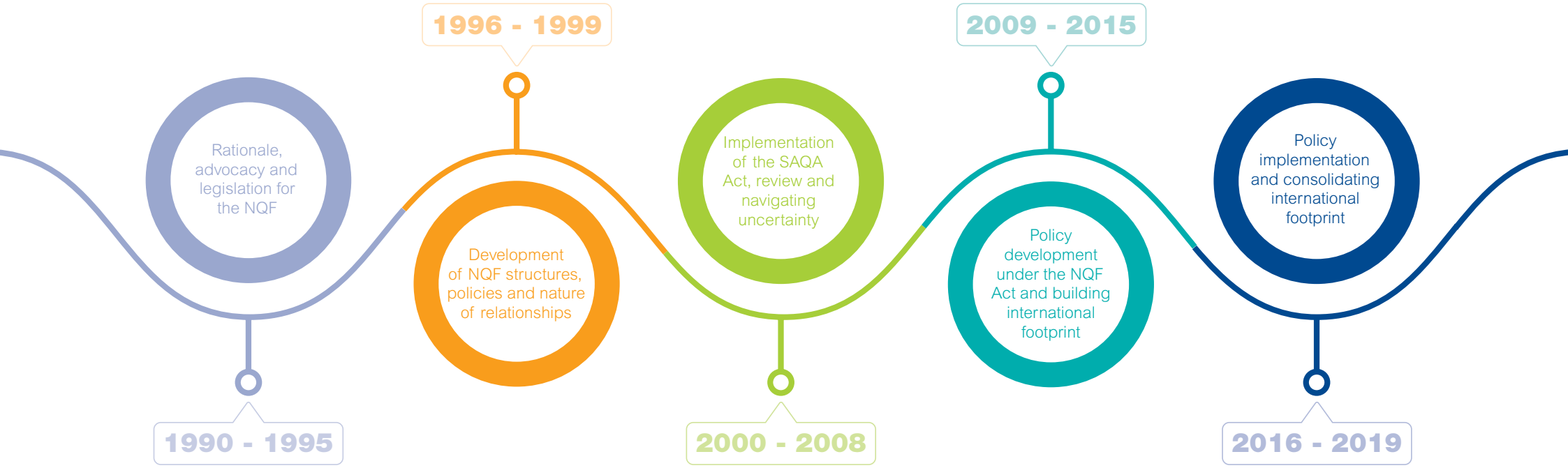
SAQA
SOUTH AFRICAN QUALIFICATIONS AUTHORITY

ANNUAL INTEGRATED REPORT
2018/19

CONSOLIDATING THE GAINS:
21 YEARS
OF THE NQF



About SAQA

The South African Qualifications Authority (SAQA) is a statutory body established under the SAQA Act, Act No. 58 of 1995 and continuing under the National Qualifications Framework (NQF) Act, Act No. 67 of 2008. The SAQA is a Schedule 3A National Public Entity as defined by the Public Finance Management Act (PFMA).

SAQA's 2018/19 Annual Integrated Report

Our aim is to provide a balanced and reasonable view of the work of SAQA from 1 April 2018 to 31 March 2019, so that our stakeholders can make an informed assessment of our performance.

The Annual Integrated Report complies with:

Section 13 (2) of the NQF Act;

Section 55 of the PFMA; and

The King IV Report on Corporate Governance for South Africa.

ANNUAL INTEGRATED REPORT
2018/19

CONSOLIDATING THE GAINS:
21
YEARS
OF THE NQF

21 YEARS OF THE SOUTH AFRICAN NQF

BACKGROUND

The South African National Qualifications Framework (NQF) is, by design, a tool for transparency and inspiring trust in South African education and training. Qualifications and part-qualifications that are registered on the NQF are South Africa's intended learning outcomes. The NQF ensures that South African qualifications and part-qualifications meet clearly defined quality criteria and are internationally comparable. It also enables the movement of learners and removes barriers and dead-end qualifications that restrict career opportunities and social and economic growth. The vision is that of a "world-class NQF that works for the people of South Africa". For the past 21 years, SAQA has developed and implemented the NQF with its mission to contribute to the full personal development of each learner and the social economic development of the nation at large. It is in pursuit of this vision and mission that this journey has been undertaken. This timeline seeks to document the journey of those who travelled on it, together with their pit stops.

PURPOSE

- To track the development of the NQF and its milestones and achievements over the last 21 years

OBJECTIVE

- To outline the milestones and achievements of the NQF over the last 21 years

KEY MESSAGE

- "The NQF road will be made by walking reflectively, accountably and boldly"
  - (Samuel Isaacs, 1996)

1990 – 1995

RATIONALE, ADVOCACY AND LEGISLATION FOR THE NQF

Papers
- Report on the National Education Policy Investigation (1992)
- Participatory Research Project of Cosatu
- Education and Training Framework of the ANC
- Implementation Plan for Education and Development of the Centre for Education Policy Development (1994)

Ideas
- Democratic participation of stakeholders, including labour and education
- Structural integration of education and training into a single ministry of education and training
- Commitment to an NQF
- An integrated approach to education and training

Policies
- The National Strategy Initiative (1994)
- The White Paper on Reconstruction and Development (1994)
- The White Paper on Education and Training (1995)

