect
- d) Objectivity
- e) Batho Pele Principles
- f) Equality

### 2. LEGISLATIVE AND POLICY MANDATES

The Commission is an independent institution that supports constitutional democracy, and is established in terms of Chapter 9 of the Constitution. Its specific mandate is stipulated in Section 184 of the Constitution. The following sub-sections broadly describe the parameters of the institution.

#### 2.1 *Constitutional mandate*

The mandate of the Commission, as contained in Section 184 of the Constitution of the Republic of South Africa, 1996, is as follows:

- a) The South African Human Rights Commission (SAHRC) must:
  - i. promote respect for human rights and a culture of human rights.
  - ii. promote the protection, development, and attainment of human rights.
  - iii. monitor and assess the observance of human rights in the Republic.

- b) The Commission has the necessary powers, as regulated by national legislation, to perform its functions, including the power:
  - i. to investigate and report on the observance of human rights.
  - ii. to take steps to secure appropriate redress where human rights have been violated.
  - iii. to carry out research.
  - iv. to educate.
- c) Each year, the Commission must require relevant organs of state to provide the Commission with information on the measures that it has taken towards the realisation of the rights in the Bill of Rights concerning housing, health care, food, water, social security, education, and the environment.
- d) The Commission has additional powers and functions prescribed by other national legislation.

## **2.2 Other legislative and policy mandates**

The Commission has additional powers and functions prescribed by specific legislative obligations in terms of the South African Human Rights Commission Act, the Promotion of Access to Information Act and the Promotion of Equality and Prevention of Unfair Discrimination Act.

In this respect, the Commission must:

- a) promote awareness of the statutes
- b) monitor compliance with the statutes
- c) report to Parliament in relation to these statutes
- d) develop recommendations with regard to persisting challenges related to these statutes and any necessary reform.

### ***South African Human Rights Commission Act 40 of 2013 (SAHRCA)***

While the Commission fulfils the obligations set out in the SAHRCA, the Commission has suggested a number of amendments to bring the SAHRCA in line with the Constitution and subsequent legislation. The Commission awaits the tabling in Parliament of amendments to the (SAHRCA) occasioned by the adoption of the Constitution in 1996.

### ***Promotion of Access to Information Act 2 of 2000 (PAIA)***

The Commission promotes compliance with the PAIA and produces an annual report in this regard, in line with Sections 83 and 84 of the PAIA. Key prescripts of the PAIA are the development of transparency frameworks and increasing institutional responsiveness to information requests, with a view to promote access to information.

### ***Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000 (PEPUDA)***

The Commission continues to promote compliance with the PEPUDA, and will start producing a thematic equality report on an annual basis. Section 25 (5) (a) of the PEPUDA prescribes the submission of equality plans to the SAHRC to be dealt with in the prescribed manner, in consultation with the Commission on Gender Equality. Section



28 (2) requires the SAHRC to assess and report on the extent to which unfair discrimination on the grounds of race, gender, and disability persists in the Republic, the effects thereof, and recommendations on how best to address the problems. The Commission continues to assess and report on the state of equality, notwithstanding that Sections 25 and 28 are not yet in operation.

### ***International and regional instruments***

The Commission is actively involved in ensuring the ratification and domestication of international and regional human rights instruments through, among others, advocacy and policy influence.

At an international level, the Commission is recognised by the United Nations Office of the High Commissioner for Human Rights as an "A" status National Human Rights Institution (NHRI). The Commission has thus adhered to the Paris Principles, which are guiding principles that set out the nature and functioning of NHRIs. These principles emphasise the independent nature of NHRIs and guide the manner in which they should conduct their work.

Summarised, the principles state, among others, that national human rights institutions should:

- a) monitor any situation of violation of human rights.
- b) be able to advise the government, Parliament, and any other competent body on specific violations.
- c) educate and inform on issues of human rights.
- d) be able to use their quasi-judicial powers where these exist.

The mentioned legislation and policies form the basis on which the Commission plans its strategy and operations.

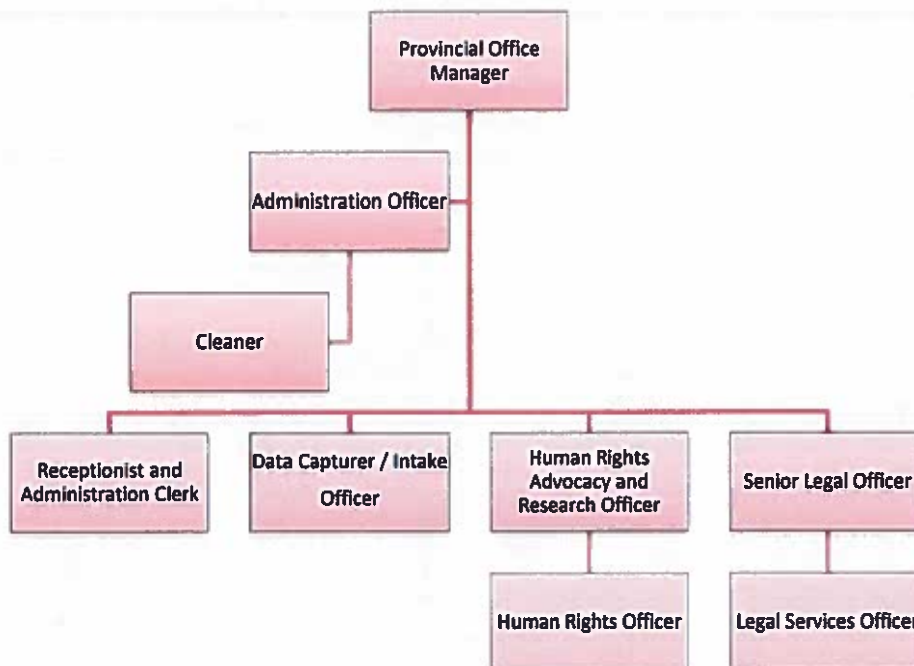
### 3. ORGANISATIONAL STRUCTURE

The execution of the Commission's constitutional and legislative mandate is supported by an organisational structure constituted at the head office in Johannesburg, and supported by provincial offices across all nine provinces.

Figure 1: Head office structure:



Figure 2: Provincial level generic structure:



## PART B: PERFORMANCE INFORMATION

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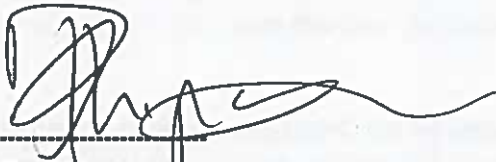
### STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION

#### Statement of responsibility for performance information for the year ended March 31, 2019

The Chief Executive Officer is responsible for the preparation of the institution's performance information and for the judgements made in this information.

The Chief Executive Officer is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the performance of the institution for the financial year ended March 31, 2019.



Tseliso Thipanyane  
Chief Executive Officer

Date: 31 July 2019

## 1. OVERVIEW OF INSTITUTIONAL PERFORMANCE AND ORGANISATIONAL ENVIRONMENT

### 1.1 Institutional delivery and organisational environment

The ongoing violations of human rights in the country remain an endemic challenge in society. The Commission had to deal with more than 10 000 complaints and enquiries during the period under review. The key human rights concerns based on top five complaints lodged with the Commission include rights relating to equality; Section 27 (health care, food, water, and social security); just administrative action; human dignity; and labour relations. In terms of the right to equality, the highest number of complaints received concerned the issue of racism.

Beyond the top 5 complaints, the other concerns, from a complaints perspective, have included the rights to education; arrested, detained, and accused persons; housing; and children. In dealing with these issues, the Commission continued to apply its protective, promotional and monitoring interventions, which includes complaints handling and resolution, strategic impact litigation, investigative hearings, recommendations monitoring, public outreach engagements, collaborative engagements, media and communications liaison, as well as research and monitoring of the state of human rights in the country. The Commission will increasingly endeavour to find mechanisms to maximise the impact of its interventions to effectively deal with these and other human rights concerns.

Resource limitations amidst a very broad constitutional mandate for the Commission are always a significant restraint. Senior management vacancies within the period meant that delivery would be adversely affected. In addition, concerns of National Treasury effected budget reductions posed challenges for the 2018-19 planning processes and the rethinking of the strategic plan going forward. The institution had to start devising significant cost savings measures including suspension of senior posts into the new financial year.

#### ***Deepening the understanding of human rights to entrench a human rights culture***

Key stakeholder and public outreach engagements are critical in deepening the understanding of human rights to entrench a human rights culture. In this regard, the Commission conducted engagements and capacity-building initiatives at community level as well as community and national media engagements. The Commission also collaborated with various constitutional institutions, government, civil society and academic stakeholders. The Commission's Advocacy and Communications Report reflects on the outcomes of these engagements in terms of improved institutional visibility and reach.

#### ***Taking steps to secure appropriate redress***

The achievements of the Commission with respect to the advancement of human rights must be contextualised within national challenges related to human rights violations. The Commission had to respond to these challenges utilising its complaints handling procedures, which include finalisation of complaints and enquiries, instituting litigation and conducting investigative hearings. With over 10 000 complaints processed during the period under review, the Commission was able to finalise in excess of 80% of these.

### ***Conducting Research to monitor, assess and report on observance of human rights***

The Commission carried out its constitutional monitoring mandate to assess the state of human rights in relation to economic and social rights, equality, civil and political rights, as well as international and regional human rights obligations. The findings of the Commission and the implications for human rights are highlighted in the State of Human Rights Report; and the Research Briefs released during the period under review.

### ***Improve the effectiveness and efficiency of the Commission to support delivery on the mandate***

The Commission remains committed to maintenance of an unqualified opinion through ongoing monitoring of the audit, risk, and governance environment. In view of human resources, the institution developed a comprehensive human capital-management strategy driven by the strengthening of capacity building, succession planning and retention, as well as focused recruitment initiatives and processes. Fulfilling the important need to instil a high-performance culture, the Commission oriented staff to the revised enhanced performance management policy. The revision seeks to improve the management of performance while it promotes and acknowledges good performance.

## **1.2 Key policy developments and legislative changes**

With the introduction of the Information Regulator (IR) in terms of the Protection of Personal Information Act 4 of 2013, the anticipation is for the legislative mandate imposed by the Promotion of Access to Information Act 2 of 2000 (PAIA) to be carried out by the IR. However, until full establishment of the IR, the Commission will continue to deliver on the PAIA mandate.

During the period under review, the Commission made legislative submissions on the following:

- a) Proposed amendment of Section 25 of the Constitution
- b) Draft Refugee Regulations Bill
- c) Integrated Planning Framework Bill
- d) Restitution of Land Rights Amendment Bill
- e) Draft Customary Initiation Bill

## **2. STRATEGIC FOCUS AREAS AND OUTCOME ORIENTED GOALS**

### **2.1 Strategic focus areas**

In pursuit of the Commission's mandate, Commissioners adopted strategic priority focus areas, informed by the Bill of Rights; the Sustainable Development Goals; and the international, regional and national human rights instruments and obligations. The identified strategic focus areas for the period under review included the following:

- a) Children and migration
- b) Civil and political rights
- c) Disability and social security
- d) Education

- e) Equality and social cohesion
- f) Healthcare
- g) Land, environment and right to food
- h) Water, sanitation and housing

The human rights instruments for consideration include the following:

- a) Convention on the elimination of racial discrimination
- b) Convention on the elimination of all forms of discrimination against women
- c) Convention on the rights of people with disabilities
- d) Convention on the rights of the child
- e) International convention on economic, social and cultural rights
- f) Convention against torture and other cruel, inhumane or degrading treatment or punishment
- g) International covenant on civil and political rights
- h) Universal declaration on the rights of indigenous people

## **2.2 Outcome-oriented goals and strategic objectives**

The Commission's planning and internal evaluation exercises over the five-year strategic planning period, 2015 to 2020, resulted in the identification of the following key strategic outcome oriented goals. It must be noted that these goals were reviewed during this five year cycle to ensure direct alignment with the institutional mandate.

**Goal 1:** Enhancing good governance and strengthening capacity to support delivery on the mandate.

**Goal 2:** Promoting respect for human rights and a culture of human rights.

**Goal 3:** Promoting the protection, development and attainment of human rights.

**Goal 4:** Monitoring and assessing the observance of human rights in the country.

To achieve these goals, the Commission set out four aligned strategic objectives that were used to measure programme performance. A detailed narrative on the realisation of these strategic objectives will be provided under the section on "Programme performance by strategic objective".

The Commission had reconfigured its programme structure to allow for meaningful execution and realisation of its outcome-oriented goals and strategic objectives. The Commission has four main programmes, which include:

Programme 1: Administration;

Programme 2: Promotion of human rights;

Programme 3: Protection of human rights; and

Programme 4: Monitoring observance of human rights.

These programmes have sub-programmes that are referred to as business units and include provincial offices, which contribute towards the realisation of the outcome-oriented goals and strategic objectives.

### 3. PERFORMANCE INFORMATION BASED ON STRATEGIC OBJECTIVES AND PROGRAMMES

#### 3.1 Strategic objectives

The Commission adopted four strategic objectives towards the realisation of its strategic outcome-oriented goals, which were as follows:

<b>Strategic Objective 1</b>	<b>Improve the effectiveness and efficiency of the Commission to support delivery on the mandate</b>
<b>Strategic Objective 2</b>	<b>Deepen the understanding of human rights to entrench a human rights culture</b>
<b>Strategic Objective 3</b>	<b>Take steps to secure appropriate redress where human rights have been violated</b>
<b>Strategic Objective 4</b>	<b>Conduct research to monitor, assess and report on the observance of human rights</b>

#### 3.2 Summary of programmes

In support of the strategic objectives, the Commission was, for the period under review, broadly structured into four programmes, namely, Administration; Promotion of Human Rights; Protection of Human Rights; and Monitoring observance of Human Rights. The Commission is made up of business units and provincial offices responsible for core operations and institutional support functions for the realisation of the strategic objectives and programme outputs.

##### **Programme 1: Administration**

This programme consists of the following business units:

##### ***Finance:***

Finance provides effective and efficient management of the budget to allow for successful achievement of strategic objectives within limited resources. The unit also facilitates and monitors the management of identified organisational risks to minimise threats to operations.

##### ***Corporate services:***

This unit encompasses the functions of human resources management, administration and supply chain management, and information communications technology. The unit aligns the Commission's human resource objectives to its planning processes, enabling recruitment and retention of staff with capacity to support the achievement of strategic objectives. It establishes and manages integrated supply chain management, asset management and coordination of all administrative functions of the Commission within defined regulatory frameworks. It is also responsible for ensuring effective and efficient information communications technology systems and services.

##### ***Internal audit:***

The internal audit unit assesses the adequacy and reliability of internal controls and governance processes. It identifies gaps and recommends corrective action to the controls and processes.

***Strategic support and governance:***

The unit is responsible for coordination of the processes including institutional strategic planning, performance monitoring, evaluation, and reporting.

***Office of the Chief Executive Officer:***

The Chief Executive Officer (CEO) is responsible for establishing and maintaining an effective and efficient corporate governance framework that ensures management accountability through improved mechanisms for controlling and directing management activities. It further provides guidance and oversight to the core operations programmes.

**Programme 2: Promotion of human rights**

This programme consists of the following business units, responsible for the promotional and protective aspects of the Commission's mandate:

***Commissioners' programme (Office of the Commissioners):***

Commissioners provide leadership and guidance on the professional work of the Commission through facilitating the South African human rights agenda at international, regional, national, provincial and local levels.

***Human rights advocacy and communications:***

The human rights' advocacy and communications (Advocom) unit promotes awareness of human rights and contributes to the development of a sustainable human rights' culture in South Africa. It also serves to promote the Commission activities and enhance understanding through comprehensive communications and media relations.

***Provincial offices***

Provincial offices are responsible for carrying out the Commission's mandate through core operations and actual implementation at provincial level.

**Programme 3: Protection of human rights**

***Legal Services:***

Legal services is responsible for providing quality legal services in the protection of human rights in the Republic of South Africa through the efficient and effective investigation of complaints of human rights violations, the provision of quality legal advice and assistance, as well as seeking redress through the courts for victims of human rights violations.

***Office of the Chief Operations Officer:***

The Chief Operations Officer (COO) coordinates core operations business units (Legal Services, Research, Advocacy and Communications, and provincial offices); operational process improvements to ensure efficient delivery on the core business of the Commission.

**Programme 4: Monitoring of human rights**

This programme consists of the following business unit, responsible for the institution's constitutional monitoring and reporting mandate:



**Research:**

The unit plans, designs, conducts and manages research on the promotion and protection of human rights aimed at monitoring, assessing and documenting developments in human rights' policy within the Republic.

**3.3 Alignment of programme structure with strategic objectives**

The programmes of the Commission are aligned with the strategic objectives for the meaningful realisation of the Commission's outcome-oriented goals and priorities. The performance information for 2018-19 is presented based on these strategic objectives. The following is a schematic presentation of alignment of programme structure of the Commission with strategic objectives.

**Table 1: Alignment of strategic objectives with programmes**

	<b>Programme</b>	<b>Strategic Objective 1 (Improve effectiveness and efficiency)</b>	<b>Strategic Objective 2 (Deepen understanding)</b>	<b>Strategic Objective 3 (Steps to secure redress)</b>	<b>Strategic Objective 4 (Research to monitor, assess, and report on the observance of Human Rights)</b>
1.	<b>Programme 1: Administration</b>	All key performance indicators	-	-	-
2.	<b>Programme 2: Promotion</b>	-	All key performance indicators	-	-
3.	<b>Programme 3: Protection</b>	-	-	All key performance indicators	-
4.	<b>Programme 4: Monitoring</b>	-	-	-	All key performance indicators

**3.4 Organisational performance by strategic objective**

The intention of this section is to report on organisational performance based on performance indicators and planned targets set for the 2018-19 financial year. It covers key highlights for each strategic objective and identifies areas of under-performance. An account of actual achievements measured according to planned targets is presented in tabular format.

The Commission achieved 73 percent (that is, 22 of 30) of its annual targets for the period under review. The breakdown of target achievement by objective is presented in Table 2 below.

**Table 2: Summary of overall target achievement**

Strategic Objective	Total Number of Targets	Targets Achieved	Not Achieved	% Achievement
1. Improve the effectiveness and efficiency of the Commission to support delivery on the mandate	12	7	5	58%
2. Deepen the understanding of human rights to entrench a human rights culture	7	7	0	100%
3. Take steps to secure appropriate redress where human rights have been violated	4	2	2	50%
4. Conduct research to monitor, assess and report on the observance of human rights	7	6	1	86%
<b>Total</b>	<b>30</b>	<b>22</b>	<b>8</b>	<b>73%</b>

The rest of this section provides the details relating to each strategic objective by performance indicators.