Governance Structures
- The Inter-Ministerial Working Group
- A Ministry of Education
- A Ministry of Labour responsible for training

Legislation
- SAQA Act passed (1995)

1996 – 1999

DEVELOPMENT OF NQF STRUCTURES, POLICIES AND NATURE OF RELATIONSHIPS

Governance Structures
- The Inter-Ministerial Working Group appointed

NQF Functions
- First SAQA Board appointed (1996)
- Second SAQA Board appointed (1999)
- NSB and ETQA Regulations promulgated
- NSBs and ETQAs established
- SGBs established
- Organising fields and sub-fields of the NQF developed
- Eight-level NQF established
- SAQA functions as an interim accreditation agency for higher education
- First qualification (ABET) registered on the NQF
- First two ETQAs (Mining Qualifications Authority and SAICA) accredited
- Centre for the Evaluation of Educational Qualifications transferred from the Human Sciences Research Council to SAQA

Guidelines
- Criteria and guidelines documents for standards setting and quality assurance developed

Legislation
- South African Schools Act passed (1996)
- Mine Health and Safety Act passed (1996)
- Higher Education Act passed (1997) – Council on Higher Education established
- Skills Development Act passed (1998)
- Skills Development Levies Act passed (1998)
- Further Education and Training Act passed (1998)

Funding
- Funding for the development of the NQF received from CIDA, Danida, GTZ and USAID

POLICY DEVELOPMENT UNDER THE NQF ACT AND BUILDING INTERNATIONAL FOOTPRINT

Legislation
- NQF Act implementation date set (1 June 2009)

Governance Structures
- Department of the Education divided into Basic Education, and Higher Education and Training

NQF Functions
- Career Advice Services project started at SAQA (2010)
- QCTO established (2010)
- Fifth SAQA Board appointed (2011)
- Transnational Qualifications Framework established (2011)
- Career Advice Services project handed over to DHET (2014)
- First group of Professional Bodies recognised by SAQA and their designations registered on the NQF

Policies
- Sub-Frameworks of the NQF determined (2012)
- Ten-Level Descriptors of the NQF published
- Green Paper for Post-School Education and Training (2012)
- Determination of Sub-Frameworks of the NQF revised (2013)
- White Paper for Post-School Education and Training (2013)
- Policy and Criteria for Registration of Qualifications and Part-Qualifications on the NQF published
- Policy and Criteria for Registration of a Professional Body and Registering a Professional Designation for the purposes of the NQF published
- National Policy and Criteria for Designing and Implementing Assessment for NQF Qualifications and Part-Qualifications and Professional Designations in South Africa published
- Policy for Credit Accumulation and Transfer within the NQF published
- National Policy for the Implementation of the Recognition of Prior Learning revised
- Policy and Criteria for Evaluating Foreign Qualifications within the South African NQF published

International Work
- Groningen Declaration signed (2012)
- Addis Convention adopted (2014)
- Contribution to UNESCO events including the World Reference Levels Expert Group

Funding
- Government, donor and self-generated funding

2000 ⌄ 2008

IMPLEMENTATION OF THE SAQA ACT, REVIEW AND NAVIGATING UNCERTAINTY

Legislation
- Adult Basic Education and Training Act passed (2000)
- General and Further Education and Training Quality Assurance Act passed (2001) – Umalusi established
- NQF Act passed (2008)
- Changes to the GENFETQA Act, the Higher Education Act and the Skills Development Act

NQF Reviews
- Report by the Study Team on the Implementation of the NQF released (2002)
- Report on the inter-dependent NQF by the Inter-departmental Study Team (2003)

NQF Functions
- Third SAQA Board appointed (2004)
- Fourth SAQA Board appointed (2008)
- Standards setting system implemented
- Quality assurance system implemented
- Electronic Information Management System of the NQF implemented
- 6 808 existing qualifications accepted for interim registration on the NQF
- 39 new qualifications and 600 unit standards registered on the NQF
- 17 Joint Implementation Plans in place

Policies
- Quality Management Systems for Education and Training Providers policy published
- Criteria and Guidelines for the Registration of Assessors published
- Joint Statement by Ministers of Education and Labour (2007)

Funding
- Funding for the implementation of the NQF received from the EU

2009 ⌄ 2015

2016 ⌄ 2019

POLICY IMPLEMENTATION AND CONSOLIDATING INTERNATIONAL FOOTPRINT

NQF Functions
- Sixth SAQA Board appointed (2016)
- The NLRD is the most comprehensive database of learners in South Africa

NQF Reviews
- NQF Act Implementation Evaluation Report published (2018)

Legislation
- NQF Amendment Bill passed by Parliament (2019) and awaiting President's signature

Governance Structures
- Department of Higher Education, Science and Technology established (2019)

International Work
- SADC Qualifications Verification Network launched (2016)
- African Qualifications Verification Network launched (2016)
- The 5th Annual Meeting of the GDN hosted (2016)
- SAQA elected to chair the SADC TCCA (2016)
- SADC Qualifications Framework relaunched (2017)
- Participation in the Global Convention on the Recognition of Qualifications concerning Higher Education (2019)

Funding
- Government, donor and self-generated funding
- SAQA receives 21 years of consecutive unqualified audit reports

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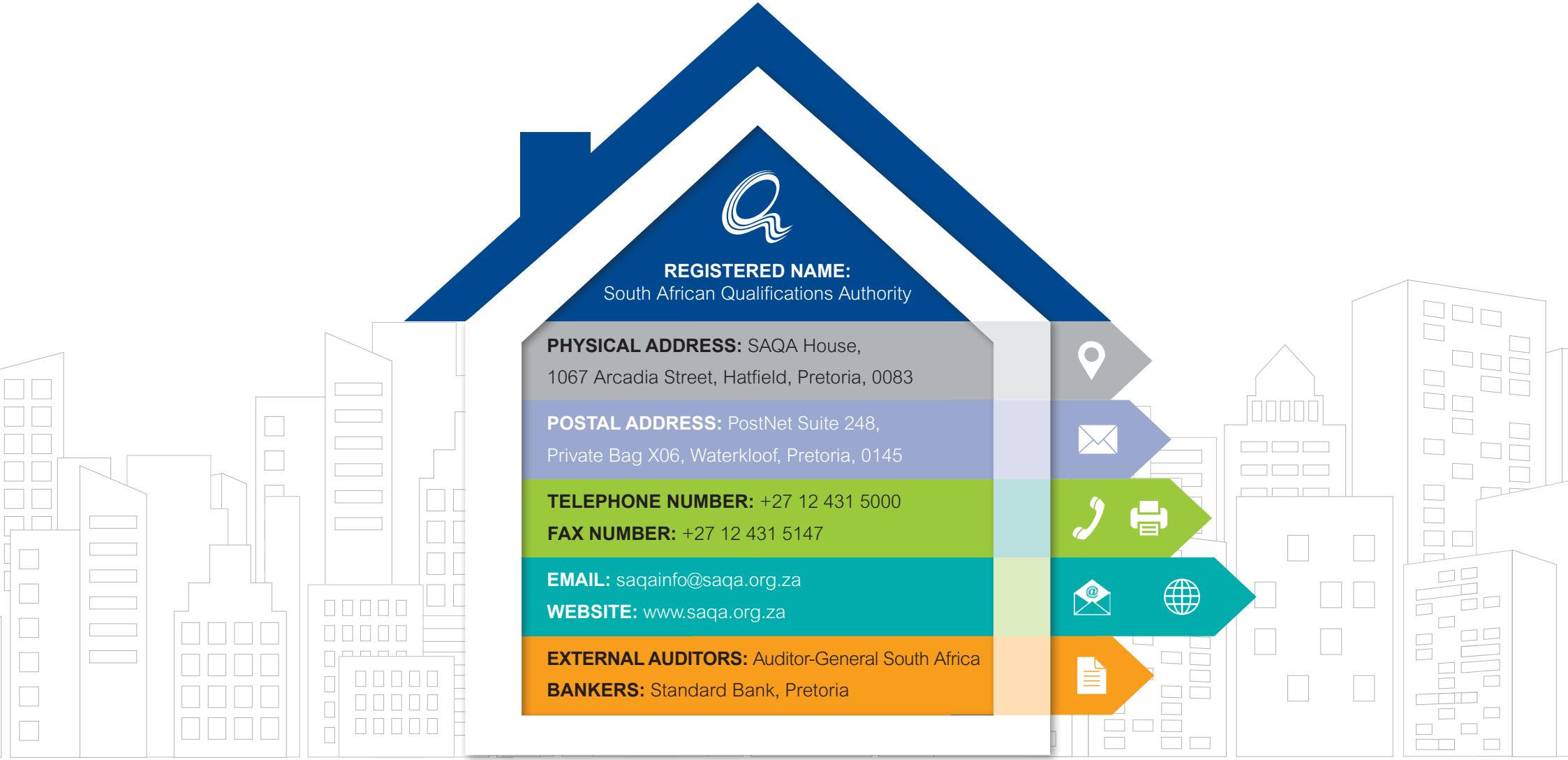
PART A

GENERAL INFORMATION

SAQA'S GENERAL INFORMATION



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EXTERNAL AUDITORS: Auditor-General South Africa
BANKERS: Standard Bank, Pretoria

LIST OF **ABBREVIATIONS/ACRONYMS**

ABBREVIATION/ ACRONYM	EXPLANATION
ABET	Adult Basic Education and Training
AG	Auditor-General
ANC	African National Congress
APP	Annual Performance Plan
ASB	Accounting Standards Board
ATR	Annual Training Report
AUV	Awareness, Understanding and Value
CEO	Chief Executive Officer
CET	Community Education and Training
CFO	Chief Financial Officer
CHE	Council on Higher Education
CIDA	Canadian International Development Agency
COE	Committee of Experts
COIDA	Compensation for Occupational Injuries and Diseases Act
COSATU	Congress of South African Trade Unions
CPD	Cash for Public Deposits
CPI	Consumer Price Index
Danida	Danish International Development Agency
DFQEAS	Directorate: Foreign Qualifications Evaluation and Advisory Service
DHET	Department of Higher Education and Training
DOJ	Department of Justice
DOL	Department of Labour