#### **3.4.1 Strategic Objective 1: Improve the effectiveness and efficiency of the Commission to support delivery on the mandate**

The Commission seeks to realise this objective by ensuring institutional compliance with key legislative requirements; effective and comprehensive management of human capital; review of administrative systems, policies and processes; effective risk management and resolution of audit findings; as well as effectiveness and efficiency of governance structures and processes.

##### *Compliance with key legislative requirements*

The institution complied with all the key legislative requirements for the financial year. This includes all requirements in terms of the Public Finance Management Act, such as completing and submitting the 2017-18 Annual Report, including the financial statements; as well as approving the revised strategic plan and Annual Performance Plan for 2019-20. It is worth noting that the Commission obtained a fifth consecutive unqualified audit opinion.

##### *Human resources management planning*

The Commission developed a comprehensive human resources strategy that covers a period of 3 years. There were implementation challenges with some of the elements of the strategy:

- a) Capacity development challenges due to unavailability of staff and relevant service providers to, respectively, attend and provide identified training.
- b) Succession planning delayed due to frozen positions arising from budgetary constraints.
- c) Performance management – delayed submissions of performance review results and contracting of some staff.

It must be noted that the Commission had resolved to indefinitely freeze all vacant posts (approximately 12) due to budgetary cuts imposed by the National Treasury. The vacancies had an adverse impact on the effectiveness and efficiency of the institution, especially in relation to the achievement of in-year quarterly targets. Broadly, some of the key affected areas include completion of the complaints trends analysis and hearings reports, research briefs, library activities and submission of monthly performance monitoring reports. The Commission has to continuously reflect and resolve on the longer term implications of the budgetary constraints and vacancies, especially in relation to the core operations programmes.

#### Information and communications technology and knowledge management

The Commission developed and adopted an Information and Communications Technology (ICT) Framework and strategy; as well as a knowledge management framework and plan. Most of the planned processes were on course during the financial year. These included development of an Intranet SharePoint; establishment of Intranet Communication Directive; establishment of an Electronic Document Management System; standardisation of systems; bandwidth management and data recovery rehearsals. The institution experienced incidents of instability in the IT environment throughout the financial year. These were mainly attributed to challenges with the bandwidth. Efforts were underway to address the challenges.

#### Effectiveness of governance structures

While the structures established in terms of legislation and the SAHRC governance framework are functional, there remains challenges of ineffectiveness, especially with the key decision making structures. Key decisions are usually delayed and there is generally slow rates of implementation of resolutions. The institution will engage closely with the internal governance monitoring report and address areas of concern through necessary reviews.

**Table 3: Achievement against planned targets for institutional effectiveness and efficiency**

<b>Strategic Objective 1: Improve the effectiveness and efficiency of the Commission to support delivery on the mandate</b>						
<b>Objective Statement: Review governance framework and institutional policies, systems and processes, ensure comprehensive human resources planning, and comprehensive monitoring and evaluation</b>						
<b>Performance Indicator</b>	<b>Actual achievement 2017/18</b>	<b>Annual Planned target 2018/19</b>	<b>Actual achievement 2018/19</b>	<b>Deviation from planned target for 2018/19</b>	<b>Variance from 2017/18 to 2018/19</b>	<b>Comment on variances/ corrective measures</b>
Percentage compliance with key legislative requirements	100%	100%	100%	Target Achieved	None	None
Percentage implementation of risk management plans	100%	100%	95%	5% less than targeted	Reduced from 100% to 95%	Some of the controls in corporate services could not be implemented due to certain related policies not yet approved.
Percentage implementation of annual human resources management plan	86% implementation	100% implementation	89%	11% less than targeted	Improved from 86% to 89%	Aspects of the following not fully implemented: Capacity development, Succession planning, and Performance management
Percentage implementation of annual ICT Plan	89%	100% implementation	91%	9 % less than targeted	Improved from 89% to 91%	Data recovery rehearsals not conducted due to system failure
Completion of Monitoring Report on compliance and effectiveness of institutional policies	Target achieved	Complete institutional policy monitoring report	Monitoring Report completed	Target achieved	None	None
Percentage adherence with Corporate Services Charter	Full adherence on identified areas	100% adherence on identified areas	93%	7% less than targeted	Reduced from 100% to 93%	Delays in incident investigations and security assessments. Challenges in sourcing service providers for facilities management.

**Strategic Objective 1: Improve the effectiveness and efficiency of the Commission to support delivery on the mandate**

**Objective Statement:** Review governance framework and institutional policies, systems and processes, ensure comprehensive human resources planning, and comprehensive monitoring and evaluation

Performance indicator	Actual achievement 2017/18	Annual Planned target 2018/19	Actual achievement 2018/19	Deviation from planned target for 2018/19	Variance from 2017/18 to 2018/19	Comment on variances/ corrective measures
Percentage implementation of Organisational Renewal Plan	80%	100% implementation of annual plan	100%	Target achieved	Improved from 80% to 100%	None
Percentage implementation of knowledge management plan	80%	100% implementation of plan	100%	Target achieved	Improved from 80% to 100%	None
Percentage implementation of Internal Audit Plan	Full implementation	100% implementation of plan	100%	Target achieved	None	None
Percentage resolution of audit findings	91% resolved	100%	81% resolved	19% less than targeted	Reduced from 91% to 81%	Delays in resolution of findings due to capacity constraints
Completion of institutional performance monitoring and evaluation report	Completed 1 report	Complete 1 report	Report completed	Target achieved	None	None
Completion of report on compliance with governance framework	Completed Monitoring report	Complete governance compliance report	Monitoring report completed	Target achieved	None	None

### 3.4.2 Strategic Objective 2: Deepen the understanding of human rights to entrench a human rights culture

The objective of deepening understanding of human rights to entrench a human rights culture involves:

- a. Effective advocacy for adoption of human rights based positions and approaches;
- b. Intensifying human rights based and people based capacity building activities, and education and awareness raising efforts through outreach engagements at public and community levels to empower people to effectively realise their rights;
- c. Ensure accessibility of human rights educational material in different formats and languages; as well as
- d. Comprehensive communications strategy including all media, and internal communications.

#### Effectiveness and outcomes of advocacy initiatives

Through key stakeholder and public outreach engagements the Commission reached in excess of 90 000 people. The key outcomes of the engagements included ongoing information exchanges; agreements to take steps to address identified challenges and issues; secured Commission participation in various government forums, across all spheres, for continued engagements and monitoring; agreements to implement some of the Commission reports recommendations and directives; collaboration and signing of Memoranda of Understanding; and improved community awareness of their rights, as well as visibility of the Commission.

#### Rural outreach through public outreach engagements

Since 2014 the Commission has successfully utilised public outreach engagements as a model that focuses on specific communities due to their location or vulnerability. In line with the Commission's 2015-2020 strategic focus, these are mainly rural and peri urban communities as well as marginalised and disadvantaged communities, who often have the least access to human rights information and services. The Commission was involved in more than 400 public outreach engagements during this financial year.

Rural communities face unique multi-faceted challenges which range from poverty, unemployment, inferior infrastructure and a range of vulnerabilities that make them susceptible to human rights violations especially in accessing socio-economic rights. Vulnerable groups such as women, children, older persons, non-nationals, farm workers and persons living with disabilities are disproportionately affected by these challenges.

The term public outreach engagements is an inclusive and broad term that covers the range of activities that the Commission undertakes to proactively reach out or respond to the specific and unique needs of an identified community. Public outreach engagements include information sessions, roadshows, door to door campaigns, training workshops, dialogues, conferences, seminars, symposiums, road shows, help desks, roundtable discussions, focus group discussions, site inspections, walk about, help desks, exhibitions and distribution of educational and promotional materials.

The role of public outreach engagements is multi-fold, namely to:

- a. Advance basic awareness and understanding of human rights, in particular socio-economic rights which directly relate to the lack of access or provision of basic services;
- b. Empower communities with information on how to access human rights;
- c. Serve as a means of taking the Commission and its services directly to communities;
- d. Allow communities to engage directly with the Commission on human rights issues affecting them at a local level and;
- e. Provide opportunities for communities to receive on the spot advice and lodge complaints relating to human rights violations for resolution by the Commission.

Stakeholders such as government departments and state agencies, Chapter 9/10 bodies, civil society formations as well as mainstream and local media are invited to participate in the Commission's engagements for a collaborative approach.

The engagements were undertaken in mostly rural, semi-rural and peri-urban areas serving needy communities in outlying areas, villages, schools, farming areas and informal settlements throughout all the nine provinces. The engagements covered the human rights issues that are topical to each community, including socio-economic and equality rights.

### **Key Human Rights Issues and Recommendations from Public Outreach Engagements**

Similar to previous years, service delivery of basic services is of uppermost concern to affected communities. The lack of provision of basic services often leads frustrated communities, especially in urban and peri-urban areas, to embark on protest action.

The key socio-economic rights issues emerging from the public outreach engagements include:

- a. Inadequate health care services such as shortage of doctors and medicines;
- b. Lack of provision of adequate clean water and sanitation and non-completion of vital water projects by municipalities; and
- c. Poor quality of education in rural schools such as unstable infrastructure, the lack of learning materials, lack of birth certificates for children- particularly in border regions, inadequate provision for children with disabilities and the continued administration of corporal punishment.

The key equality issues include:

- a. Sexual and gender-based violence directed against women, children and female students at institutions of higher learning;
- b. Secondary victimization of members of the lesbian, gay, bisexual, transgender, intersex and queer (LGBTIQ) community in reporting complaints of discrimination or violence- particularly from health care providers and the police respectively;
- c. Discrimination against persons with albinism;
- d. Violence against and displacement of non-nationals;
- e. Non-availability of Constitutions and other educational materials in indigenous languages;
- f. Accessibility of public spaces for persons with disabilities;
- g. Inadequate old age facilities; and

- h. Forced evictions of farm workers and farm dwellers, low wages for women, seasonal and migrant workers, and child labour and isolated reports of deprivation of the right to vote by farm owners.
- i. The Commission is concerned that these issues are not new, as the Commission consistently raises these in various interventions such as investigations, public enquiries, complaints and reports, with specific individual recommendations. Thus this report does not make individual recommendations for each finding and instead provides a generic summary of recommendations which is applicable to all the findings.

**Recommendations emerging from the public outreach engagements:**

- a. The Commission monitors and ensures the implementation of all recommendations made in all previous and current interventions;
- b. The Commission adheres to its Complaints Handling Procedures processes, provides regular updates to individual complainants and ensure redress;
- c. The Commission obtains progress reports from relevant government departments on regular intervals to assess the extent of progress made in the implementation of such commitments in terms of development plans for communities.

**Key strategic stakeholder engagements**

The Commission's stakeholder management strategy acknowledges that the organisation's activities involve engagement with individuals, organisations and entities with a vested interest in the mandate of the Commission. The Commission therefore maintains ongoing relationships with a broad range of strategic partners so it can effectively deliver on in its mandate.

The strategic partnerships that the Commission maintains seek to achieve:

- a. Improved visibility;
- b. Strengthened relations
- c. Shared resources and
- d. Expanded networks

The Commission participated in hundreds of strategic stakeholder engagements during the financial year under review nationwide. The engagements involved a range of stakeholders across all sectors of society, including civil society organisations; academia; government Ministries and Departments; Constitutional institutions; private sector; and international and regional bodies.

Key issues of engagement included the following:

- a) Access and quality of healthcare services;
- b) Impact of protest related action on access and delivery of various basic services, including healthcare and education;
- c) Promotion and protection of the rights of LGBTIQ community, including diversity and inclusion at the workplace, and other human rights violations;



- d) Capacity building for paralegals on socio-economic rights and access to justice, in line with the Sustainable Development Goals;
- e) Evictions in social and rental housing, and related legislative reforms;
- f) Housing upgrades and development;
- g) Local government capacity and challenges in realising and advancing economic and social rights;
- h) Implementation of various SAHRC reports recommendations and directives, and government cooperation and responsiveness;
- i) Promoting human rights education and awareness through the National Schools Moot Competition;
- j) The Right to Nationality and access to education: undocumented learners;
- k) Sanitation in schools;
- l) Language policies;
- m) Promotion and protection of the rights of children: safety of children; business and children's rights; municipal training packages on children's rights; establishment of children's unit;
- n) Policing and human rights;
- o) Establishment of National Preventive Mechanisms: Optional Protocol to the Convention Against Torture; and Convention on the Rights of People with Disabilities;
- p) State of preparedness for the 2019 elections to ensure free enjoyment of political rights;
- q) Strategies to deal with issues around land grabs, diversity and the Constitution;
- r) Risks facing Human Rights Defenders in the African continent;
- s) Effects of the micro-credit system, including challenges of over-indebtedness in South Africa;
- t) Promotion and protection of human rights in traditional communities; and
- u) Promotion and protection of the rights of refugees and migrants.

At a more provincial specific level, the Commission engaged with a range of stakeholders, including rural and other communities; women's rights organisations; disability sector organisations; older persons in rural areas; patients and practitioners at community clinics and public hospitals; prisoners at a correctional services centre; tertiary education students; primary and high school learners; other constitutional institutions; other civil society organisations; and local and provincial government executive structures. The Commission utilises targeted engagements, such as strategic meetings with specific sectors to:

- a. Disseminate information on its work and mandate,
- b. Discuss issues of mutual interest,
- c. Enhance collaboration and
- d. Strengthen links to community structures.

## Collaborative educational and awareness activities

Stakeholder engagements also provide the Commission with opportunities to strengthen relationships with key stakeholders and also collaborate with stakeholders in the context of limited resources; thereby multiplying reach and impact. In the course of such engagements, stakeholders in turn derive benefits such as expanded visibility, resource base and networks.

One such platform is the **Forum for Institutions Supporting Constitutional Democracy (FISD)** as a collaborative body of Constitutional institutions. The provincial forums share annual performance plans and collaborate in the implementation of outreach activities and thus minimise duplication of similar work with the same community. Such collaborations also afford an opportunity to members of the public to access the services of various institutions as a collective.

The Commission supports and actively participates in various advocacy related interventions as partners with other human rights organisations and government departments and agencies. Such participation by the Commission is not limited to its own planned activities but extends to it lending advocacy support to other stakeholders, whilst maintaining its independence and autonomy. These interventions by their sheer statistical magnitude vastly widen the reach for human rights awareness. As with all the Commission's outreach work, sustained collaboration amongst stakeholders is required so as to have effective and long lasting solutions to the various challenges that hinder the public's enjoyment of human rights.

While the statistics for all public outreach activities and key stakeholder and collaborative engagements are significant in terms of reach, the Commission observed that in general, community attendance demonstrated identifiable trends. Events were largely attended by females, the elderly and unemployed youths. Attendance by males and persons with disabilities was minimal. The skewed attendance may be influenced by a number of factors, but point to a need for targeted interventions to reach groups currently not being reached by outreach activities.

In comparison to the previous year, interventions on the right to equality increased to 45% of collaborative events and covered topics such as gender, disability, children, youth, non-nationals, older persons, albinism and sexual orientation. Engagements on section 27 rights - water and sanitation, education, health care, social security and housing increased to 35%. Engagements on access to justice constituted the remaining 20% of the collaborative stakeholder engagements undertaken during 2018-2019.

### ***Collaboration and Memoranda of Understanding and/or Agreement***

As one of the key outcomes of stakeholder engagements, the Commission signed various Memoranda of Understanding (MoU) and/or Agreement (MoA). Over the last two financial years, the Commission signed 19 MoU / MoA, thirteen of which were signed during the period under review. The main purposes for these were to collaborate and foster initiatives that promote, protect, and monitor observance of human rights as provided for in the Constitution and the Bill of Rights.

The Commission will monitor implementation of implied memoranda activities to ensure realisation of intended outcomes. Some of the memoranda issues should be carried forward through future planning, as already identified in the strategic direction for the next 5 year planning cycle. For an example, the MoU signed with the South African Local Government Association (SALGA) would assist in advocating for the respect for, advancement and attainment of human rights at local government level.

The standing memoranda were signed with the following stakeholders:

- a) The Law Society of South Africa
- b) The South-Western Institute for International and Comparative Law
- c) Big Brands Media Foundation Not for Profit
- d) Commission for Conciliation, Mediation and Arbitration
- e) The Military Ombud
- f) Nelson Mandela Foundation
- g) Save the Children Foundation
- h) South African Police Service
- i) University of South Africa
- j) Public Protector of South Africa
- k) South African Local Government Association
- l) Sol Plaatjie University (Northern Cape)
- m) South African Police Services (Northern Cape)
- n) Consumer Protector (Northern Cape)
- o) Moral Regeneration Movement (Mpumalanga)
- p) Midvaal Local Municipality (Gauteng)
- q) Motheo Training Institute Trust (Gauteng)
- r) South African Council of Churches (Gauteng)

#### Media and communications

##### **Average Value Equivalent and reach**

With more than 2 000 media and communications activities during the financial year, the total media coverage of the Commission earned an Average Value Equivalent (AVE) amounting to more than R250 million. This amount reflects the total cost the SAHRC would have paid if it had purchased the media space. In addition, the Commission reached an audience of more than 3.6 billion people across print, broadcast and online media.

Volume, Audience, Value and Sentiment of Coverage of the SAHRC 2018-2019						
Media Type	Number of Items	Audience Reached	AVE	Positive	Neutral	Negative
Print	2210	812 931 027	R37 924 249,00	30,81%	66,33%	2,81%
Broadcast	1887	2 482 158 724	R79 484 381,45	41,55%	57,60%	0,85%
Online	3614	352 345 981	R134 305 881,00	37,19%	61,70%	1,05%

**Table: Year-on-Year analysis of social media following**

Platform	Followers	New followers
Twitter 2016-17	35 568	6 650
Twitter 2017-18	46 449	10 881
<b>Twitter 2018-19</b>	<b>57 000</b>	<b>10 551</b>
Facebook 2016-17	9 308	1 664
Facebook 2017-18	11 234	1 926
<b>Facebook 2018-19</b>	<b>14 180</b>	<b>2 946</b>

**Top media coverage issues**

The following human rights areas and issues, which the Commission dealt with, received the largest media interest during the financial year under review:

- a) Equality – Race
- b) Water and sanitation – Vaal River pollution; and other general concerns
- c) Healthcare
- d) Migration
- e) Right to Protest
- f) Launches of SAHRC Reports: Equality; and Complaints Trends Analysis

**Table 7: Achievements on deepening the understanding of human rights to entrench a human rights culture**

Strategic Objective 2: Deepen the understanding of human rights to entrench a human rights culture						
Objective Statement: Effective advocacy for the adoption of human rights- based positions and approaches; Intensify capacity building, public education and awareness through public outreach engagements to empower people to effectively realise their rights; ensure accessibility of human rights educational material in different formats and languages; and comprehensive communications strategies.						
Performance indicator	Actual achievement 2017/18	Annual Planned target 2018/19	Actual achievement 2018/19	Reasons for deviation from planned target for 2018/19	Variance from 2017/18 to 2018/19 achievement	Comment on variances/ corrective measures
Number of outreach and key stakeholder engagements conducted	Full implementation of annual (advocacy and communication) plan deliverables	778 engagements	1132 engagements	Additional engagements necessitated by arising unforeseen issues, as well as responding to collaborative initiatives of other institutions.	Target realised as part of the plan deliverables in 2017/18 and exceeded in 2018/19	None
Number of media and	Full implementation of	403 activities	3847 activities	Target exceeded due to the	Target realised as	None

## Strategic Objective 2: Deepen the understanding of human rights to entrench a human rights culture

**Objective Statement:** Effective advocacy for the adoption of human rights- based positions and approaches; Intensify capacity building, public education and awareness through public outreach engagements to empower people to effectively realise their rights; ensure accessibility of human rights educational material in different formats and languages; and comprehensive communications strategies.

Performance indicator	Actual achievement 2017/18	Annual Planned target 2018/19	Actual achievement 2018/19	Reasons for deviation from planned target for 2018/19	Variance from 2017/18 to 2018/19 achievement	Comment on variances/ corrective measures
communications activities conducted	annual (advocacy and communication) plan deliverables			multiplier effect inherent in the nature of the activities. E.g. one story attracts multiple interviews and reactions across a range of media, which often call for further activities in response.	part of the plan deliverables in 2017/18 and exceeded in 2018/19	
Percentage implementation of annual know your constitution campaign plan	Full implementation of annual (advocacy and communication) plan deliverables	100%	100%	Target achieved	None	None
Development of educational material	Full implementation of annual (advocacy and communication) plan deliverables	8 pamphlets	8 pamphlets	Target achieved	None	None
Number of human rights day events hosted	Full implementation of annual (advocacy and communication) plan deliverables	10 events	11 events	Target exceeded by 1 event due to innovative conceptualisation and increased efforts	Target exceeded in 2017/18 and 2018/19	None
Number of calendar day events hosted	Full implementation of annual (advocacy and communication) plan deliverables	10 events	35 events	Target exceeded by 25 due to innovative conceptualisation and increased efforts	Target exceeded in 2017/18 and 2018/19	None
Completion of advocacy and communications report	1 report completed	Complete one report	1 report completed	Target achieved	None	None

### **3.4.3 Strategic Objective 3: Take steps to secure appropriate redress where human rights have been violated**

This strategic objective mainly relates to the protection mandate of the Commission and involves responsiveness to human rights concerns in the country through handling complaints; conducting investigations; instituting litigation and hosting hearings to address systemic challenges.

#### **Litigation**

This section provides a summary of court cases in which the Commission successfully litigated, either as a party or as attorneys of record, and received favourable judgements. It also indicates matters involving the Commission which are currently pending before the courts, as well as the nature of such matters.

#### **A. Nedbank Limited v Julia Mampuru Thobejane and Other Related Matters Case no.: 84041/2015 (Gauteng High Court Division, Pretoria).**

On 26 September 2018, the full bench of the North Gauteng High Court delivered a judgment on the matter of Nedbank limited v Thobejane and other related matters. The Thobejane matter concerns a practice by the banks to institute legal proceedings against defaulting home owners in the High Court when the Magistrates' Court closer to the debtors' homes also has jurisdiction to hear the matter. Some of the debtors' homes were situated hundreds of kilometres away in Limpopo and the North West. None of them defended the actions against them, and the banks proceeded to apply for default judgments.

The Court ordered that as from the 2 February 2019, civil actions and/or applications, where the monetary value claimed is within the jurisdiction of the Magistrates' Courts be instituted in the Magistrates' Court having the jurisdiction, unless the High Court has granted leave to hear the matter in the High Court. The Court further held that the High Court has the power to transfer a matter to another court if it is in the interest of justice to do so.

The judgment takes cognisance of the importance of access to courts, particularly by indigent debtors. It is certainly timely and seeks to enhance access to justice for the vulnerable segments of our society.

#### **B. South African Human Rights Commission v Velaphi Khumalo EQ 6/2016 and EQ1/2108.**

On 22 November 2016, the Commission approached the Equality Court to obtain appropriate relief against Mr Khumalo for posting inflammatory social media statements amounting to hate speech in terms of section 10 of the Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000 (PEPUDA).

In August 2017, the Commission and Mr Khumalo concluded a settlement agreement in terms of which Mr Khumalo agreed that his utterances amounted to hate speech, and to apologise to all South Africans and refrain from publishing or propagating hate speech.

Mr Khumalo later filed an answering affidavit, wherein he retracted his admissions that his utterances were hate speech as contemplated in Section 10 (1) of PEPUDA. On 5 October 2018, the Equality Court delivered a judgment in favour of the Commission and declared Mr Khumalo's utterances as hate speech prohibited in terms of in section 10(1) of PEPUDA.

The Respondent was directed to apologise to all South Africans within 30 days of the court order; and interdicted from repeating similar utterances. The matter would also be referred to the National Prosecuting Authority for possible prosecution.

**C. SAHRC vs Edward Zuma - Case no: 45/2017 (Equality Court, Durban)**

On 20 September 2017, the application in terms of the provisions of the Equality Act in terms of which the Commission sought an order, amongst other, declaring that the impugned utterances of the Mr Edward Zuma amount to hate speech, based on race, in terms of section 10(1) of the Equality Act.

On 22 May 2018, a settlement agreement between the parties was made an order of the Equality Court. In terms of the court order:

- a. Zuma's utterances were declared as amounting to hate speech in terms of section 10 of the Equality Act.
- b. Zuma was ordered to apologise for his hate speech utterances.
- c. Zuma was ordered to pay damages in the amount of R60 000 to two impoverished schools in KwaZulu-Natal.

**D. National Credit Regulator v Standard Bank (SAHRC admitted as an amicus curiae)**

On 19 June 2018, the Gauteng Local Division of the High Court of South Africa heard the Commission's application to be admitted as an amicus and to adduce evidence on the impact of the common law set-off on the human rights of debtors. Standard Bank opposed our application to adduce evidence as amicus, and asked for costs against us. In deliberating on the argument for admission and to adduce evidence, the court considered Rule 16A, and precedent, and on its interpretation, ordered in favour of the Commission. In particular the court was persuaded that the role of the Commission as amicus and the evidence it would provide, could bring value to the interpretative exercise and issues to which it has to apply its mind. AJ Chohan handed down on 28 June 2018. This judgement will be very valuable for all amici in the future.

**E. South African human rights Commission v Oscar Peter Bougaardt (EC 13/2013)**

In October 2013, the Commission lodged a complaint against the Respondent in the Equality Court for making denigrator and offensive remarks against Gays and Lesbians. After the institution of the Equality Court proceedings, the Commission explored a mediation resolution to the matter. The mediation was successful and

the parties concluded a settlement agreement which was made an order of the Equality Court. In October 2015, two complaints were received about the Respondent again making denigrator and offensive remarks against Gays and Lesbians which had caused the Commission to approach the Equality Court in 2013. The Pastor made comments which incite hatred of and encourage violence towards LGBTIQA persons more particularly homosexuals.

The Commission instituted a contempt of court application against the Respondent in light of the fact that his on-going conduct impacts on the rights of a number of members within LGBTI community and society as a whole – hate speech. On 18 May 2018, the Western Cape High Court sitting as the Equality Court handed down judgment and made an order on the following terms:

1. Respondent was found to have been in contempt of 11 August 2014 Court Order and committed to prison for a period of 30 days;
2. The committal order was suspended for a period of 5 years on condition that the Respondent does not breach the terms of the Court Order during such period.

#### **Litigation Matters instituted during the current financial year**

1. *South African Human Rights Commission v Bongani Masuku* concerning an appeal against the judgment of the Supreme Court of Appeal (initiated).
2. *Nelson Mandela Foundation Trust // Afriforum NPC* (SAHRC intervening as an amicus curiae) concerning whether the gratuitous display of the old South African flag contravenes section 10 of the Promotion of Equality and Prevention of Unfair Discrimination Act of 2000 (Equality Act) (amicus intervention).
3. *South African Human Rights Commission v Andile Mngxitama* concerning Mr Mngxitama's hate speech in terms of section 10 of the Equality Act (initiated).
4. *Essau v Essau and Others (WLC v President of RSA and Others)* – conditional application for leave to intervene in the Constitutional Court (amicus intervention).

#### **Litigation Matters currently in equality courts**

The Commission is involved in a number of matters before the equality courts. The matters that are most frequently litigated by the Commission in the Equality Courts concern race-based discrimination and hate speech involving the use of derogatory and racist remarks.



### *Litigation Matters instituted in equality courts during 2018-19*

Office	Number instituted	Judgement
EC	9	0
FS	8	0
GP	14	3
KZN	4	0
LP	6	1
MP	13	1
NC	5	0
NW	5	0
WC	2	0
National	6	
<b>Total</b>	<b>72</b>	<b>5</b>

### **Alternative dispute resolutions**

The success rate for alternative dispute resolution (ADR) during the period under review was 79%, with 72 out of the finalised 91 cases successfully mediated.

Office	Number initiated	Successful
EC	2	2
FS	22	22
GP	14	10
KZN	8	7
LP	5	3
MP	17	10
NC	5	4
NW	10	9
WC	8	5
National	0	0
<b>Total</b>	<b>91</b>	<b>72</b>

### **Completion of previous hearings reports**

In the past few years the Commission had experienced challenges in completing hearings reports. A decision was taken for this financial year to focus on completion of all outstanding reports based on previous hearings.

By the end of the financial year, the Commission had completed three (and already launched one) of the five targeted outstanding reports. The remaining two were at advanced final drafting and review stages. The completed reports are as follows:

- a) 'State of Mental Healthcare' (launched);
- b) 'Land'; and
- c) 'Safety and Security in North West Special Schools'.

The outstanding reports are:

- d) 'Social Cohesion and Xenophobia'; and
- e) 'Racism and Social Media'.

The delays experienced in the completion of these reports may be attributed to capacity challenges arising from the vacant head position of the responsible unit.

### Complaints handling

The number of complaints and enquiries finalised by the Commission exceeded the planned annual targets.

**Table 7: Finalisation of cases year-on-year**

Financial year	Total caseload	Finalised cases	Percentage achievement
2013-14	9 217	8 550	93%
2015-16	9 238	8 200	89%
2016-17	9 730	8 498	87%
2017-18	9 450	7 843	83%
2018-19	10 448	8 491	81%

**Table 4: Achievement against planned targets for steps to secure appropriate redress where human rights have been violated**

Strategic Objective 3: Take steps to secure appropriate redress where human rights have been violated						
Objective Statement: Responsive to human rights concerns; conducting investigations; instituting litigation and hosting hearings to address systemic challenges.						
Performance indicator	Actual achievement 2017/18	Annual Planned target 2018/19	Actual achievement 2018/19	Reasons for deviation from planned target for 2018/19	Variance from 2017/18 to 2018/19 achievements	Comment on variances/ corrective measures
Number of complaints and enquiries finalised	83%	8029	8491	Annual target exceeded by 462 due to the success of improvement plans.	Changed from percentage target to actual figures	Changed from percentage target to actual figures
Number of strategic impact litigation matters instituted	-	2	4	Annual target exceeded by 2 as necessitated by arising issues	New indicator	New indicator
Completion of Annual Trends Analysis Report by 30 September 2018	1 report completed	Complete one report	Draft report completed	Target partially achieved	Target partially achieved in 2018/19	Capacity constraints. Critical posts to be filled in 2019/20

**Strategic Objective 3: Take steps to secure appropriate redress where human rights have been violated**

**Objective Statement:** Responsive to human rights concerns; conducting investigations; instituting litigation and hosting hearings to address systemic challenges.

Performance indicator	Actual achievement 2017/18	Annual Planned target 2018/19	Actual achievement 2018/19	Reasons for deviation from planned target for 2018/19	Variance from 2017/18 to 2018/19 achievements	Comment on variances/ corrective measures
Completion of previous hearing reports	Hosting 4 national hearings	Complete 5 hearing reports	3 reports and 2 drafts completed	Target partially achieved	Target partially achieved in 2018/19	Capacity constraints. Critical posts to be filled in 2019/20

**3.4.4 Strategic Objective 4: Conduct research to monitor, assess and report on the observance of human rights**

The strategic objective relates to the Commission giving effect to the constitutional monitoring mandate through pursuing various research outcomes and outputs as set out in the Commission's strategic plan and annual performance plan.

***State of Human Rights in South Africa Report***

The Report identifies crucial human rights issues that arose through the course of the Commission's work in recent years, particularly during the period from late 2017 until early 2019. It reflects the four overarching strategic focus areas of the Commission, namely poverty, unemployment, inequality and violence; while incorporating and monitoring relevant Sustainable Development Goals (SDGs). The Report further monitors, assesses and makes advisory recommendations related to key human rights issues in South Africa, while recognising the interdependence and interrelated nature of all human rights. It serves to empower civil society and communities while advising government on issues of law, policy and conduct.

The Commission has accordingly observed some progress in government's progressive realisation of the right of access to health care services, and have made advisory recommendations where challenges remain. The right to a basic education, which is theoretically 'immediately realisable', further continues to be violated through skewed resource distribution and other factors. Vulnerable groups – especially on the bases of race, ethnicity, gender and disability – continue not to enjoy the benefit and protection of the law on an equal basis as others. Unfair discrimination on the grounds of race, gender and sexual orientation, and disability persist. Furthermore, hate speech continues to the detriment of social cohesion, and in a context of considerable legal uncertainty. Systemic patterns of discrimination moreover the ability of vulnerable groups to enjoy the rights to health care, basic education and access to justice on a comparable basis as those who do not face structural discrimination. Civil and political rights are prejudiced by, amongst others, the persistence of trafficking in persons, and inadequate training in respect of important legislation such as the Regulation of Gatherings Act. However, Parliament's approval for the ratification of OPCAT marks a significant milestone for those deprived of their liberty.

It is hoped that the information and advisory recommendations contained in the Report contribute toward the establishment of a society embedded with the values of dignity, equality and justice for all.

### ***Civil and Political Rights Research Brief***

The Brief focuses on “Structural violence and exclusion: Interrogating the issue of urban land occupation in South Africa”.

The SAHRC is appreciative of the gains achieved by the South African government in progressively realising the right of access to adequate housing and related property rights. However, it notes that the challenges and recommendations made in its 2015 hearing report to address them, amongst others, similarly remain. These include the lack of allocation of well-located land for low-cost housing; policy incoherence and institutional fragmentation; inadequate monitoring and evaluation, particularly at a local government level; and the diversity of housing available remains limited. Poor communities remain physically excluded from social and economic opportunities located in urban centres, and encounter numerous forms of violence when attempting to access the promises articulated in the Constitution. In addition to structural challenges, statements made by political leaders of urban metropolises exacerbate social tensions and can have the implication of fuelling violence as the country struggles to adequately advance social, economic and political reform.

Increasingly it has been recognised that a balance needs to be struck between the aspirational ideals of human rights, and the pragmatic considerations that may limit their realisation due to limited resources available to developing economies in particular. These limitations notwithstanding, as articulated by the Office of the High Commissioner for Human Rights, adopting a rights based approach to policy-making considers that “*budget allocations are prioritized towards the most marginalized or discriminated against; provision is made for essential minimal levels for all rights; there is progressive improvement in human rights realization; and particular rights are not deliberately realised at the cost of others*”.<sup>1</sup>

### **Key Recommendations from the Civil and Political Rights Research Brief**

The SAHRC recommends that:

- a) The State must prioritise initiatives to advance integrated housing developments, through the provision of low-income and social housing, on well-located urban land for poor communities that facilitates active participation in economic, social and cultural aspects of life. Further, the State must develop a plan on how it aims to facilitate the needs of marginalised groups, including people who are poor, young people and women.

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<sup>1</sup> OHCHR, “Frequently asked questions on a human rights-based approach to development cooperation”, 2006, p 12.

- b) Building on existing research on the nature of poverty in South Africa, the government is required to urgently develop a comprehensive national poverty baseline, which must also take particular account of persons with irregular or seasonal income and must include non-nationals.
- c) With respect to low-income rental accommodation, the Department of Human Settlements (DHS) and other relevant government departments must develop systems to accommodate unemployment or irregular employment.
- d) Provincial and local governments, with the assistance of the DHS, must develop and update proper systems to identify poorly serviced buildings in urban centres and informal settlements, the needs of occupants and protections required for the exercise of their rights, including measures to prevent the exploitation of vulnerable and marginalised people.
- e) The DHS in collaboration with other relevant government departments is required to urgently develop annual forecasting mechanisms to anticipate and accommodate new economic migrants to urban centres. Such mechanisms should further provide for the monitoring of existing and newly established informal settlements in order to enhance the ability of municipalities to plan and upgrade informal settlements.
- f) The DHS, together with relevant government departments, should consider a moratorium on evictions by both State entities and private property owners from informal settlements in urban centres. Where evictions are required for the upgrading of informal settlements, municipalities must ensure that evictions are an option of last resort with the full consent of affected communities.
- g) The South African Police Services (SAPS) must review existing initiatives and approaches for the purposes of achieving accuracy in respect of legal interpretation and understanding, including rights friendly execution of its responsibilities as a service. Specific matters for attention in this regard, as discussed above, include the language employed to describe unlawful land occupation and the implications of criminalising poor communities; alignment of action with judicial pronouncements; and consistency in the application of applicable statutes such as the PIE Act. Similar human rights education is required for private contractors, such as the "Red Ants", who assist in the execution of eviction orders.
- h) Particular care should be exercised by political parties and political leaders to guard against expression which could have adverse consequences and which spurs discrimination against vulnerable and marginalised groups, on the basis of race, ethnicity, nationality or social status, as provided for in PEPUDA.