ABBREVIATION/ ACRONYM	EXPLANATION
DPSA	Department of Public Service and Administration
DRR	Directorate: Registration and Recognition
DUT	Durban University of Technology
EA	Enterprise Architecture
EAIE	European Association for International Education
ECD	Early Childhood Development
EE	Employment Equity
EQF	European Qualifications Framework
ESC	Education Sector Committee
eSCoE	Electronic SAQA Certificate of Evaluation
ETDP SETA	Education, Training and Development Practices Sector Education and Training Authority
ETQA	Education and Training Quality Assurance
EU	European Union
Exco	Executive Committee
FIFO	First-in, first-out
FMPPI	Framework for Managing Programme Performance Information
GDN	Groningen Declaration Network
GENFETQA	General and Further Education and Training Quality Assurance
GFETQSF	General and Further Education and Training Qualifications Sub-Framework
GRAP	Generally Recognised Accounting Practices
GTZ	German Technical Cooperation Agency

ABBREVIATION/ ACRONYM	EXPLANATION
HEDD	Higher Education Degree Datacheck
HEQCIS	Higher Education Quality Committe Information System
HET	Higher Education and Training
HR	Human Resources
HRDS	Human Resource Development Strategy
HSRC	Human Sciences Research Council
ICT	Information and Communications Technology
IESBA	International Ethics Standards Board for Accountants
ISA	International Standards on Auditing
IT	Information Technology
I&IT	Information and Information Technology
LED	Light Emitting Diode
M&E	Monitoring and Evaluation
MQA	Mining Qualifications Authority
NLRD	National Learners' Records Database
NOKUT	Norwegian Agency for Quality Assurance in Education
NQF	National Qualifications Framework
NQF Act	National Qualifications Framework Act (Act No. 67 of 2008)
NSB	National Standards Body
NSDS	National Skills Development Strategy
OQSF	Occupational Qualifications Sub-Framework
PAA	Public Audit Act
PB	Professional Body
PD	Professional Designation
PFMA	Public Finance Management Act (Act No. 1 of 2009)

ABBREVIATION/ ACRONYM	EXPLANATION
PPE	Property, Plant and Equipment
PSET	Post-School Education and Training
QC	Quality Council
QCTO	Quality Council for Trades and Occupations
Q&S	Qualifications and Standards
REMCO	Remuneration and Human Resources Committee
RPL	Recognition of Prior Learning
SADC	Southern African Development Community
SADCQF	SADC Qualifications Framework
SADTU	South African Democratic Teachers Union
SAICA	South African Institute of Chartered Accountants
SA NATCOM	South African National Commission
SAPS	South African Police Service
SAQA	South African Qualifications Authority
SAQA Act	South African Qualifications Authority Act (Act No. 58 of 1995)
SCM	Supply Chain Management
SGB	Standards Generating Body
SETA	Sector Education and Training Authority
TCCA	Technical Committee on Certification and Accreditation
TVET	Technical and Vocational Education and Training
UNESCO	United Nations Educational, Scientific and Cultural Organisation
USAID	United States Agency for International Development
VCQ	Verification and Comparison of Qualifications
WSP	Workplace Skills Plan

FOREWORD BY THE **CHAIRPERSON OF THE SAQA BOARD**

"From a governance perspective, I am proud to report that SAQA continues to be seen as a model statutory body, which executes its mandate of advancing the objectives of the NQF in a transparent, responsible and accountable manner"

V Toni-Penxa
Chairperson of the SAQA Board

During the period under review, the sixth SAQA Board focused its activities on guiding management to consolidate the gains achieved over the past 21 years in pursuit of a world-class NQF for South Africa.

In advancing the positive impact of the objectives of the NQF in a global context, the sixth SAQA Board continued to embrace the values of social justice and ethics, environmental sustainability, diversity and transparency. It also continued to promote, support and subscribe to overall effectiveness and efficiency to the advantage of lifelong learners, especially the marginalised and underserved.

From a governance perspective, I am proud to report that SAQA continues to be seen as a model statutory body, which executes its mandate of advancing the objectives of the NQF in a transparent, responsible and accountable manner. The culture of good governance and accountability is firmly embedded throughout the organisation, and fraud and corruption are not tolerated.

Like the previous boards, the sixth Board has strong governance arrangements in place to support and measure SAQA's progress against the objectives contained in its Annual Performance Plan, and to uphold its mandate in the interest of the effective implementation of the NQF. This ensures that SAQA is a well-governed statutory body.

Highlights during the period under review include the two NQF Forums and the NQF Stakeholder Forum that were hosted by the Minister of Higher Education and Training, Dr Naledi Pandor, to deal with some of the systemic challenges in the NQF environment. These forums demonstrated the Minister's commitment to the success of the NQF.

Further, I would like to acknowledge the key role played by the Portfolio Committee on Higher Education and Training in shepherding the NQF Amendment Bill through the parliamentary processes. Once the Bill is signed into law, the sixth SAQA Board will ensure that it is implemented for the benefit of the people.

Let me take this opportunity to welcome Mr Ashley Benjamin as a new Board member, appointed by Minister Pandor for the remainder of the sixth SAQA Board's five-year term, which ends on 31 December 2020. Mr Benjamin brings education and training expertise from a labour perspective. I am pleased to report that the relationship between the sixth Board and management is healthy, and that there is a clear understanding of the roles and responsibilities of the Board and management.