### ***Research Brief: Land, Gender and Socio-Economic Rights***

The research brief highlights women's land and socio-economic rights challenges and how the two intersect. It further seeks to centre women in the land debate. Access to land and secure tenure is essential for women to live a life with dignity, and to meaningfully participate in society. The Brief found that women remain in conditions of insecure land tenure and thus have difficulty accessing other socio-economic rights. Women do not appear to be a priority in the State's land redistribution programme, even though they remain the most vulnerable and

marginalised members of society. The research brief highlighted serious concerns that women remain vulnerable and dependent on male relatives or partners for access to land. The Commission believes that the State should institute measures to address the specific issues and challenges faced by women in securing land, which will assist with the realisation of housing rights – linked to economic advantages such as access to credit; access to food and basic services and ultimately lead to a reduction in poverty for women and a realisation of their inherent dignity.

### **Advisory Recommendations**

The Commission recommends that the Department of Rural Development and Land Reform should draft a policy roadmap on how it will redistribute land in order to change land ownership patterns in terms of race, gender and class. The state should prioritise black people and women, particularly women living on communal land and women living on farms in its redistribution initiatives. People who live in rural and peri-urban areas should be prioritised. The Commission believes that such a roadmap would empower people to access land on an equitable basis.

The Commission further recommends that relevant departments review the role of traditional leadership with particular attention to women's concerns about access to land and standing before traditional courts and report back to the Commission. It is the Commission's position that traditional authority should be exercised with human rights in mind and should not limit the rights of women and other vulnerable groups.

### ***Research Brief: The Sustainable Development Goals and the Role of National Human Rights Institutions with particular focus on the South African context***

The Commission has actively been monitoring the progression of the international development discourse since the adoption of the Millennium Development Goals through to the Sustainable Development Goals (SDGs). Congruently, there has been great evolution in the development of National Human Rights Institutions during the same period and increasingly greater recognition of the significant human rights role that these institutions can play in the sustainable development arena. The SAHRC recognises that the SDGs reflect a commitment by State Parties to achieve transformation through sustainable development and the realisation of all human rights. Through its activities the SAHRC notes that Agenda 2030 (and Agenda 2063), resonates with the country's commitment to the principle of equality and that several of the SDGs link directly to the right to equality. Furthermore, that there are several complementarities between the goals and socio-economic as well as civil and political rights.

The SAHRC has been actively involved in operationalising the SDGs both internally, within its institutional framework as well as externally with key stakeholders. To this end, the SAHRC has extended support to Statistics South Africa (StatsSA) as well as the Department of Planning, Monitoring and Evaluation (DPME), and other government departments, in several discourses related to the SDGs in South Africa. The Commission particularly highlights the fact that the institution provided support to the compilation of the country's baseline report which was launched at the United Nations General Assembly in September 2017. Following the launch of the report, the SAHRC was invited by StatsSA to participate in the country's first National Consultative Meeting in June 2018,

which sought to commence the process of compiling South Africa's first country report on the SDGs. The meeting also set out to establish 'Sectoral Working Groups' (SWG) to facilitate necessary discussions and submit information required to inform the country report.

In addition, the SAHRC recommended that StatsSA convene a dialogue with all constitutional institutions regarding the unique role that these institutions can play in the SDG process.

The SAHRC is cognisant that the DPME, which evaluates government-provided information against the outcomes envisaged in South Africa's National Development Plan, works closely with Stats SA and thus both these bodies will also be closely consulted. The Commission also intends assessing the government data consolidated by StatsSA and will draw on external sources of data as generated by key stakeholders in civil society. In terms of accountability mechanisms, budget analysis will be also conducted where appropriate, so as to assess whether government's resource allocation aligns with its commitments under the SDGs.

It should also be noted that the SAHRC has gradually observed an increase in the number of requests from external stakeholders who seek independent information on the progress of SDG implementation in South Africa. The SAHRC has also noted that through its engagement with international and regional human rights mechanisms, that increasingly recommendations emanating from these supranational bodies contain reference to the SDGs. This enables the SAHRC to hold the government to account for both their treaty body obligations as well as the associated SDGs, and in doing so, adding another layer of accountability to its monitoring processes.

The research brief highlights the evolution of the development agendas, tracking its progress from the MDGs to Rio+20 and ultimately the SDGs. The brief contextualised the SDGs within the parameters of NHRIs and provided insight on the critical role these institutions play in the attainment of the global goals. While the High Level Political Forum and Voluntary National Review processes are still very much at fledgling stages, it is indeed encouraging to see the pace at which the international community is investing in the SDGs and the extent of stakeholders who are committed to the process. The role of NHRIs can only further evolve positively through these processes and ultimately foster an efficient human rights-based sustainable development architecture, which indeed ensures that the 'Future we Want' ensures that 'No one is left behind'.

#### **Monitoring implementation of reports recommendations and directives**

In order to strengthen the monitoring of implementation of recommendations, the Commission included a specific performance indicator in the annual performance plan. A different approach has been incorporated into operational plans and entails:

- a. Identifying emerging trends across issues raised in various reports from the past;
- b. Synthesising the issues to identify narrowed focus on select key issues;
- c. Correspondence with national and provincial stakeholders to follow up on the identified issues;
- d. Assessment, analysis and verification of stakeholder responses to the issues;

- e. Identification of further required action; and
- f. Preparation of a monitoring and evaluation report indicating progress with the identified issues.

### ***Implementation of recommendations from the Report on Underlying Socio-economic Challenges of Mining Affected Communities in South Africa***

The SAHRC met with the Inter-Ministerial Task Team for the Revitalisation of Distressed Mining Towns and Labour Sending Areas (IMC) for a briefing on the report. The IMC welcomed the briefing and committed, on behalf of the relevant departments, to ensure implementation of the report's recommendations and directives. Various follow-up mechanisms were also identified to enhance this undertaking.

### ***Implementation of recommendations from the Report on Transformation at Universities***

1. Following the launch of the SAHRC's Report, the Department of Higher Education and Training (DHET) developed an annual reporting template, guided by the SAHRC's report. At an engagement held during the period under review, to streamline university reporting in this regard, the SAHRC's report was lauded for being a crucial intervention that has driven the way transformation is being understood and dealt with in the higher education sector.
2. Each year by June, universities are required to report to the DHET, and the information requested is categorised in accordance with the themes set out in the SAHRC's Report, namely:
  - i. Governance, monitoring and accountability
  - ii. Institutional Culture
  - iii. Curriculum, research and knowledge production
  - iv. Staff equity
  - v. Student support
  - vi. Language
  - vii. Complaints management
  - viii. Disability management
  - ix. Collaboration and community engagement

The engagement was reflective of the effectiveness that the SAHRC's Transformation Report has on driving a deeper understanding of the content and meaning of transformation within the higher education sector. Despite multiple ongoing interventions in the sector, the SAHRC's Report is regarded as being the central reference document. The SAHRC's Report has served as the basis for the development of reporting and monitoring template implemented by the DHET, and has further instigated several additional interventions by sector stakeholders.

### ***Implementation of recommendations from the Housing, Local Governance and Service Delivery Report***



The Commission enacted a resolution previously adopted with the National Department of Human Settlements (NDHS) to engage at least three times a year to review progress made with respect to the previous recommendations and reflect on other economic and social rights issues.

An engagement in this regard was held during the second quarter (July 2018). The engagement was meant to take stock of the extent to which the NDHS has gone in terms of implementing the recommendations of the SAHRC and discussing issues of mutual interest and concern. The NDHS committed to allocating the Commission a permanent seat at the National Housing Policy, Research and Strategy Task Team.

In terms of the responses previously provided by the NDHS to the Commission, the NDHS had indicated some progress relating to the following:

- a) Revision of the National Housing Programme to adequately deal with inner city evictions.
- b) Crafting of the human settlement code to simplify processes and procedures.
- c) National Emergency Housing Fund/Grant for emergency relief measures.
- d) Research study and policy development process to revise the current Emergency Housing Assistance Programme with the view to introduce a solution for high density inner city temporary or short term affordable rental housing provision.
- e) Study on derelict buildings by metropolitan municipalities.
- f) Development of a comprehensive national rental strategy.

In addition, the Commission had further engaged with the National Home Builders Registration Council (NHBC) on the steps taken by the Council in terms of recommendations directed at it. In response, the NHBC indicated that it has adopted a joint programme and engagement plan with municipalities and the provincial departments of human settlements to create beneficiary awareness. It stated that it has also developed a brochure which contains information on recourse mechanisms for beneficiaries.

### ***Implementation of recommendations from the Report on the Right to Access to Sufficient Water and Decent Sanitation in South Africa***

In 2012, the SAHRC hosted public hearings across the country and produced a report highlighting systemic failures in governance and budgeting, particularly in the implementation and spending on projects, as well as a lack of monitoring and evaluation of contractors by government. At the hearings, the Department of Basic Education (DBE) indicated that a sector plan with timelines for the provision of water and sanitation facilities at schools was in place, and committed that by the end of the 2014/2015 year, all schools would have access to potable water and adequate sanitation. Relevant recommendations included, *inter alia*:

- a) The Presidency and DPME would ensure coordination and oversight over the provision of water and sanitation
- b) Contracts with private service providers must be monitored

- c) The DBE was required to put in place a plan to address water and sanitation backlogs in schools within a specified timeframe, which plan was to be made available to schools, the public and civil society organisations
- d) The DBE was also required to work with Departments of Human Settlements and Water Affairs to ensure all deadlines are met and plans adhered to
- e) That the special needs of girls were to be prioritised
- f) That the DBE ensure that its new norms and standards for school infrastructure makes the provision of clean drinking water and dignified sanitation to schools compulsory and must not be in competition for funding with other resources
- g) The Departments of Health and Basic Education must strengthen existing hygiene education in communities and schools

Following multiple stakeholder engagements, site visits, research and investigations, the SAHRC noted that transformation of the sanitation situation at schools was not taking place at an adequate pace. The SAHRC engaged with the Deputy Minister of Basic Education, who provided an interim report on the matter. The interim report, in essence, outlined the standing challenges and backlogs with respect to water and sanitation infrastructure and facilities at schools.

Stakeholders agreed on the need to develop a collective strategy to address and closely monitor the situation in relation to the development of an adequate emergency implementation plan by the Department. Furthermore, the following undertakings were made by the relevant stakeholders:

- a) SAHRC to share information received from DBE with stakeholders, with a request that they assist in assessing the accuracy.
- b) Should the process reveal gaps and inadequacies, there will be a need to consider mechanisms available to obtain structural relief, which may include litigation.
- c) The next meeting will be scheduled once information has been shared, and stakeholders have had an opportunity to adequately assess the content. Thereafter, the appropriate next steps will be determined.

#### ***Implementation of recommendations from the Report on Emergency Medical Services in the Eastern Cape***

The report recommendations made by the SAHRC broadly related to:

- a) Legislative and policy framework: national standards, demographics, policy formulation and awareness, and definitions
- b) Ambulances: adequacy, suitability, and equipment
- c) Planned patient transportation services
- d) Response times, data management and staff awareness and accountability
- e) Human resources: planning, recruitment and retention, and empowerment

- f) Accessibility of emergency medical services
- g) Planning and policy development: alignment, relevance of indicators, human rights and gendered approaches
- h) Community engagement and awareness
- i) Inter-governmental coordination and collaboration for social transformation

The Commission engaged with the Eastern Cape MEC for Health and discussed issues specifically relating to:

- a. Shortages of specialised personnel in some hospitals
- b. Shortage of ambulances
- c. Inadequacy of facilities especially in rural areas
- d. Long queues and waiting times in government hospitals
- e. Access to reproductive healthcare in schools

The engagement resulted broadly in the following undertaking:

- a. The provincial office of the Commission to sit in quarterly engagements with the Health Department to monitor and discuss progress
- b. Consideration was underway on planning for the provision of mobile clinics and facilities in rural areas
- c. Agreements between identified hospitals to share specialised personnel
- d. Staff training considerations
- e. Sharing of integrated cross-departmental policies and plans (Education; Social Development; and Health) that seek to alleviate some of the identified problems
- f. Reflection on the budget allocation to assess progressive realisation of the right to health

**Table 8: Achievement against planned targets for research to monitor, assess and report on the observance of human rights**

<b>Strategic Objective 4: Conduct research to monitor, assess and report on the observance of human rights</b>						
<b>Objective Statement:</b> Conducting Research in fulfilment of constitutional and legislative monitoring and reporting mandate relating to economic and social rights; equality and unfair discrimination; access to information; and international and regional human rights treaties.						
<b>Performance indicator</b>	<b>Actual achievement 2017/18</b>	<b>Planned target 2018/19</b>	<b>Actual achievement 2018/19</b>	<b>Reasons for deviation from planned target for 2018/19</b>	<b>Variance from 2017/18 to 2018/19 achievements</b>	<b>Comment on variances/ corrective measures</b>
Completion of State of Human Rights in South Africa report	Completed: Three ESR research briefs; Equality report; and Civil and Political Rights Report	Complete Report	Report completed	Target achieved	None	None
Number of research briefs completed	Three ESR Briefs completed	Complete 4 briefs	4 briefs completed	Target achieved	None	None
Number of research seminars hosted	N/A	Host 4 seminars	3 seminars hosted	Target missed by 1 seminar	New indicator	4 <sup>th</sup> seminar not hosted due to cancellation by external stakeholders
Completion of PAIA Annual report by 30 Sept 2018	One report completed	Complete one report by 30 Sept 2018	Completed one report by 30 Sept 2018	Target achieved	Target achieved	None
Percentage submission on draft legislation	Complete report	100%	100% (8 submissions made by deadline)	Target achieved	Target achieved	None
Percentage submissions of NHRI reports to supranational bodies	100%	100%	100% (14 submissions made by deadline)	Target achieved	Target achieved	None
Monitoring the implementation of reports recommendations	N/A	Complete annual monitoring report on implementation of recommendations	1 Report completed	Target achieved	Target achieved	None

### Strategies to deal with areas of under-performance

The following planned performance targets were either not or partially achieved during the 2018-19 financial year:

**Table 10: Areas of under-performance**

Code	Performance Indicator	Annual Target	Actual achieved	Reasons for under-achievement and corrective measures
1.2	Percentage implementation of risk management plans	100%	95%	(Some of the controls in corporate services could not be implemented due to certain related policies not yet approved). All controls will be implemented in the new financial year, following approval of the policies.
1.3	Percentage implementation of annual integrated human resources management plan	100%	89%	Aspects of the following not fully implemented: Capacity development – postponement of training by service providers due to low trainee numbers. Succession planning – delayed due to frozen positions. Performance management – Some delayed submissions due to disputes; and incomplete system automation. Stricter monitoring will be applied to capacity development and performance management aspects. Succession planning will be implemented regardless of frozen positions.
1.4	Percentage implementation of annual ICT Plan	100%	91%	Data recovery rehearsals not conducted due to system lacking back up functionality at the time. All rehearsals will be conducted in the new financial year.
1.6	Percentage adherence with Corporate Services Charter	100%	93%	Delays in incident investigations and security assessments. Challenges in sourcing service providers for facilities management. Stricter monitoring will be applied to ensure full adherence.
1.10	Percentage resolution of audit findings	100%	81%	81% of targeted 100% (Total of 190 findings:  81% Resolved;  9.5% In progress;  9.5% Open.) Delays in resolution of findings due to capacity constraints. Stricter monitoring and consequence management will be applied to ensure full resolution.
3.3	Completion of Annual Complaints Trends Analysis Report	Complete Report by 30 Sept 2018	Draft Report completed	Approval of report delayed due to capacity constraints and vacancies. Critical posts will be filled during 2019-20.
3.4	Completion of previous hearings reports	5 reports	3 reports	Two reports delayed due to vacancies. Reports were at advanced final drafting stages and will be completed during the first quarter of the new financial year.
4.3	Number of Research Seminars hosted	4 seminars	3 seminars	One seminar could not be hosted on time due to cancellation by external stakeholders. Arrangements have been made with different stakeholders to proceed with the Seminar in the new financial year.

## PART C: CORPORATE GOVERNANCE

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### INSTITUTIONAL GOVERNANCE ARRANGEMENTS

#### COMMISSIONERS

The Commissioners provide leadership and guidance concerning the professional work of the Commission by facilitating the South African human rights agenda at the international, regional, national, and provincial levels. The Commissioners are committed to business integrity, transparency, and professionalism in all activities. As part of this commitment, the Commissioners support the highest standards of corporate governance and the ongoing development of best practice.

The members of the Commission for the year under review include:

**Table 11: Members of the Commission 2018-19**

	<b>Name</b>	<b>Appointment status</b>
1.	Adv. B. C. Majola	Chairperson Full time – appointed January 3, 2017
2.	Ms. D. P. Jana	Deputy Chairperson Full time – appointed January 3, 2017
3.	Adv. A. H. Gaum	Full time – appointed January 3, 2017
4.	Adv. M. S. Ameerlia	Full time – appointed February 3, 2014
5.	Ms. M. A. Makwetla	Full time – appointed January 3, 2017
6.	Adv. J. B. Malatji	Full time – appointed January 3, 2017
7.	Mr. A. C. Nissen	Part time – appointed January 3, 2017
8.	Mr. J. Sibanyoni	Part time – appointed January 3, 2017

#### RISK MANAGEMENT

Legislating the implementation of risk management in public sector institutions is part of a macro strategy of the government to ensure the achievement of public sector institutional goals and objectives. For the Commission, this mandate can be found in Section 77 of the Public Finance Management Act (Act 1 of 1999 as amended by Act 29 of 1999, Treasury Regulations TR3.1.10, and Treasury Regulations TR3.1.13). Risk management, therefore, forms an integral part of the Commission's plan to deliver effectively and efficiently on its mandate.

The Commission continues to recognise the importance of risk management to ensure the realisation of objectives and, therefore, endeavors to comply with the requisite legislation as it pertains to risk management. The Chief Financial Officer is responsible for the risk management processes in the Commission, and facilitates the development and review of a risk register while also monitoring the implementation of a risk management plan. The register and plan capture institutional strategic risks and mitigating actions, and are reviewed for progress on a quarterly basis.

## **COMPLIANCE WITH LAWS AND REGULATIONS**

The function of legislative and regulatory compliance has been delegated to the heads of units to ensure compliance with the relevant legislation and statutes pertaining to their programmes. Compliance in relation to core operations is the responsibility of the Chief Operations Officer, while corporate and financial-related compliance issues are the responsibility of the Chief Financial Officer. The Chief Executive Officer has the ultimate responsibility to monitor and ensure institutional and financial compliance as the accounting officer. The Chairperson as Executive Authority is responsible for overall strategic and governance oversight.

## **INSTITUTIONAL GOVERNANCE FRAMEWORK**

The Commission established various governance structures to enhance delivery on the constitutional mandate through provision of strategic direction and oversight; ensuring operational effectiveness and efficiencies; as well as legislative compliance. These governance structures include committees of Commissioners; Section 11 Advisory Committees; Audit Committee; Risk Management Committee; Executive Management Committee; and various other committees set up in response to legislative requirements and operational effectiveness.

## **AUDIT COMMITTEE**

The Audit Committee Report reflecting on the composition and responsibilities of the Audit Committee is included with the Annual Financial Statements.

## PART D: HUMAN RESOURCES MANAGEMENT

### HUMAN RESOURCES MANAGEMENT

#### *Expenditure*

The following tables summarise final audited expenditure by programme (Table 12) and by salary bands (Table 13). In particular, these tables provide an indication of the amount spent on personnel costs in terms of each programme or salary band within the department.

**Table 12: Personnel costs by programme for 2018 to 2019**

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel cost as a percentage of total expenditure	Average personnel cost per employee (R'000)
Chief Executive Officer	11,109	9,487	20	1,601	85%	862
Commissioners	19,047	17,714	70	1,262	93%	805
Corporate and financial support services	54,238	20,890	214	33,133	39%	568
Programme support	81,100	71,733	361	9,007	88%	690
<b>Total</b>	<b>165,493</b>	<b>119,825</b>	<b>665</b>	<b>45,003</b>	<b>72%</b>	<b>689</b>

**Table 13: Personnel costs by salary bands for 2018 to 2019**

Salary bands	Personnel expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)
Lower skilled (levels 1-2)	1,744	1%	159
Skilled (levels 3-5)	1,733	1%	259
Highly skilled production (levels 6-8)	27,550	23%	403
Highly skilled supervision (levels 9-12)	58,794	49%	795
Senior management (levels 13-16)	30,004	25%	1,155
<b>Total</b>	<b>119,825</b>	<b>100%</b>	<b>642</b>



The following tables provide a summary per programme (Table 14) and salary bands (Table 15), of expenditure incurred as a result of salaries, overtime, home owners' allowance, and medical assistance. In each case, the table provides an indication of the percentage of personnel budget used for these items.

**Table 14: Salaries, overtime, home owners' allowance, and medical assistance by programme for 2018 to 2019**

Programme	Salaries		Overtime		Home owners' allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical assistance as a % of personnel cost
Chief Executive Officer	9,487	8%	-	-	63	1%	331	3%
Commissioners	17,714	15%	-	-	398	2%	297	2%
Corporate and financial support services	20,890	17%	1	1%	613	3%	1,127	5%
Programme support	71,733	60%	39	-	1,376	2%	2,174	3%
<b>Total</b>	<b>119,825</b>	<b>100%</b>	<b>40</b>	<b>0%</b>	<b>2,451</b>	<b>2%</b>	<b>3,929</b>	<b>3%</b>

**Table 15: Salaries, overtime, home owners allowance, and medical assistance by salary bands for 2018 to 2019**

Salary bands	Salaries		Overtime		Home owners' allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical assistance as a % of personnel cost
Lower skilled (levels 1-2)	1,744	1%	-	-	174	8%	139	6%
Skilled (levels 3-5)	1,733	1%	-	-	95	5%	168	9%
Highly skilled production (levels 6-8)	27,550	23%	1	-	983	3%	1,699	6%
Highly skilled supervision (levels 9-12)	58,794	49%	39	0.1%	832	1%	1,575	2%
Senior management (levels 13-16)	30,004	25%	-	-	368	1%	357	1%
<b>Total</b>	<b>119,825</b>	<b>100%</b>	<b>40</b>	<b>0.1%</b>	<b>2,451</b>	<b>2%</b>	<b>3,929</b>	<b>3%</b>

**Employment and vacancies**

**Table 16: Employment and vacancies by programme at March 31, 2019**

Programme	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Chief Executive Officer	12	11	8%	-
Commissioners	23	22	4%	-
Corporate and financial support services	40	37	8%	-
Programme support	123	104	15%	-
<b>Total</b>	<b>198</b>	<b>174</b>	<b>12%</b>	<b>-</b>

**Table 17: Employment and vacancies by salary bands at March 31, 2019**

Salary band	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Lower skilled (levels 1-2)	11	11	0%	-
Skilled (levels 3-5)	6	6	0%	-
Highly skilled production (levels 6-8)	74	61	18%	-
Highly skilled supervision (levels 9-12)	78	73	6%	-
Senior management (Levels 13-16)	29	26	21%	-
<b>Total</b>	<b>198</b>	<b>174</b>	<b>12%</b>	<b>-</b>

**Table 18: Employment and vacancies by critical occupation for March 31, 2019**

Critical occupations	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Legal	55	52	5%	-
Advocacy and Communications	24	20	17%	-
Research	13	9	31%	-
<b>Total</b>	<b>92</b>	<b>81</b>	<b>12%</b>	<b>-</b>

## Job evaluation

The Public Service Regulations 1999, introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in an organisation. In terms of the regulations, all vacancies on salary levels nine and higher must be evaluated before they are filled.

The following table (Table 19) summarises the number of jobs evaluated during the year under review. The table also provides statistics on the posts that were upgraded or downgraded.

**Table 19: Job evaluation for April 1, 2018 to March 31, 2019 (including vacant positions)**

Salary band	Number of posts	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels 1-2)	-	-	-	-	-	-	-
Skilled (levels 3-5)	-	-	-	-	-	-	-
Highly skilled production (levels 6-8)	-	-	-	-	-	-	-
Highly skilled supervision (levels 9-12)	-	-	-	-	-	-	-
Senior management service, band A	-	-	-	-	-	-	-
Senior management service, band B	-	-	-	-	-	-	-
Senior management service, band C	-	-	-	-	-	-	-
Senior management service, band D	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-

**Table 20: Profile of employees whose salary positions were upgraded because their posts were upgraded from April 1, 2018 to March 31, 2019 (excluding vacant positions)**

Beneficiaries	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-
Employees with a disability	-	-	-	-	-

## Employment changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band (Table 5.1) and by critical occupations (Table 5.2). These "critical occupations" should be the same as those listed in Table 3.3.

**Table 21: Annual turnover rates by salary band for April 1, 2018 to March 31, 2019**

Salary band	Number of employees per band at April 1, 2018	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (levels 1-2)	11	-	-	-
Skilled (levels 3-5)	6	-	-	-
Highly skilled production (levels 6-8)	70	-	4	6%
Highly skilled supervision (levels 9-12)	71	1	3	4%
Senior management service, band A (level 13)	22	-	3	12%
Senior management service, band B (level 14)	3	-	-	-
Senior management service, band C (level 16)	1	-	-	-
<b>Total</b>	<b>173</b>	<b>1</b>	<b>11</b>	<b>6%</b>

**Table 22: Annual turnover rates by critical occupation for April 1, 2018 to March 31, 2019**

Occupation	Number of employees per occupation at April 1, 2018	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Legal services	55	1	4	7%
Advocacy and Communications	19	0	1	5%
Research	11	0	2	18%
<b>Total</b>	<b>85</b>	<b>1</b>	<b>7</b>	<b>8%</b>

**Table 23: Reasons why staff are leaving the department**

Termination type		
Death	-	
Resignation	10	
Retrenchment	-	
Expiry of contract	1	
Dismissal – operational changes	-	
Dismissal – misconduct	-	
Dismissal – inefficiency	-	
Discharged due to ill-health	-	
Retirement	-	
Transfers to other public service departments	-	
Other (voluntary separation package)	-	
<b>Total</b>	<b>11</b>	
<b>Total number of employees who left as a % of the total employment</b>	<b>6%</b>	

**Table 24: Promotions by critical occupation**

Occupation	Employees at April 1, 2018	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Legal services	55	1	2%	38	69%
Advocacy and Communications	19	-	-	10	53%
Research	11	-	-	6	55%
<b>Total</b>	<b>85</b>	<b>1</b>	<b>1%</b>	<b>54</b>	<b>64%</b>

**Table 25: Promotions by salary band**

Salary band	Employees at April 1, 2018	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (levels 1-2)	11	-	-	11	100%
Skilled (levels 3-5)	6	-	-	6	100%
Highly skilled production (levels 6-8)	61	-	-	58	95%
Highly skilled supervision (levels 9-12)	73	1	1%	54	74%
Senior management (levels 13-16)	23	-	-	16	70%
<b>Total</b>	<b>174</b>	<b>1</b>	<b>1%</b>	<b>134</b>	<b>77%</b>

**Employment equity**

**Table 26: Total number of employees in each of the following occupational bands at March 31, 2019 (including part-time Commissioners)**

Occupational bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	4	1	1	1	1	0	2	0	11
Senior management	8	1	0	0	2	1	0	0	13
Professionally qualified and experienced specialists and mid-management	26	3	0	2	25	5	3	4	68
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	9	0	1	0	30	2	1	2	45
Semi-skilled and discretionary decision-making	3	0	0	1	18	1	0	0	23
Unskilled and defined decision-making	3	0	0	0	12	1	0	0	16
<b>Total</b>	<b>53</b>	<b>5</b>	<b>2</b>	<b>4</b>	<b>88</b>	<b>10</b>	<b>6</b>	<b>6</b>	<b>174</b>

**Table 28: Recruitment (including employees with disabilities and research associates) for April 1, 2018 to March 31, 2019.**

Occupational bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	1	0	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision-making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Employees with disabilities</b>	-	-	-	-	-	-	-	-	-

**Table 29: Promotions (including employees with disabilities) for April 1, 2018 to March 31, 2019**

Occupational bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	-	-	-	-	-	-	-	-	-
Senior management	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management	1	-	-	-	-	-	-	-	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	-	-	-	-	-	-	-	-	-
Semi-skilled and discretionary decision-making	-	-	-	-	-	-	-	-	-
Unskilled and defined decision-making	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
Employees with disabilities	-	-	-	-	-	-	-	-	-



**Table 30: Terminations (including employees with disabilities, interns, and contractors) for April 1, 2018 to March 31, 2019**

Occupational bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	0	0	0	0	0
Senior management	1	0	0	0	0	0	0	1	2
Professionally qualified and experienced specialists and mid-management	1	0	0	0	1	0	0	1	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	1	0	1	0	3
Semi-skilled and discretionary decision-making	0	0	0	0	2	0	0	0	2
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>10</b>
Employees with disabilities	0	0	0	0	1	0	0	0	1

**Table 31: Disciplinary action for April 1, 2018 to March 31, 2019**

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
<b>Disciplinary action</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>

**Table 32: Skills development for April 1, 2018 to March 31, 2019**

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials, and managers	3	1	0	0	1	0	1	0	6
Professionals	6	1	0	0	4	3	1	2	17
Technicians and associate professionals	20	0	1	1	27	1	0	1	51
Clerks	3	0	0	1	14	0	0	0	18
Elementary occupations	2	0	0	0	11	1	0	0	14
<b>Total</b>	<b>34</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>57</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>106</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

### Performance rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 6.1), salary bands (Table 6.2) and critical occupations (Table 6.3).

**Table 33: Performance rewards by race, gender, and disability for April 1, 2018 to March 31, 2019**

	Beneficiary profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
<b>Total African</b>	<b>58</b>	<b>150</b>	<b>39%</b>	<b>2,862</b>	<b>49</b>
Male	40	60	67%	1,266	32
Female	18	90	20%	1,596	89
<b>Total Asian</b>	<b>6</b>	<b>8</b>	<b>75%</b>	<b>189</b>	<b>32</b>
Male	1	2	50%	19	19
Female	5	6	83%	170	34
<b>Total Coloured</b>	<b>17</b>	<b>21</b>	<b>81%</b>	<b>528</b>	<b>31</b>
Male	4	5	80%	147	37
Female	13	16	81%	381	29
<b>Total White</b>	<b>7</b>	<b>12</b>	<b>58%</b>	<b>193</b>	<b>28</b>
Male	2	4	50%	42	21
Female	5	8	63%	151	30
<b>Employees with a disability</b>	<b>2</b>	<b>2</b>	<b>100%</b>	<b>40</b>	<b>20</b>
<b>Total</b>	<b>90</b>	<b>193</b>	<b>47%</b>	<b>3,812</b>	<b>42</b>

**Table 34: Performance rewards by salary bands for personnel below senior management service for April 1, 2018 to March 31, 2019**

Salary bands	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (levels 1-2)	11	11	100%	69	6	0%
Skilled (levels 3-5)	5	6	83%	65	13	0,1%
Highly skilled production (levels 6-8)	53	69	77%	1,074	20	0,9%
Highly skilled supervision (levels 9-12)	60	81	74%	1,940	32	1,6%
<b>Total</b>	<b>129</b>	<b>167</b>	<b>77%</b>	<b>3,148</b>	<b>24</b>	<b>2.6%</b>

**Table 35: Performance- related rewards (cash bonus) by salary band for senior management service**

Salary band	Beneficiary profile			Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within band			
Band A	13	21	62%	595	46	0%
Band B	2	3	67%	71	36	0%
Band C	0	1	0%	0	0	0%
Band D	0	1	0%	0	0	0%
<b>Total</b>	<b>15</b>	<b>26</b>	<b>58%</b>	<b>666</b>	<b>44</b>	<b>1%</b>

### Foreign workers

The tables below summarise the employment of foreign nationals in the department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

**Table 36: Foreign workers for April 1, 2018 to March 31, 2019 by salary band**

Salary band	April 1, 2018		March 31, 2019		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (levels 1-2)	-	-	-	-	-	-
Skilled (levels 3-5)	-	-	-	-	-	-
Highly- skilled production (levels 6-8)	1	14%	1	14%	-	-
Highly- skilled supervision (levels 9-12)	5	71%	5	71%	-	-
Senior management (levels 13-16)	1	14%	1	14%	-	-
<b>Total</b>	<b>7</b>	<b>100%</b>	<b>7</b>	<b>100%</b>	<b>-</b>	<b>-</b>

**Table 37: Foreign workers for April 1, 2018 to March 31, 2019 by major occupation**

Major occupation	April 1, 2018		March 31, 2019		Change	
	Number	% of total	Number	% of total	Number	% change
Legal	2	33%	2	33%	0	0%
Education	0	0%	0	0%	0	0%
Research	4	67%	4	67%	0	0%
<b>Total</b>	<b>6</b>	<b>100%</b>	<b>6</b>	<b>100%</b>	<b>-</b>	<b>0%</b>

**Leave utilisation for January 1, 2018 to March 31, 2019**

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 34) and disability leave (Table 35). In both cases, the estimated cost of the leave is also provided.

**Table 38: Sick leave for January 1, 2018 to March 31, 2019**

<b>Salary band</b>	<b>Total days</b>	<b>% days with medical certification</b>	<b>Number of employees using sick leave</b>	<b>% of total employees using sick leave</b>	<b>Average days per employee</b>
Lower skilled (levels 1-2)	64	-	5	45%	12.8
Skilled (levels 3-5)	42	-	5	83%	8.4
Highly- skilled production (levels 6-8)	469	-	58	95%	8.1
Highly- skilled supervision (levels 9-12)	445	-	55	75%	8.1
Senior management (levels 13-16)	103	-	12	52%	8.6
<b>Total</b>	<b>1 123</b>	<b>-</b>	<b>135</b>	<b>78%</b>	<b>8.3</b>

**Use of annual leave:** The wage agreement (concluded with trade unions in the PSCBC in 2000), requires management to take annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

**Table 39: Annual leave for January 1, 2018 to March 31, 2019**

Salary bands	Total days taken	Average per employee
Lower skilled (levels 1-2)	122	11
Skilled (levels 3-5)	169	28
Highly- skilled production (levels 6-8)	662	11
Highly- skilled supervision (levels 9-12)	739	10
Senior management (levels 13-16)	245	11
<b>Total</b>	<b>1 937</b>	<b>11</b>

The following table summarises payments made to employees as a result of leave that was not taken.

**Table 40: Leave pay-outs for April 1, 2018 to March 31, 2019**

Reason	Total amount (R'000)	Number of employees	Average payment per employee (R'000)
Leave pay-out for 2018 to 2019 for the non-use of leave in previous cycle	-	-	-
Capped leave pay-outs on termination of service for 2018 to 2019	-	-	-
Current leave pay-out on termination of service for 2018 to 2019	162	10	16
<b>Total</b>	<b>162</b>	<b>10</b>	<b>16</b>

#### **HIV/ AIDS and Health Promotion Programmes**

**Table 41: Steps taken to reduce the risk of occupational exposure**

Units/categories of employees identified to be at high risk of contracting HIV/AIDS and related diseases (if any)	Key steps taken to reduce the risk
None. ICAS has a full-fledged HIV/AIDS unit that the Commission's staff members may access 24 hours a day, 7 days a week. Contact details are readily available to staff	An HIV/AIDS and health awareness workshop was held on December 2018

**Table 42: Details of health promotion and HIV/AIDS programmes (tick the applicable boxes and provide the required information)**

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI, section? E of Chapter 1 of the Public Service Regulations, 2001? If so, provide the name and position.		X	Not applicable to the SAHRC
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of employees? If so, indicate the number of employees involved in this task and the annual budget available for this purpose.	X		Five members (R90 000)
3. Has the department introduced an employee assistance or health promotion programme for employees? If so, indicate the key elements and/or services of this programme.	X		ICAS counselling, wellness, health advice, and financial advice
4. Has the department established (a) committee(s) as contemplated in Part VI, Section E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) they represent.		X	Not applicable to the SAHRC
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies and/or practices so reviewed.	X		The Employee Handbook.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		Wellness day, health education and voluntary screening



7. Does the department encourage its employees to undergo voluntary counselling and testing? If so, list the results achieved.	X		Employees were given time to undertake VCT and interact with the health officials during an annual Wellness day.
8. Has the department developed measures and/or indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures and/or indicators.		X	Health promotion through ICAS services. Quarterly reports are provided and analysed.

**Table 43: Misconduct and disciplinary hearings finalised for April 1, 2018 to March 31, 2019**

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	-	-
Verbal warning	-	-
Written warning	-	-
Final written warning	1	100%
Suspended without pay	-	-
Fine	-	-
Demotion	-	-
Dismissal	-	-
Not guilty	-	-
Case withdrawn	-	-
<b>Total</b>	<b>1</b>	<b>100%</b>

**Table 44: Types of misconduct addressed at disciplinary hearings**

Type of misconduct	Number	% of total
Insolence and disobedience	-	-
Poor performance termination	-	-
Gross dishonesty	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Table 45: Grievances lodged for April 1, 2018 to March 31, 2019**

	Number	% of total
Number of grievances resolved	4	80%
Number of grievances not resolved	1	20%
<b>Total number of grievances lodged</b>	<b>5</b>	<b>100%</b>

**Skills development**

This section highlights the efforts of the department with regard to skills development.