In conclusion, I wish to thank SAQA's Chief Executive Officer, Mr Joe Samuels, and his management team and staff for their cooperation, dedication and support to further develop and implement the NQF. I also appreciate the cooperation and support of my fellow Board members. Without their contributions, SAQA would not have continued to succeed with the implementation of the NQF policies to the benefit of all the people of South Africa.

V Toni-Penxa
Chairperson of the SAQA Board

CHIEF EXECUTIVE OFFICER'S **OVERVIEW**

"As the custodian of the NQF, SAQA continued to provide decisive and coherent leadership, coordination and effective monitoring and evaluation towards an articulated NQF."

JS Samuels
SAQA Chief Executive Officer

It is with a sense of pride and accomplishment that SAQA concludes the 2018/19 financial year with the celebration of the NQF's 21st year of existence on 28 March 2019. The achievements reflected in this Annual Integrated Report represent the culmination of 21 years of building a world-class NQF, consolidating the gains anticipated with the promulgation of the SAQA Act in 1995.

Established in 1998 to provide for the registration of national standards and qualifications, the NQF was amplified in 2008 with the repeal of the SAQA Act and the promulgation of the NQF Act to provide for the further development, organisation and governance of the NQF. It is perhaps appropriate that its coming of age should coincide with the passing of the NQF Amendment Bill, which is awaiting promulgation as the NQF Amendment Act.

During the period under review, SAQA focused on Recognition of Prior Learning (RPL), articulation, genuine qualifications, and the simplification of the NQF. SAQA's efforts to serve lifelong learners and to contribute to the socio-economic development of the country as a whole is evident in its delivery on these focus areas.

As the custodian of the NQF, SAQA continued to provide decisive and coherent leadership, coordination and effective monitoring and evaluation towards an articulated NQF. Its achievements have contributed to its reputation as a model statutory body. This is reflected in the confidence of the nation in SAQA as an institution that is committed to serving the interests of the public.

ENHANCING POLICY IMPLEMENTATION

To demonstrate the impact of the NQF, an independent and objective evaluation of the implementation of the NQF Act, published in January 2018, looked at efficiency, effectiveness and emerging impact. Efficiency relates to aspects such as collaboration, coordination and reporting, qualification registration, evaluation and verification, and the implementation of Qualifications Sub-Frameworks. Effectiveness relates to its objectives of creating a single, integrated framework for learning achievements, facilitating access, portability, progression and articulation, enhancing the quality of education and training, and redressing past unfair discrimination. Emerging impact relates to the changes it has produced, directly or indirectly, intended or unintended.

The evaluation found that, by and large, the NQF is widely accepted by stakeholders and embedded within the education, training and development sector. The facilitation of movement and progression of learners across and between Sub-Frameworks and the greater public awareness of the NQF over the past 21 years, have contributed to SAQA's valued reputation in this regard.

CREDIBLE AND TRUSTWORTHY

As the custodian of the NQF, SAQA's credible and trustworthy character gives it a competitive advantage, which will be enhanced once the NQF Amendment Act is promulgated. The Amendment Act will also eliminate duplication and establish zero tolerance for misrepresented and fraudulent qualifications at both the individual and institutional level. This will reinforce SAQA's recognition as an efficient, effective and ethical institution that delivers goods and services that are of value and that the public can trust.

Over the past 21 years, the NQF has been acknowledged as a tool of transparency, legitimacy, integration and comparison, and innovation. Its successful integration of professional bodies and qualifications instils trust in the authenticity of registered qualifications and professional designations, and it will continue to do so. As at 31 March 2019, the National Learners' Records Database (NLRD) contained records of 19.2 million learners with 16.2 million qualification achievements and 108.8 million part-qualification achievements. Further, it had more than 81 000 learners who had achieved a qualification or part-qualification through RPL, and more than 786 000 people with professional designations. Such rich information only exists because of the NQF.

REGIONAL AND INTERNATIONAL RECOGNITION

SAQA is acknowledged as a world leader in the development and implementation of qualifications frameworks. Through SAQA, South Africa has been recognised as one of two countries in the world to have developed such a substantive central database on RPL achievements.

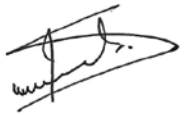
An important achievement has been the key role played by SAQA leading up to the ratification by the South African Parliament of the Addis Convention on the Recognition of Studies, Certificates, Diplomas and Degrees and Other Academic Qualifications in Higher Education in African States. This convention of the United Nations Educational, Scientific and Cultural Organisation (UNESCO) facilitates student mobility through the recognition of the higher education qualifications of institutions in Africa, thereby enhancing SAQA's credibility.

SAQA further enhanced the mobility of national and international lifelong learners by amending its Policy and Criteria for Evaluating Foreign Qualifications to include an Addendum, which makes special provision for the evaluation of qualifications of refugees and asylum seekers for employability and integration. This amendment represents the incorporation of relevant new insights into NQF policies.