**Table 46: Training needs identified for April 1, 2018 to March 31, 2019**

Occupational categories	Gender	Number of employees at April 1, 2018	Training needs identified at start of reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials, and managers (levels 13-16)	Female	6	-	6	-	6
	Male	9	-	9	-	9
Professionals (levels 11-12)	Female	10	-	10	-	10
	Male	7	-	7	-	7
Technicians and associate professionals (levels 8-10)	Female	29	-	27	2	29
	Male	22	-	21	1	22
Clerks (levels 4-7)	Female	14	-	14	-	14
	Male	4	-	4	-	4
Service and sales workers	Female	-	-	-	-	-
	Male	-	-	-	-	-

Skilled agriculture and fishery workers	Female	-	-	-	-	
	Male	-	-	-	-	
Craft and related trades workers	Female	-	-	-	-	
	Male	-	-	-	-	
Plant and machine operators and assemblers	Female	-	-	-	-	
	Male	-	-	-	-	
Elementary occupations (levels 1-3)	Female	12	-	12	-	12
	Male	2	-	2	-	2
<b>Sub Total</b>	<b>Female</b>	<b>71</b>	<b>-</b>	<b>71</b>	<b>2</b>	<b>71</b>
	<b>Male</b>	<b>44</b>	<b>-</b>	<b>44</b>	<b>1</b>	<b>44</b>
<b>Total</b>		<b>115</b>	<b>-</b>	<b>115</b>	<b>3</b>	<b>115</b>

**Table 47: Training provided for April 1, 2018 to March 31, 2019**

Occupational categories	Gender	Number of employees at April 1, 2018	Training provided within the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials, and managers	Female	2	-	2	-	2
	Male	4	-	4	-	4
Professionals	Female	10	-	10	-	10
	Male	7	-	7	-	7
Technicians and associate professionals	Female	29	-	27	2	29
	Male	22	-	21	1	22
Clerks	Female	14	-	14	-	14
	Male	4	-	4	-	4
Service and sales workers	Female	-	-	-	-	
	Male	-	-	-	-	
Skilled agriculture and fishery workers	Female	-	-	-	-	
	Male	-	-	-	-	
Craft and related trades workers	Female	-	-	-	-	
	Male	-	-	-	-	

Plant and machine operators and assemblers	Female	-	-	-	-	
	Male	-	-	-	-	
Elementary occupations	Female	12	-	12	-	12
	Male	2	-	2	-	2
<b>Sub Total</b>	<b>Female</b>	<b>67</b>	<b>-</b>	<b>53</b>	<b>2</b>	<b>67</b>
	<b>Male</b>	<b>39</b>	<b>-</b>	<b>36</b>	<b>1</b>	<b>39</b>
<b>Total</b>		<b>106</b>	<b>-</b>	<b>89</b>	<b>3</b>	<b>106</b>

### ***Injury on duty***

The following tables provide basic information on injury on duty.

**Table 48: Injury on duty for April 1, 2018 to March 31, 2019**

Nature of injury on duty	Number	% of total
Required basic medical attention only	-	•
Temporary total disablement	-	•
Permanent disablement	-	•
Fatal	-	•
<b>Total</b>	<b>•</b>	<b>•</b>

### **Utilisation of consultants**

**Table 49: Report on consultant appointments using appropriated funds**

Project title	Total number of consultants that worked on the project	Duration: work days	Contract value in Rand
Organisational Culture Change Management	3	60	R 339 250,00
Organisational structure re-redesign	2	60	R 210 000,00

**Table 50: Analysis of consultant appointments using appropriated funds in terms of historically disadvantaged individuals**

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
None	None	None	None

**Table 51: Report on consultant appointments using donor funds**

Project title	Total number of consultants that worked on the project	Duration: work days	Donor and contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration: work days	Total contract value in Rand
N/A	N/A	N/A	N/A

**Table 52: Consultant appointments using donor funds in terms of historically disadvantaged individuals**

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
N/A	N/A	N/A	N/A





**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## General Information

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**Country of incorporation and domicile**

South Africa

**Members**

Adv BC Majola  
Ms DP S Jana  
Adv. AH Gaum  
Adv MS Ameerma  
Ms MA Makwela  
Adv. JB Malatji  
Mr AC Nissen  
Mr J Sibanyoni

**Registered office**

33 Hoofd Street  
Braampark Forum III  
Braamfontein  
2017

**Business address**

33 Hoofd Street  
Braampark Forum III  
Braamfontein  
2017

**Postal address**

Private Bag x2700  
Houghton  
2041

**Auditors**

Auditor General South Africa  
Registered Auditors



# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

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# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Audit Committee Report

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The Audit Committee is pleased to present its report for the financial year ended 31 March 2019.

### Audit committee members and attendance

The Audit Committee consists of the members listed hereunder. During the current year four (4) scheduled meetings were held and one (1) special audit committee meeting.

Name of member	Number of meetings attended
Mr W Hattingh* (Chairperson)	4
Ms M Sikhosana** ( Chairperson)	5
Mr G Matthee	4
Ms V Menye***	0

\* Term as Chairperson ended 31 December 2018

\*\* Appointed as chairperson on 21 January 2019

\*\*\* Appointed as a member on 21 January 2019

### Audit committee responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 77 of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that it has not reviewed changes in accounting policies and practices.

### Corporate Governance

The Committee is of the opinion that the SAHRC continues to strive towards complying with sound principles of corporate governance through the implementation of its governance framework. The Committee is not aware of any issues of non-compliance with corporate governance.

### Compliance

During the current financial year, the Committee monitored and was comfortable with the compliance of various pieces of legislation impacting the SAHRC. The Committee is not aware of any areas of non-compliance. Although no areas of non-compliance were identified, there is however a need to improve the system of monitoring of compliance with legislation within the Commission.

### Effectiveness of Internal Controls

The systems of controls are designed to provide reasonable assurance that policies, processes, tasks, behaviours and other aspects of the Commission, taken together, facilitate its effective and efficient operation, help to ensure the quality of internal and external reporting, and help to ensure compliance with applicable laws and regulations. In line with the PFMA and King Report on Corporate Governance requirements, Internal Audit provides the Committee with assurance that the internal controls are appropriate and effective. This is achieved by means of reviews and testing of the design, implementation and effectiveness of internal controls as well as the identification of corrective actions and suggested enhancement to the internal controls and processes.

From the various reports of the Internal Auditors, the Audit Report on financial statements, and the management letter of the Auditor General South Africa ("AGSA"), it was noted that no significant or material non-compliance with prescribed policies and procedures have been reported. Accordingly, we can report that the systems of internal control for the period under review were efficient and effective.

### Risk Management

In fulfilling its oversight responsibilities, in relation to risk management, the Committee reviewed the risk management framework, and monitored the implementation of risk mitigation strategies.

In our opinion the SAHRC's approach to the risk management processes is partially adequate and effective. There is a need to improve the system of risk management within the Commission

### Performance Management

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Audit Committee Report

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The Committee is of the opinion that the performance management system was fully functional during the period under review and this has resulted in the SAHRC being in a position to accurately measure and reflect the performance against predetermined objectives as required by the legislation.

### In-Year Management and Quarterly Reports

The Audit Committee has noted and is satisfied with the content and quality of the Quarterly Reports prepared and issued by the Accounting Officer during the year under review.

### Evaluation of Financial Statements

The audit committee has:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the auditors;
- Reviewed the Auditor-General of South Africa's management letter and management's response thereto;
- Reviewed changes in accounting policies and practices;
- Reviewed the entities compliance with legal and regulatory provisions;
- Reviewed significant adjustments resulting from the audit.

### Auditor's Report

The Audit Committee concurs and accepts the conclusions of the external auditor on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the auditor.



Ms Masasi Sikhosana  
Chairperson of the Audit Committee  
South African Human Rights Commission

Date: 30 July 2019

# **Report of the auditor-general to Parliament on South African Human Rights Commission**

## **Report on the audit of the financial statements**

### **Opinion**

1. I have audited the financial statements of the South African Human Rights Commission set out on pages ... to ..., which comprise the statement of financial position as at 31 March 2019, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the South African Human Rights Commission as at 31 March 2019, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

### **Basis for opinion**

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the constitutional institution in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code), parts 1 and 3 of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

6. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the PFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting officer is responsible for assessing the South African Human Rights Commission'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.

### **Auditor-general's responsibilities for the audit of the financial statements**

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

### **Report on the audit of the annual performance report**

#### **Introduction and scope**

10. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected strategic objectives presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
11. My procedures address the reported performance information, which must be based on the approved performance planning documents of the constitutional institution. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
12. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected strategic objectives presented in the annual performance report of the constitutional institution for the year ended 31 March 2019:

<b>Strategic objectives</b>	<b>Pages in the annual performance report</b>
Strategic objective 2: Deepen the understanding of human rights to entrench a human rights culture	xx – xx
Strategic objective 3: Take steps to secure appropriate redress where human rights have been violated	xx – xx

Strategic objectives	Pages in the annual performance report
Strategic objective 4: Conduct research to monitor, assess and report on the observance of human rights	xx – xx

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

14. The material finding in respect of the usefulness and reliability of the selected strategic objectives is as follows:

**Strategic objective 2: Deepen the understanding of human rights to entrench a human rights culture**

**Number of outreach and key stakeholder engagements conducted**

15. The achievement for the target 778 engagements reported in the annual performance report was 1132. However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 1258.

16. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following strategic objectives:

- Strategic objective 3: Take steps to secure appropriate redress where human rights have been violated
- Strategic objective 4: Conduct research to monitor, assess and report on the observance of human rights

**Other matters**

17. I draw attention to the matters below.

**Achievement of planned targets**

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

**Adjustment of material misstatements**

19. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of strategic objective 2: deepen the understanding of human rights to entrench a human rights culture. As management subsequently corrected only some of the misstatements, I raised material

findings on the reliability of the reported performance information. Those that were not corrected are reported above.

## Report on the audit of compliance with legislation

### Introduction and scope

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

21. The material findings on compliance with specific matters in key legislations are as follows:

### Procurement and contact management

22. Some of the goods and services of a transaction value above R500 000 were procured without inviting competitive bids as required by treasury regulations 16A6.1

### Expenditure management

23. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R2 203,723, as disclosed in note 33 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by deviation from competitive bidding without approval from the National Treasury.

## Other information

24. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected strategic objectives presented in the annual performance report that have been specifically reported in this auditor's report.

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

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

27. If based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

## Internal control deficiencies

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

**significant internal control deficiencies that resulted in the findings on the annual performance report and on the findings on compliance with legislation included in this report.**

**29. Management did not adequately review and monitor compliance with legislation**

**30. Management did not prepare regular, accurate and complete performance reports that are supported and evidenced by reliable information**

*Auditor General*

**Pretoria**

**31 July 2019**



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**AUDITOR-GENERAL  
SOUTH AFRICA**

*Auditing to build public confidence*



## **Annexure – Auditor-general’s responsibility for the audit**

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected strategic objectives and on the constitutional institution’s compliance with respect to the selected subject matters.

### **Financial statements**

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

### **Communication with those charged with governance**

3. I communicate with the accounting 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.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Chief Executive Officer Report

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The members submit their report for the year ended 31 March 2019.

### 1. Incorporation

The entity was incorporated on 01 March 1996 and obtained its certificate to commence business on the same day.

### 2. Going concern

We draw attention to the fact that at 31 March 2019, the entity had an accumulated surplus of R 27 074 thousand and that the entity's total assets exceed its liabilities by R 27 074 thousand.

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business for the next 12 months.

### 3. Commissioners

Below are the members of the executive authority during the year under review:

Name	Nationality
Adv BC Majola	South Africa
Ms DP S Jana	South Africa
Adv. AH Gaum	South Africa
Adv MS Ameerma	South Africa
Ms MA Makwella	South Africa
Adv. JB Malatji	South Africa
Mr AC Nissen	South Africa
Mr J Sibanyoni	South Africa

### 4. Corporate governance

#### General

The Commissioners is committed to business integrity, transparency and professionalism in all its activities. As part of this commitment, the Commissioners supports the highest standards of corporate governance and the ongoing development of best practice.

The entity confirms and acknowledges its responsibility to total compliance with the Code of Corporate Practices and Conduct ("the Code") laid out in the King Report on Corporate Governance for South Africa. The Commissioners have applied King IV principles and have developed a corporate governance framework to implement those principles.

#### Functioning of the Audit Committee

The SAHRC Audit Committee continues to function and has met five times during the period under review. The Audit Committee is responsible for improving management by providing oversight over the audit functions, internal controls and the financing process

#### Internal Audit

In line with the PFMA requirements, the internal audit activity provides the Audit Committee and management assurance that the internal controls are appropriate and effective. This is achieved by means of objective appraisal and evaluation of the risk management process, internal control and governance processes. The audit plan is responsive to the Commission's risk profile. For the year under review Internal Audit executed 100% of the approved plan.

The Internal Audit activity is fully supported by management, the Commissioners and the Audit Committee, and has full unrestricted access to all organisational activities records, property and personnel.

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Chief Executive Officer Report

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### Internal Control

The Commission has the ultimate responsibility for establishing a framework for internal controls, including an appropriate procurement and provisioning system. The controls throughout the Commission focus on those critical risk areas identified by operational risk management, confirmed by management and assessed by the auditors. The controls are designed to provide cost-effective assurance that assets are safeguarded and that the available working capital is managed efficiently and economically.

Organisational policies, procedures and the delegation of authority provide direction, accountability and division of responsibilities, and contain self-monitoring mechanism. The designed internal controls are closely monitored by both management and Internal Audit, and action is taken to correct any deficiencies identified

### 5. Auditors

Auditor General South Africa will continue in office for the next financial period.

### 6. Risk Management

The legislating of the implementation of risk management in the public sector institutions is part of a macro strategy of the South Africa government towards ensuring the achievement of public sector institutional goals and objectives. For the Commission, this mandate can be found in Section 77 of the Public Finance Management Act (Act 1 of 1999 as amended by Act 29 of 1999; Treasury Regulation 3.1.10 and Treasury Regulations 3.1.13) Risk management therefore forms an integral part of the Commission's plan to deliver effectively and efficiently on its mandate.

The Commission continues to recognise the importance of risk management in ensuring its objectives and therefore endeavours to comply with the requisite legislation as it pertains risk management.

The risk management process is facilitated by the Chief Financial Officer who is also responsible for chairing the Risk Management Committee.

### 7. Approval of finances

The financial statements fairly represent the state of affairs of the Commission as at 31 March 2019. The statements are the responsibility of the Commission while the auditors are responsible for reporting on the fair presentation of these financial statements. The annual financial statements reflect appropriate accounting policies and adhere to applicable accounting standards.

The annual financial statements for the year ended 31 March 2019 were submitted to the Audit Committee for review. The Executive Authority has approved these financial statements on 30 July 2019, in terms of section 40(1)(c) of the Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended.

The annual financial statements set out on page 13 to 46, which have been prepared on the going concern basis, were approved by Commissioners on 30 July 2019 and were signed on its behalf by:



Adv T Thipanyane  
Chief Executive Officer  
South African Human Rights Commission

**South African Human Rights Commission**  
Annual Financial Statements for the year ended 31 March 2019

**Statement of Financial Position as at 31 March 2019**

	Note(s)	2019 R '000	2018 R '000
<b>Assets</b>			
<b>Current Assets</b>			
Inventories	6	111	212
Operating lease asset	4	-	32
Receivables from exchange transactions	7	149	46
Prepayments	5	890	664
Cash and cash equivalents	8	28 658	12 226
		<b>29 808</b>	<b>13 180</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipments	2	13 886	15 086
Intangible assets	3	1 345	1 446
		<b>15 231</b>	<b>16 532</b>
<b>Total Assets</b>		<b>45 039</b>	<b>29 712</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Finance lease obligation	9	1 434	2 258
Operating lease liability	4	861	39
Payables from exchange transactions	13	2 819	2 292
Unspent conditional grants and receipts	10	300	132
Provisions	11	3 200	2 682
Employee benefits	12	1 293	1 240
Provision for leave accrued	11	5 136	4 874
		<b>15 043</b>	<b>13 517</b>
<b>Non-Current Liabilities</b>			
Finance lease obligation	9	223	1 658
Operating lease liability	4	2 699	3 232
		<b>2 922</b>	<b>4 890</b>
<b>Total Liabilities</b>		<b>17 965</b>	<b>18 407</b>
<b>Net Assets</b>		<b>27 074</b>	<b>11 305</b>
Accumulated surplus		27 074	11 305

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Statement of Financial Performance

	Note(s)	2019 R '000	2018 R '000
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Administrative fees		1 015	128
Donation Income	15	77	102
Interest received - investment		1 496	1 119
<b>Total revenue from exchange transactions</b>	<b>14</b>	<b>2 588</b>	<b>1 349</b>
<b>Revenue from non-exchange transactions</b>			
<b>Transfer revenue</b>			
Government grants & subsidies		178 830	173 360
<b>Total revenue</b>	<b>14</b>	<b>181 418</b>	<b>174 709</b>
<b>Expenditure</b>			
Employee related costs	16	(119 919)	(114 337)
Depreciation and amortisation		(2 025)	(4 212)
Finance costs	17	(298)	(479)
Lease rentals on operating lease		(17 896)	(15 237)
Debt Impairment	18	(45)	-
General Expenses	19	(25 236)	(32 892)
<b>Total expenditure</b>		<b>(165 419)</b>	<b>(167 157)</b>
<b>Surplus for the year from continuing operations</b>		<b>15 999</b>	<b>7 552</b>
Loss on disposed of asset and liability		(230)	(119)
<b>Surplus for the year</b>		<b>15 769</b>	<b>7 433</b>

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Statement of Changes in Net Assets

	Accumulated surplus R '000	Total net assets R '000
<b>Balance at 01 April 2017</b>	<b>3 873</b>	<b>3 873</b>
Changes in net assets		
Surplus for the year	7 432	7 432
<b>Total changes</b>	<b>7 432</b>	<b>7 432</b>
<b>Balance at 01 April 2018</b>	<b>11 305</b>	<b>11 305</b>
Changes in net assets		
Surplus for the year	15 769	15 769
<b>Total changes</b>	<b>15 769</b>	<b>15 769</b>
<b>Balance at 31 March 2019</b>	<b>27 074</b>	<b>27 074</b>

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Cash Flow Statement

	Note(s)	2019 R '000	2018 R '000
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Non exchange revenue- Government grant		178 830	173 360
Administrative fees		1 015	128
Interest income		1 496	1 119
Donation Income		246	234
		<b>181 587</b>	<b>174 841</b>
<b>Payments</b>			
Employee costs		(121 414)	(118 400)
Suppliers		(40 185)	(47 970)
Finance cost		(298)	(479)
		<b>(161 897)</b>	<b>(166 849)</b>
<b>Net cash flows from operating activities</b>	<b>21</b>	<b>19 690</b>	<b>7 992</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipments	2	(1 194)	(1 011)
Purchase of other intangible assets	3	-	(888)
<b>Net cash flows from investing activities</b>		<b>(1 194)</b>	<b>(1 899)</b>
<b>Cash flows from financing activities</b>			
Finance lease payments		(2 064)	(2 156)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>16 432</b>	<b>3 937</b>
Cash and cash equivalents at the beginning of the year		12 226	8 289
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>28 658</b>	<b>12 226</b>

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Statement of Comparison of Budget and Actual Amounts

### Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R '000	R '000	R '000	R '000	R '000	

### Statement of Financial Performance

#### Revenue

#### Revenue from exchange transactions

Administrative fees	-	-	-	1 015	1 015	
Interest received - investment	-	-	-	1 496	1 496	
<b>Total revenue from exchange transactions</b>	-	-	-	<b>2 511</b>	<b>2 511</b>	

#### Revenue from non-exchange transactions

#### Transfer revenue

Government grants & subsidies	178 830	-	178 830	178 830	-	
<b>Total revenue</b>	<b>178 830</b>	-	<b>178 830</b>	<b>181 341</b>	<b>2 511</b>	

#### Expenditure

Personnel	(124 089)	-	(124 089)	(121 414)	2 675	34
Finance costs	(490)	-	(490)	(298)	192	
Lease rentals on operating lease	(19 670)	-	(19 670)	(17 733)	1 937	34
General Expenses	(28 448)	-	(28 448)	(23 910)	4 538	34
Finance lease payments	(3 984)	-	(3 984)	(2 064)	1 920	34
<b>Total expenditure</b>	<b>(176 681)</b>	-	<b>(176 681)</b>	<b>(165 419)</b>	<b>11 262</b>	

<b>Surplus before taxation</b>	<b>2 128</b>	-	<b>2 128</b>	<b>15 922</b>	<b>13 794</b>	
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<b>Surplus for the year from continuing operations</b>	<b>2 128</b>	-	<b>2 128</b>	<b>15 922</b>	<b>13 794</b>	
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Payment of property, plant and equipment and intangible assets	(2 128)	-	(2 128)	(1 194)	934	
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<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	-	-	-	<b>14 728</b>	<b>14 728</b>	
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### Reconciliation

The accounting policies on pages 18 to 27 and the notes on pages 28 to 46 form an integral part of the annual financial statements.



# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Accounting Policies

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### 1. Presentation of financial statements

The 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 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.

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

These accounting policies are consistent with the previous period.

#### 1.1 Presentation currency

These financial statements are presented in South African Rand, which is the functional currency of the entity. The figures have been rounded off to the nearest R'000.

#### 1.2 Going concern assumption

These 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 Significant judgements and sources of estimation uncertainty

In preparing the quarterly financial statements management is required to make estimates and assumptions that affect the amounts represented in the 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 quarterly financial statements. Judgements include decisions on property plant and equipment.

#### 1.4 Property, Plant and Equipments

Property, Plant and Equipments are tangible non-current 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 equipments 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 Equipments is initially measured at cost.

The cost of an item of property, plant and equipments 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 equipments 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 equipments have different useful lives, they are accounted for as separate items (major components) of property, plant and equipments.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipments 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 equipments, the carrying amount of the replaced part is derecognised.

Recognition of costs in the carrying amount of an item of property, plant and equipments 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 Equipments is carried at cost less accumulated depreciation and any impairment losses.

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# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Accounting Policies

### 1.4 Property, Plant and Equipments (continued)

Property, Plant and Equipments are depreciated on the over their expected useful lives to their estimated residual value.

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

Item	Depreciation method	Average useful life
Computer Equipment	Straight line	
• Laptops and desktops		10-13
• Servers and Switches		17-22
Office Equipment	Straight line	
• Printers and fridges etc		17-22
• Audiovisual and equipments and conferencing		17-20
Finance Lease	Straight line	3-5
Library Materials	Straight line	20-25
Furniture and fittings	Straight line	
• Furniture and fittings		20-27
• Gazebo, Flags, Banners and Accessories		17-20
Motor vehicles	Straight line	12-17
Leasehold improvements	Straight line	5-10

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 equipments with a cost that is significant in relation to the total cost of the item is depreciated separately.

The entity assesses at each reporting date whether there is any indication that the entity expectations about motor vehicle residual value and the useful life of all assets 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 equipments 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 equipments 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 equipments is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

### 1.5 Intangible assets

An asset is identified as an intangible asset when it:

- 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.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Accounting Policies

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### 1.5 Intangible assets (continued)

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. If the acquired item's fair value was not determinable, it's deemed cost is carrying amount of the asset(s) given up.

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

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

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

The amortisation period of the intangible assets are reviewed at each reporting date.

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

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Item	Depreciation method	Average useful life
Computer Software	Straight line	13-17

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Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

### 1.6 Financial Instruments

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

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

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.

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Accounting Policies

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### 1.6 Financial Instruments (continued)

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.

#### Initial recognition

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

The entity recognises financial assets using trade date accounting.

#### Initial measurement of financial assets and financial liabilities

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

The entity measures a financial asset and financial liability initially at its fair value [if subsequently measured at fair value].

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Accounting Policies

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### 1.6 Financial instruments (continued)

#### Subsequent measurement of financial assets and financial liabilities

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

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

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

#### Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique.

The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments.

Periodically, an entity calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

Short term receivables and payables are not discounted where the initial credit period is granted or received is consistent with terms used in the public sector, either through established practices or legislation.

#### Gains and losses

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

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

### 1.7 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 .

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.

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Accounting Policies

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### 1.7 Leases (continued)

#### Operating leases - lessee

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

### 1.8 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 current replacement cost.

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 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 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 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.

### 1.9 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

#### Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

The Commission recognises the expected cost of bonus and leave pay, when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

#### Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Accounting Policies

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### 1.10 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.

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.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

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

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.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the entity

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 24.

### 1.11 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.

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Accounting Policies

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### 1.12 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 municipality 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.

Donor funds received are managed by the Commission in order to enable facilitation of projects. The funds are recognised as a liability or income based on the nature of the donation agreement.

#### Measurement

Revenue is measured at the fair value of the consideration received or receivable.

#### Interest and administrative fees

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Administrative fee is recognised as a revenue over the period during which the service is performed.

### 1.13 Revenue from non-exchange transactions

Revenue from non-exchange transaction constitutes transfer payments from the Department of Justice and Constitutional Development

#### Recognition

An inflow of government grant payments from a non-exchange transaction recognised as an asset is recognised as revenue

### 1.14 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.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### 1.15 Fruitless and wasteful expenditure

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

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### 1.16 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.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):



# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Accounting Policies

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### 1.16 Irregular expenditure (continued)

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

### 1.17 Budget Information

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

General purpose financial reporting by 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 cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2018/04/01 to 2019/03/31.

The financial statements and the budget are not 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.

### 1.18 Related parties

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

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

### 1.19 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Accounting Policies

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### 1.19 Events after reporting date (continued)

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

### 1.20 Effects of new standards

The following GRAP standards and Interpretations have been approved but not yet effective.

The Commission evaluated the standard listed below and noted that they do not have any impact on the annual financial statements for the period under review.

- GRAP 20 Related Party Transactions
- GRAP 32 Service Concession Arrangements: Grantor
- GRAP 108 Statutory receivables
- GRAP 109 Accounting by principals and Agents
- IGRAP 17 Service concession arrangements where a grantor controls a significant residual interest in an asset.
- IGRAP19 Liability of levies
- GRAP 34 to 38 Interests in Other Entities

## South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

### Notes to the Annual Financial Statements

2019 R '000      2018 R '000

#### 2. Property, Plant and Equipments

	2019		2018	
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Cost / Valuation	Accumulated depreciation and accumulated impairment
Finance Lease	5 767	(3 282)	2 485	(3 944)
Furniture and fittings	4 377	(2 251)	2 126	(2 159)
Motor vehicles	5 063	(2 012)	3 051	(2 245)
Office equipment	1 967	(572)	1 395	(539)
IT equipment	5 207	(1 574)	3 633	(1 360)
Leasehold improvements	629	(291)	338	(370)
Other property, plant and equipment	1 488	(630)	858	(577)
<b>Total</b>	<b>24 498</b>	<b>(10 612)</b>	<b>13 886</b>	<b>(11 194)</b>

#### Reconciliation of property, plant and equipments - 2019

	Opening balance	Additions	Disposals	Depreciation	Total
Finance lease	3 661	-	(71)	(1 105)	2 485
Furniture and fittings	2 022	245	(23)	(118)	2 126
Motor vehicles	3 242	396	(324)	(263)	3 051
Office equipment	1 479	46	(41)	(89)	1 395
Computer equipment	3 449	428	(13)	(231)	3 633
Leasehold improvements	326	79	-	(67)	338
Library Materials	907	3	-	(52)	858
<b>Total</b>	<b>15 086</b>	<b>1 197</b>	<b>(472)</b>	<b>(1 925)</b>	<b>13 886</b>

## South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

### Notes to the Annual Financial Statements

Figures in Rand thousand

#### 2. Property, Plant and Equipments (continued)

##### Reconciliation of property, plant and equipments - 2018

	Opening balance	Additions	Disposals	Depreciation	Total
Finance lease	3 562	2 906	(33)	(2 774)	3 661
Furniture and fittings	2 188	70	(12)	(224)	2 022
Motor vehicles	3 714	319	(322)	(469)	3 242
Office equipment	1 151	478	(43)	(107)	1 479
Computer equipment	3 564	271	(53)	(333)	3 449
Leasehold improvements	446	18	-	(138)	326
Library Materials	946	35	-	(74)	907
	<b>15 571</b>	<b>4 097</b>	<b>(463)</b>	<b>(4 119)</b>	<b>15 086</b>

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Notes to the Annual Financial Statements

	2019 R '000	2018 R '000
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### 3. Intangible assets

	2019			2018		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	2 027	(682)	1 345	2 175	(729)	1 446

#### Reconciliation of intangible assets - 2019

	Opening balance	Amortisation	Total
Computer software	1 446	(101)	1 345

#### Reconciliation of intangible assets - 2018

	Opening balance	Additions	Impairment loss	Total
Computer software	651	888	(93)	1 446

### 4. Operating lease

Current assets	-	32
Non-current liabilities	(2 699)	(3 232)
Current liabilities	(861)	(39)
	(3 560)	(3 239)

Operating lease represents the rental expensed by the Commission for the office building for Head Office and Provincial offices	16 679	15 237
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#### Terms and conditions

- (i) All the leases are operating for an agreed period. i.e 12, 36, 60 months, within an option of renew.
- (ii) All operating leases excluding Telkom ( VPN) are subjected to an escalation ranging between 7% and 10%

At the reporting date the Commission had outstanding commitments under the operating leases which fall due as follows.

Due with one year	18 590	14 342
Due within one year to five years	21 917	32 601
	40 507	46 943

### 5. Prepayments

Pro-forma invoices	512	143
Subscriptions and annual licenses	378	521
	890	664

**South African Human Rights Commission**  
Annual Financial Statements for the year ended 31 March 2019

**Notes to the Annual Financial Statements**

	2019 R '000	2018 R '000
<b>6. Inventories</b>		
Consumable stores	111	212
<b>7. Receivables from exchange transactions</b>		
Trade debtors	149	46
<b>Trade and other receivables impaired</b>		
As of 31 March 2019, trade and other receivables of R 44 560 (2018: R 45 849) were impaired and provided for.		
The ageing of these loans is as follows:		
3 to 6 months	149	46
<b>8. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	48	55
Bank balances	799	119
Short-term deposits	27 811	12 052
	<b>28 658</b>	<b>12 226</b>

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Notes to the Annual Financial Statements

	2019 R '000	2018 R '000
<b>9. Finance lease obligation</b>		
<b>Minimum lease payments due</b>		
- within one year	1 532	2 557
- in second to fifth year inclusive	227	1 759
	1 759	4 316
less: future finance charges	(101)	(400)
<b>Present value of minimum lease payments</b>	<b>1 658</b>	<b>3 916</b>
<b>Present value of minimum lease payments due</b>		
- within one year	1 434	2 258
- in second to fifth year inclusive	223	1 658
	1 657	3 916
<b>Non-current liabilities</b>	<b>223</b>	<b>1 658</b>
<b>Current liabilities</b>	<b>1 434</b>	<b>2 258</b>
	<b>1 657</b>	<b>3 916</b>

It is entity policy to lease certain motor vehicles and equipment under finance leases.

The average lease term is 3 years and the average effective borrowing rate was 10% (2018: 10%).

Interest rates are linked to prime rate at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

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

### Terms and conditions

- (i) all the leases are for agreed period i.e. 12, 24, or 36 months with an option to renew
- (ii) the unit is installed (and the installation fees paid) and then the contract will continue on a monthly basis until SAHRC decides to terminate the contract with one months written notice.
- (iii) The contract will be renewed for a period of one year if the SAHRC does not give written notice of cancellation of the contract.

### 10. Unspent conditional grants and receipts

The South African Human Rights Commission has applied for, and was awarded a conditional grant through the National Human Rights Institution projects by Danish Institute for Human Rights (DIHR). Denmark's Institute of Human Rights has assessed that the proposed is in line with its mandate and with its international strategy. The DIHR and SAHRC has ensured that they share the same goal to the mandated objectives.

The South African Human Rights Commission has received conditional grants from the Open Society Initiative for West Africa (OSIWA) for the seminar on the African which will be hosted in June. The conditional grant will be spent on travel, accommodation, venue hire and all the expenses relating to the African seminar.

Unspent conditional grants and receipts comprises of:

<b>Unspent conditional grants and receipts</b>		
Danish Institute for Human Rights	54	132
Open Society Initiative for West Africa	246	-
	300	132

**South African Human Rights Commission**  
Annual Financial Statements for the year ended 31 March 2019

**Notes to the Annual Financial Statements**

	2019 R '000	2018 R '000
<b>10. Unspent conditional grants and receipts (continued)</b>		
<b>Movement during the year</b>		
Balance at the beginning	132	-
Additions during the year	245	234
Income recognition during the year	(77)	(102)
	<b>300</b>	<b>132</b>

**11. Provisions**

**Reconciliation of provisions - 2019**

	Opening Balance	Additions	Utilised during the year	Total
Provision for leave pay	4 874	5 284	(5 022)	5 136
Provision for performance bonus	2 682	3 200	(2 682)	3 200
	<b>7 556</b>	<b>8 484</b>	<b>(7 704)</b>	<b>8 336</b>

**Reconciliation of provisions - 2018**

	Opening Balance	Additions	Utilised during the year	Total
Provision for leave pay	4 679	5 596	(5 401)	4 874
Provision for performance bonus	7 503	2 682	(7 503)	2 682
	<b>12 182</b>	<b>8 278</b>	<b>(12 904)</b>	<b>7 556</b>

**12. Employee benefits**

13th Cheque accrual	1 293	1 240
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Employee benefit relates to employee's 13th cheque accrued and incurred in the current year R 1,292,864.04 ( 2018 R 1,239,771.81)

**13. Payables from exchange transactions**

Trade payables	1 759	935
Accrued expense	1 060	1 357
	<b>2 819</b>	<b>2 292</b>

**14. Revenue**

Administrative Income	1 015	128
Donation income	77	102
Interest received - investment	1 496	1 119
Government grants & subsidies	178 830	173 360
	<b>181 418</b>	<b>174 709</b>



# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Notes to the Annual Financial Statements

	2019 R '000	2018 R '000
<b>14. Revenue (continued)</b>		
<b>The amount included in revenue arising from exchanges of goods or services are as follows:</b>		
Administrative Income	1 015	128
Donation Income	77	102
Interest received - investment	1 496	1 119
	<b>2 588</b>	<b>1 349</b>
<b>The amount included in revenue arising from non-exchange transactions is as follows:</b>		
Government grants & subsidies	178 830	173 360
<b>15. Donation Income</b>		
Danish Institute for Human Rights	77	102
<b>16. Employee related costs</b>		
Basic Salary	80 885	78 483
Performance Bonus	4 295	2 682
Medical aid - company contributions	3 929	3 763
Unemployment Insurance Fund (UIF)	322	338
Pension Fund Contributions	9 352	8 893
Non pensionable contributions	11 030	10 358
Other Short term benefit	1 664	1 690
13th Cheques	5 457	5 177
Car allowance	534	540
Housing benefits and allowances	2 451	2 413
	<b>119 919</b>	<b>114 337</b>
<b>17. Finance costs</b>		
Finance leases	298	479
<b>Total interest expense, calculated using the effective interest rate, on financial instruments not at fair value through surplus or deficit amounted to R 297 692 (2018: R 479 122).</b>		
<b>18. Debt Impairment</b>		
Bad debts written off	45	-

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Notes to the Annual Financial Statements

	2019 R '000	2018 R '000
<b>19. General expenses</b>		
Advertising	49	396
Auditors remuneration	2 313	2 207
Bank charges	82	91
Cleaning	205	208
Computer expenses	410	94
Consulting and professional fees	380	331
Lease and hire	1 033	1 110
Insurance	375	381
Conferences and seminars	56	305
Municipality service	5 104	5 788
Motor vehicle expenses	137	308
Motor vehicle expense (Fuel)	538	405
Placement fees	239	1 352
Postage and courier	78	319
Printing and stationery	488	798
Repairs and maintenance	399	475
Security (Guarding of municipal property)	1 101	1 405
Staff welfare	233	218
Subscriptions and membership fees	444	804
Telephone and fax	3 309	3 603
Transport and freight	281	881
Training	667	813
Workmen's compensation	112	-
Operating expense	7 203	10 600
	<b>25 236</b>	<b>32 892</b>
<b>20. Auditors' remuneration</b>		
Fees	2 313	2 207
<b>21. Cash generated from operations</b>		
Surplus	15 769	7 435
Adjustments for:		
Depreciation and amortisation	2 025	4 212
Loss on disposal of assets	230	119
Debt impairment	45	-
Movements in operating lease assets and accruals	322	1 078
Changes in working capital:		
Inventories	101	(16)
Receivables from exchange transactions	(103)	2
Prepayments	(226)	(104)
Payables from exchange transactions	526	(45)
Unspent conditional grants and receipts	168	132
Employee benefits	53	-
Provision for leave accrued	262	-
Provision for performance bonus	518	(4 821)
	<b>19 690</b>	<b>7 992</b>
<b>22. Financial instruments disclosure</b>		
<b>Categories of financial instruments</b>		
<b>2019</b>		
<b>Financial assets</b>		

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Notes to the Annual Financial Statements

	2019 R '000	2018 R '000
<b>22. Financial instruments disclosure (continued)</b>		
	<b>At fair value</b>	<b>Total</b>
Receivables from exchange transactions	149	149
Cash and cash equivalent	28 658	28 658
	<b>28 807</b>	<b>28 807</b>

### Financial liabilities

	<b>At fair value</b>	<b>Total</b>
Payables from exchange transactions	2 818	2 818
Employee benefits	6 429	6 429
Finance lease liability obligation	1 434	1 434
	<b>10 681</b>	<b>10 681</b>

### 2018

#### Financial assets

	<b>At fair value</b>	<b>Total</b>
Receivables from exchange transactions	46	46
Cash and cash equivalent	12 226	12 226
	<b>12 272</b>	<b>12 272</b>

#### Financial liabilities

	<b>At fair value</b>	<b>Total</b>
Payables from exchange transactions	2 292	2 292
Employee benefits	6 114	6 114
Finance lease liability obligation	2 258	2 258
	<b>10 664</b>	<b>10 664</b>

### 23. Commitments

#### Authorised operational expenditure

##### Purchase order issued.

• Acquisitions of PPE	1 062	3 550
• Authorised operating expenditure	3 592	2 570
	<b>4 654</b>	<b>6 120</b>

This committed expenditure relates to open purchase orders issued to suppliers for goods and services not yet received as at 31 March 2019 and will be financed by available funds.