VALUING OUR STAFF

Achievements over the period under review reflect the cumulative dedication and professionalism of SAQA's staff complement over the past 21 years. I therefore wish to take this opportunity to acknowledge SAQA's staff members for their contribution towards organisational effectiveness and excellence in service delivery. SAQA is proud that its staff members continue to reflect the demographics of the country. SAQA is particularly focused on empowering women, and boasts 62.5% female staff, with African women comprising 52.5%. At senior management level, 69% are women.

In conclusion, I wish to acknowledge the leadership and support of the Minister of Higher Education and Training, Dr Naledi Pandor. I am also thankful to the members of the sixth SAQA Board, under the leadership of Dr Vuyelwa Toni-Penxa as Chairperson of the Board, for their guidance, commitment and support. The exemplary manner in which they observe the distinction between governance oversight and operational management is critical for the efficient and effective functioning of SAQA. I am confident that this support will continue, and will see SAQA rise to even greater heights in serving the people of South Africa as the NQF celebrates 21 years.



JS Samuels
SAQA Chief Executive Officer

19.2 million
LEARNERS

16.2 million
QUALIFICATION ACHIEVEMENTS

108.8 million
PART-QUALIFICATION ACHIEVEMENTS

81 000 learners
WITH QUALIFICATIONS AND PART-QUALIFICATIONS THROUGH RPL

786 000 people
WITH PROFESSIONAL DESIGNATIONS

62.5%
FEMALE STAFF

52.5%
AFRICAN WOMEN

69%
WOMEN AT SENIOR MANAGEMENT LEVEL

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF **THE ANNUAL INTEGRATED REPORT**

To the best of our knowledge and belief, we confirm the following:

All information and amounts disclosed in the Annual Integrated Report are consistent with the Annual Financial Statements audited by the Auditor-General.

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

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

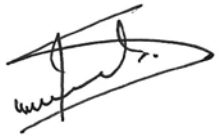
The Annual Financial Statements (Part E) have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP). This included any interpretations, guidelines and directives issued by the Accounting Standards Board (ASB) applicable to the public entity.

The Accounting Authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, this Annual Integrated Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2019.



JS Samuels
Chief Executive Officer

V Toni-Penxa
Chairperson of the Board

STRATEGIC **OVERVIEW**

VISION

A world-class National Qualifications Framework for South Africa

MISSION

To oversee the further development and implementation of the NQF and to advance its objectives, which contribute to the full development of the lifelong learner and to the social and economic development of the nation at large

VALUES

- Quality qualifications
- Social and economic transformation
- Integrity
- Integration
- Quality service
- High energy and corporate vibrancy

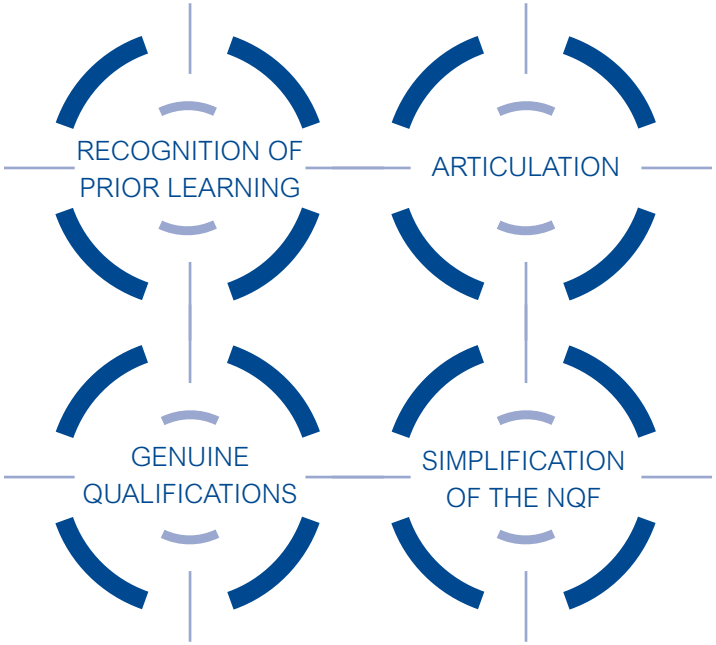
STRATEGIC IMPERATIVES

SAQA is the oversight body of the NQF and the custodian of its values and quality character. To serve lifelong learners and the country, SAQA set out to:

- Provide decisive and coherent leadership, coordination and effective monitoring and evaluation towards an articulated NQF
- Oversee and facilitate the implementation of NQF policies in a coherent, simple and integrated manner across education, training, development and work
- Use and promote constructive relationship building for the effective implementation of NQF objectives
- Continue to make the NQF visible and understood through its positive impact and structured advocacy and communication in South Africa's context
- Empower staff to achieve organisational excellence and value their contributions

FOCUS AREAS

SAQA's focus areas for quality enhancement and delivery in the 2018/19 financial year were:



LEGISLATIVE AND **OTHER MANDATES**

LEGISLATIVE MANDATES

The Constitution of the Republic of South Africa

THE BILL OF RIGHTS IN SECTION 29 OF THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA GUARANTEES THAT EVERYONE HAS THE RIGHT TO:

1. Basic education
2. Further education, which the state must make available
3. Receive education in the official language or language of their choice, where it is equitable, practical, and redresses past racially discriminatory practices
4. Establish and maintain, at their own expense, independent educational institutions that do not discriminate on the basis of race, are registered with the state, and maintain equal or superior standards

NQF Act

In terms of the NQF Act, which became effective on 1 June 2009, SAQA is the oversight body of the NQF and the custodian of its values.