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Notes to the Annual Financial Statements

	2019 R '000	2018 R '000
<b>24. Contingencies</b>		
<b>Categories of contingent liability</b>		
Guarantee issued by First National Bank per requirement on Head Office lease agreement.	682	682
Estimated cash surplus per National Treasury Instruction No 6 of 2017/18	9 111	-
	<b>9 793</b>	<b>682</b>

## 25. Related parties

Department of Public Works  
Information Regulator

### Related party transactions

#### Transactions with related party

Department of public works for municipal service charges	119	465
Information Regulator	906	-

Related party transactions to the value of R 458,847.43 (2018: R 464,995.44) was incurred in the current financial year. Related party transactions emanates from municipal services for Kwazulu Natal, Limpopo, Northern Cape and Western Cape Provincial offices.

The following amount was the annual allocation received from National Treasury via the Department of Justice and Constitutional Development R 178,830,000 (2018: R 173,360,000) as disclosed in note 14.

The Information Regulator and the Commission have entered into a sub lease agreement for rental of office space and the amount aggregated to R 858,552.54 relates to the transaction for rental income. In addition, due to the challenges of inhouse payroll, the cleaners employed by Information Regulator were added to SAHRC payroll and receive the reimbursement of such salaries paid by the Commission. The amount to the value of R 46,829.43. was paid through VIP and reimbursed by the Information Regulator.

For remuneration of Key Management positions refer to note 26 below.

## South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

### Notes to the Annual Financial Statements

Figures in Rand thousand

#### 26. Members' and prescribed officer's emoluments

##### Executive

2019

	Salary	Bonuses and performance payments	Expenses allowance	Provident contributions	Termination leave payout and backpay	Acting allowances	3G and cell allowance	Total
Chief Executive Officer: Adv. T.S. Thipanyane	1 104	94	506	138	41	-	43	1 926
Chief Financial Officer: P Makaneta	808	108	371	101	54	-	29	1 471
Acting Chief Financial Officer: Lorinda Lynn (Dec - March 2019)	208	7	63	26	-	29	5	338
Head of Corporate Services: A Price	694	33	376	87	63	-	24	1 277
Head SS&G: S Giyose	682	91	313	85	47	-	24	1 242
Chief Audit Executive: G Paulse	682	57	369	85	65	-	24	1 282
Head Legal Service (LSP) P Gregoriou	55	18	25	7	93	-	3	201
PM: KZN T Munno	533	115	245	67	141	-	20	1 121
PM MPL: E Mokonyama	682	116	313	85	65	-	24	1 285
Chief Operation Officer (COO): Ms.C Kisoou	740	98	339	92	49	-	28	1 346
Provincial Manager WC: Adv. L.C. Lotz	589	50	269	74	24	-	16	1 022
PM LP: V Mavhidula	676	115	310	84	56	-	24	1 265
PM NC: C Williams	643	86	294	80	45	-	24	1 172
PM GP: Mr.B.Jones	614	171	282	77	71	-	24	1 239
Head: Human rights Advocacy & Communications : Ms.G Smith	607	80	278	75	24	-	-	1 065
PM FS: Mr. T.M.Kheswa	589	79	270	74	24	-	-	1 036
Operations Manager: Dr.MS Nsibirwa	614	28	333	77	43	-	24	1 119
Provincial Manager E.C: Mr.A.Sipondo	596	79	273	75	41	-	24	1 088
Provincial Manager N.W.: Ms M.Boikanyo	375	74	166	50	118	-	-	783
	<b>11 491</b>	<b>1 499</b>	<b>5 395</b>	<b>1 440</b>	<b>1 064</b>	<b>29</b>	<b>360</b>	<b>21 278</b>

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Notes to the Annual Financial Statements

Figures in Rand thousand

### 26. Members' and prescribed officer's emoluments (continued)

2018

	Emoluments	Bonuses and performance payments	Expenses allowance	Provident contributions	Termination leave and backpay	Acting allowance	3G and cell allowance	Total
Chief Executive Officer: Adv. TS. Thipenyane	873	52	400	110	31	-	32	1 498
Chief Financial Officer: P Makaneta (ACEO 01 OCT 2016)	740	191	339	93	55	52	29	1 499
Head of Corporate Services: A Price	653	64	356	81	60	-	24	1 238
Head SS&G: S Giyose	622	160	285	79	47	-	24	1 217
Chief Audit Executive: G Paulse	626	60	339	78	41	-	24	1 168
Head Legal Service (LSP): P Gregorifou	632	163	290	79	47	-	24	1 235
PM KZN: T Munno	586	152	269	73	44	-	24	1 148
PM MPL: E Mokonyama	622	160	285	79	47	-	24	1 217
Chief Operational Officer: C Kisoou	677	174	310	85	51	-	26	1 323
PM WC: Adv. L.C Lotz	509	32	233	64	20	-	-	858
PM LP: V Mavhidula	613	158	281	77	46	-	24	1 199
PM NC: C Williams	586	151	269	74	44	-	24	1 148
PM GP: Mr B Jones	554	47	254	66	28	-	19	968
Strategic support and Governance: Ms. N Webster	47	-	22	5	-	-	2	76
Head Human rights Advocacy and Communications: Ms.G Smith	564	103	259	71	36	-	-	1 033
PM FS: Mr. T. M Khaswa	142	-	65	18	-	-	-	225
Head of Research: Dr O Adeleke	458	-	232	57	25	-	20	792
Senior Manager Operations: Kathleen Hardy	389	-	210	48	40	-	-	687
Operations Manager: Dr M.S Nsibirw	564	54	306	71	36	-	24	1 055
Provincial Manager EC: Mr A Sipondo	554	47	254	69	25	-	20	969
Provincial Manager N.W Ms M Boikanyo	564	102	258	70	38	-	-	1 032
	<b>11 575</b>	<b>1 870</b>	<b>5 516</b>	<b>1 447</b>	<b>781</b>	<b>52</b>	<b>364</b>	<b>21 585</b>

**South African Human Rights Commission**  
Annual Financial Statements for the year ended 31 March 2019

**Notes to the Annual Financial Statements**

Figures in Rand thousand

**26. Members' and prescribed officer's emoluments (continued)**

**Non-executive**

**2019**

	Salary	Bonus and performance bonuses	Provident contributions	Other benefits	Total
Adv BC Majola	806	-	-	696	1 502
Ms DP S. Jana	684	56	-	533	1 273
Adv. AH Gaum	627	-	-	538	1 165
Adv MS Ameerma	627	52	78	448	1 205
Ms MA Makwella	627	52	-	486	1 165
Adv. JB Malatji	627	52	-	486	1 165
Mr AC Nissen	414	-	-	372	786
Mr J Sibanyoni	481	-	-	86	567
	<b>4 893</b>	<b>212</b>	<b>78</b>	<b>3 645</b>	<b>8 828</b>

**2018**

	Salary	Bonus and performance bonuses	Provident contributions	Other benefits	Total
Adv .B.C.Majola	754	-	94	443	1 291
Adv D.P. Jana	640	53	80	322	1 095
Adv AH Gaum	586	-	73	342	1 001
Adv MS Ameerma	586	49	73	298	1 006
Ms M.A. Makwella	586	49	73	293	1 001
BJ Malatji	586	49	73	293	1 001
Mr AC Nissen	681	-	-	14	695
Mr J Sibanyoni	392	-	-	15	407
	<b>4 811</b>	<b>200</b>	<b>456</b>	<b>2 020</b>	<b>7 497</b>

**South African Human Rights Commission**  
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**Notes to the Annual Financial Statements**

Figures in Rand thousand

**26. Members' and prescribed officer's emoluments (continued)**

**Audit committee members remunerations**

2019

Mr W Hattingh (Term ended: 31 December 2018)  
 Ms M Sikhosana  
 Mr G Matthee  
 Mrs V Menye

	Emoluments	Other benefits*	Total
Mr W Hattingh	26	2	28
Ms M Sikhosana	26	4	30
Mr G Matthee	16	8	24
Mrs V Menye	-	-	-
	68	14	82

2018

Mr W Hattingh  
 Mrs M Malope  
 Mr G Matthee  
 Ms PC Molsielwa (Term ended: 31 August 2017)

	Emoluments	Other benefits*	Total
Mr W Hattingh	33	2	35
Mrs M Malope	24	3	27
Mr G Matthee	16	16	32
Ms PC Molsielwa	12	2	14
	85	23	108



# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Notes to the Annual Financial Statements

	2019 R '000	2018 R '000
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### 27. Change in estimate

#### Property, Plant and Equipments

The useful life of the entire computer equipment and servers and switches category was estimated at inception of the assets at 10 years and 17 years. In the current period management have revised their estimate of computer equipments and servers and switches to 13 years and 22 years. The effect of this revision has decreased the depreciation charges for the current and future periods for period by R 103 143

Categories	Depreciation before change in estimates	Depreciation after change in estimates	Difference
Servers And Switches	222 379	(153 411)	68 968
Computer Equipments	112 680	(78 485)	34 175
	<b>335 039</b>	<b>(231 896)</b>	<b>103 143</b>

#### Office equipment

The useful life of the entire office equipment and audiovisual category was estimated at inception of the assets at 17 years. In the current period management have revised their estimate of office equipments to 22 years and 20 years. The effect of this revision has decreased the depreciation charges for the current and future periods by R 32 216

Categories	Depreciation before change in estimates	Depreciation after change in estimates	Difference
Audiovisual	61 773	(47 400)	14 373
Office equipments	55 817	(37 974)	17 843
	<b>117 590</b>	<b>(85 374)</b>	<b>32 216</b>

#### Furniture and fittings

The useful life of the entire furniture and fitting and gazebo category was estimated at inception of the assets at 20 years and 17 years. In the current period management have revised their estimate of furniture and fittings to 27 years and 20 years. The effect of this revision has decreased the depreciation charges for the current and future periods by R 100 674

Categories	Depreciation before change in estimates	Depreciation after change in estimates	Difference
Gazebo,Flags,Banners And Accessories	17 042	(13 821)	3 421
Furniture And Fittings	198 804	(101 551)	97 253
	<b>215 846</b>	<b>(115 172)</b>	<b>100 674</b>

#### Motor Vehicles

The useful life of the entire motor vehicle category was estimated at inception of the assets at 12 years. In the current period management have revised their estimate to 17 years. The effect of this revision has decreased the depreciation charges for the current and future periods by R 174 878

Categories	Depreciation before change in estimates	Depreciation after change in estimates	Difference
Motor Vehicles	408 444	(233 566)	174 878

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Notes to the Annual Financial Statements

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	2019	2018
	R '000	R '000

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### 27. Change in estimate (continued)

#### Finance lease

The useful life of the entire finance lease category was estimated at inception of the assets at 3 years. In the current period management have revised their estimate to 5 years. The effect of this revision has decreased the depreciation charges for the current and future periods by R 1 042 640

Categories	Depreciation before change in estimates	Depreciation after change in estimates	Difference
Finance lease	1 922 248	(879 608)	1 042 640

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#### Intangible Assets

The useful life of the entire Intangible asset category was estimated at inception of the assets at 13 years. In the current period management have revised their estimate to 17 years. The effect of this revision has decreased the depreciation charges for the current and future periods by R55 771

Categories	Depreciation before change in estimates	Depreciation after change in estimates	Difference
Computer Software	156 224	(100 453)	55 771

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#### Leasehold Improvements

The useful life of the entire Leasehold improvement category was estimated at inception of the assets at 5 years. In the current period management have revised their estimate to 10 years. The effect of this revision has decreased the depreciation charges for the current and future periods by R71 069

Categories	Depreciation before change in estimates	Depreciation after change in estimates	Total
Leasehold Improvements	112 919	(41 850)	71 069

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#### Library Materials

The useful life of the entire Library Materials category was estimated at inception of the assets at 20 years. In the current period management have revised their estimate to 25 years. The effect of this revision has decreased the depreciation charges for the current and future periods by R22 548

Categories	Depreciation before change in estimates	Depreciation after change in estimates	Total
Library Materials	74 479	(51 931)	22 548

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The impact on the tax is R 0.00

The impact on the cash flow is R 0.00

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Notes to the Annual Financial Statements

	2019 R '000	2018 R '000
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### 28. Prior period errors

As part of preparing its annual financial statements for the 2019/18 financial year, management discovered that there were activities that led to prior-period errors. Consequently, the Commission had to restate both the 2018/17 financial years to take into account the errors discovered. The nature of the prior period errors are explained below.

#### Irregular Expenditure

During the 2017/18 financial year, the following irregular expenditure relating to an expired contract occurred however it was not disclosed as irregular expenditure in note 33. The amount that has been added to the 2017/2018 irregular expenditure that occurred in that year is R373,947.30

### 29. Risk management

#### Financial 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.

##### 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.

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

Financial Instrument	2019	2018
Receivable from exchange transactions	149	46
Prepayments	890	664
Cash and cash equivalent	28 658	12 226

### 30. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Commission's ability to continue as a going concern depends on the continued support of government through means of annual appropriation.

### 31. Events after the reporting date

There were no events that occurred after the reporting date for the year under review.

### 32. Fruitless and wasteful expenditure

Opening balance	-	-
Additions	-	4
Less amount resolved	-	(4)
	-	-

Fruitless and wasteful expenditure to the value of R 0.00 (2018: R4,000) was incurred in the current year. Prior year fruitless and wasteful expenditure emanating mainly from expenses attached to changes in travel arrangements. No action taken as the cause for travel expenditure was deemed necessary.

**South African Human Rights Commission**  
Annual Financial Statements for the year ended 31 March 2019

**Notes to the Annual Financial Statements**

	2019 R '000	2018 R '000
<b>33. Irregular expenditure</b>		
Opening balance	1 783	1 348
Add: Irregular Expenditure - current year	1 764	589
Less: Amounts condoned	(715)	(154)
Irregular expenditure relating to prior year	839	-
	<b>3 671</b>	<b>1 783</b>

Irregular expenditure to the value of R 2,602,250.56 (2018: R 588,892.30) was incurred in the current year. Irregular expenditure emanates from non-compliance with National Treasury Note 8 of 2007 and Treasury Regulation 16A 9.1 (d) and 16A 6.3 (b.)

The Commission has written to National Treasury requesting condonation of the irregular expenditure reflected above and is still awaiting a response therefore none of the expenditure had been condoned as at year end. No disciplinary proceedings had been taken, since the irregular expenditure did not warrant such action.

**Analysis of expenditure awaiting condonation per age classification**

Current year	1 888	435
Prior years	1 783	1 348
	<b>3 671</b>	<b>1 783</b>

**Details of irregular expenditure not condoned**

	<b>Not condoned by (condoning authority) Not condoned by the accounting officer after the expenditure was incurred</b>	
Incident 1		1 888

**Details of irregular expenditure condoned**

	<b>Condoned by (condoning authority) Condoned by the accounting officer after the expenditure was incurred</b>	
Incident 1		715

**34. Budget differences**

**Budget Reconciliation per GRAP 24**

A reconciliation between the actual amounts on a comparable basis as presented in the statement of comparison of budget and actual amounts and the actual amounts in the cash flow statement for the period ended 31 March 2019 is presented below. The financial statements and budget documents are prepared for the same period. There is a basis difference: the budget is prepared on a cash basis and the financial statements on the accrual basis.

	Operating	Financing	Investing	Total
Actual amount on comparable basis as presented in the budget and actual comparative statement	(4 543)	-	-	(4 543)
Basis differences	24 233	(2 064)	(1 194)	20 975
Timing differences	-	-	-	-
Entity differences	-	-	-	-
<b>Actual amount in the cash flow statement</b>	<b>19 690</b>	<b>(2 064)</b>	<b>(1 194)</b>	<b>16 432</b>

**Differences between budget and actual amounts basis of preparation and presentation**

The budget and the accounting bases differ. The annual financial statements for the whole-of-government are prepared on the accrual basis using a classification based on the nature of expenses in the statement of financial performance. The annual financial statements are for the fiscal period from 2018/04/01 to 2019/03/31. The annual financial statements differ from the budget, which is approved on the cash basis.

**(i) Personnel expenditure**

# South African Human Rights Commission

Annual Financial Statements for the year ended 31 March 2019

## Notes to the Annual Financial Statements

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2019 R '000	2018 R '000
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### 34. Budget differences (continued)

The savings in personnel expenditure resulted from the freezing of posts as they became vacant throughout the year. This is in line with cost containment measures to lower the employee costs of the Commission.

#### (ii) Lease rentals on Operating lease

New rentals were expected to move outside of the Department of Public Work's offerings.

#### (iii) General Expenses

In line with cost containment measures efforts were implemented to save on administration costs; the biggest cost savings realized were for Printing & Stationery, Telephone, IT infrastructure enhancements and audit fees. Savings in recruitment costs were as a result of the freezing of posts. .

#### (iv) Finance lease payments

In line with cost containment measures, finance leases (for computers mainly) were not replaced with new leases as expected in the budget.