Objectives of the NQF

As set out in section 5(1) of the Act, the objectives of the NQF are to:

- Create a single integrated national framework for learning achievements
- Facilitate access to, and mobility and progression within, education, training and career paths
- Enhance the quality of education and training
- Accelerate the redress of past unfair discrimination in education, training and employment opportunities

These objectives are designed to contribute to the full personal development of each learner and the social and economic development of the nation at large.

Functions of SAQA

The role of SAQA, as stipulated in the NQF Act, is to advance the objectives of the NQF, oversee the further development and implementation of the NQF, and coordinate the Sub-Frameworks. SAQA's functions are set out in section 13 of the NQF Act, which, in summary, mandates SAQA to:

- Oversee NQF implementation and collaborate with the Quality Councils;
- Develop and implement NQF policies and criteria;
- Register qualifications and part-qualifications on the NQF;
- Recognise professional bodies and register professional designations;
- Undertake research and collaborate with international counterparts;
- Maintain the National Learners' Records Database;
- Provide an evaluation and advisory service with respect to foreign qualifications;
- Inform the public about the NQF; and
- Provide advice to the Minister of Higher Education and Training.

The Public Finance Management Act, Treasury Regulations and the Framework for Strategic Plans and Annual Performance Plans

In terms of the Public Finance Management Act, Act No. 1 of 2009, SAQA is a Schedule 3A national public entity. SAQA complies with the PFMA, applicable Treasury Regulations, 2005, and the provisions of the Framework for Strategic Plans and Annual Performance Plans, 2010.

SAQA voluntarily subscribes to the King Report on Corporate Governance. The SAQA Board adopted King IV in July 2017, which was implemented in the 2018/19 financial year.

Proposed amendments to existing legislation

During this financial year, the NQF Amendment Bill went through the parliamentary processes and is awaiting promulgation as the NQF Amendment Act.

POLICY MANDATES

The following policy documents have relevance to the work of SAQA:

- The National Development Plan;
- The New Growth Path: The Framework;
- The Human Resource Development Strategy for South Africa (HRDS 2010–2030);
- The National Skills Development Strategy IV (NSDS IV) and the declaration signed at the Skills Summit;
- Presidential Outcomes 1 (Basic Education), 4 (Decent Employment through Inclusive Growth), and 5.1 (Higher Education and Training);
- The White Paper for Post-School Education and Training (November 2013); and
- Priorities and Guidelines for the NQF and other directives from the Minister of Higher Education and Training.

SAQA and the Education and Training Sector

Within the broad policy environment mentioned above, SAQA works in the Education and Training Sector to promote:

- Quality education focused on improvement of education outcomes for the poor;
- Articulation within, between and across the three Sub-Frameworks of the NQF; and
- Improved planning through the availability of reliable data and management information systems.

SAQA and the NQF's partners

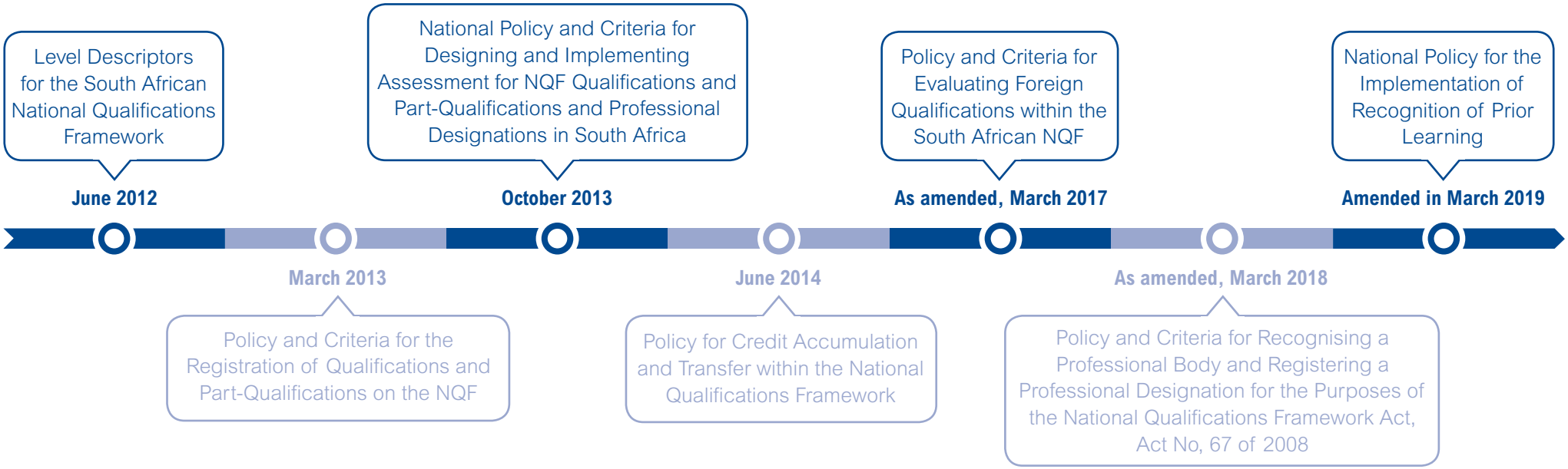
SAQA, together with its NQF partners, is responsible for the following:

- Facilitating mobility, by overseeing the development and implementation of policies and criteria towards:
  - » credit accumulation and transfer
  - » Recognition of Prior Learning
- Simplifying the NQF
- Strengthening assessment and quality assurance systems institutionally, and through the quality councils within the context of the criteria and guidelines developed by SAQA after consultation with the quality councils

Policy initiatives

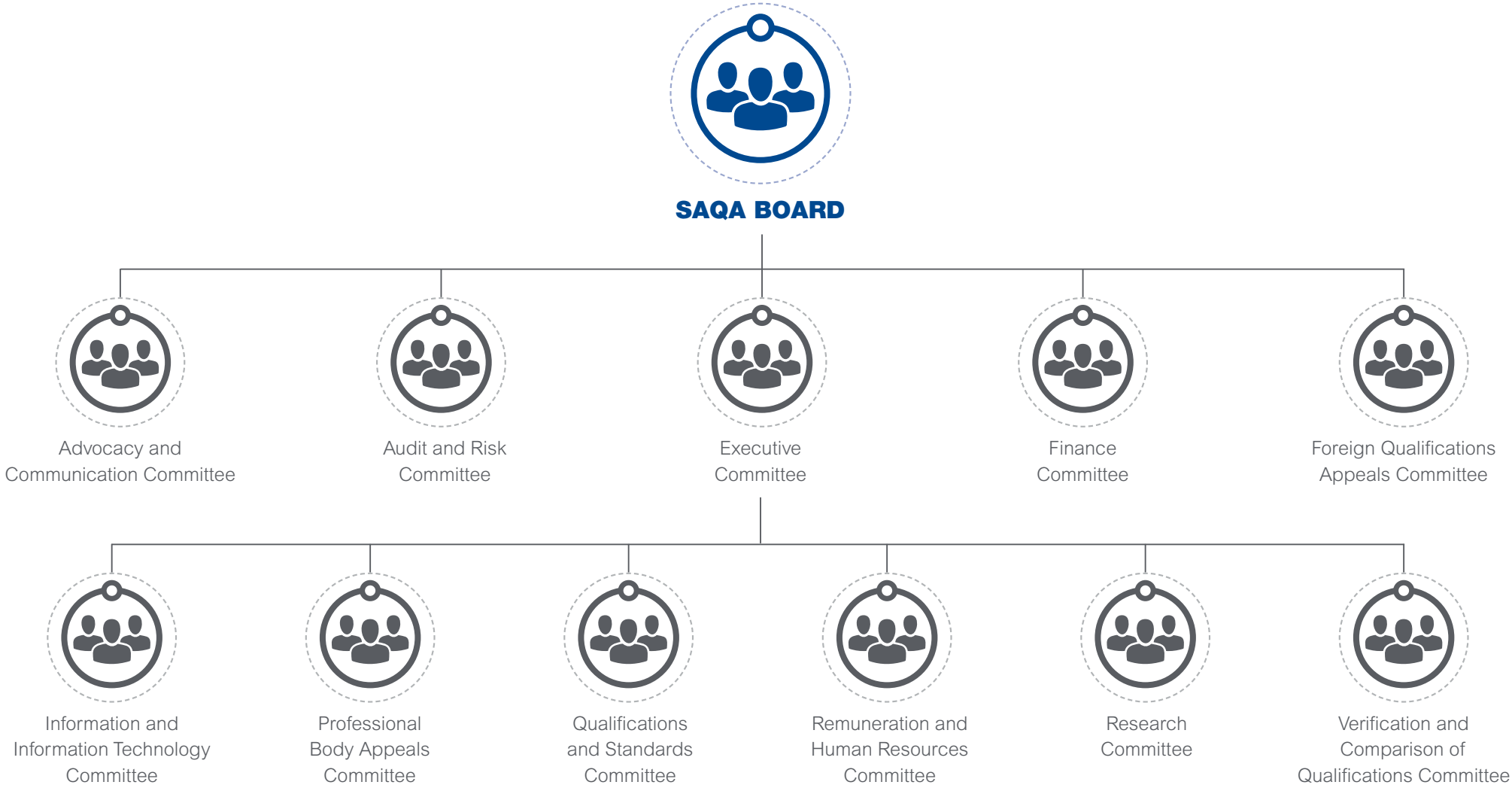
SAQA, as the apex organisation in the implementation of the NQF, collaborates with its NQF partners to implement the policies and criteria in the NQF landscape as set out below.

NQF policies:



ORGANISATIONAL STRUCTURE

BOARD STRUCTURE



Dr Vuyelwa Toni-Penxa
Chairperson

Prof Sarah Howie
Deputy Chairperson

Mr Joe Samuels
CEO

Mr Gordon Louw

Ms Anne Oberholzer

Ms Fundisile Nzimande

Prof Talvin Schultz

Prof Jerry Kuye

Ms Nadia Starr

Mr Malesela Maleka

Dr Shamrita Bhikha

Prof Narend Baijnath

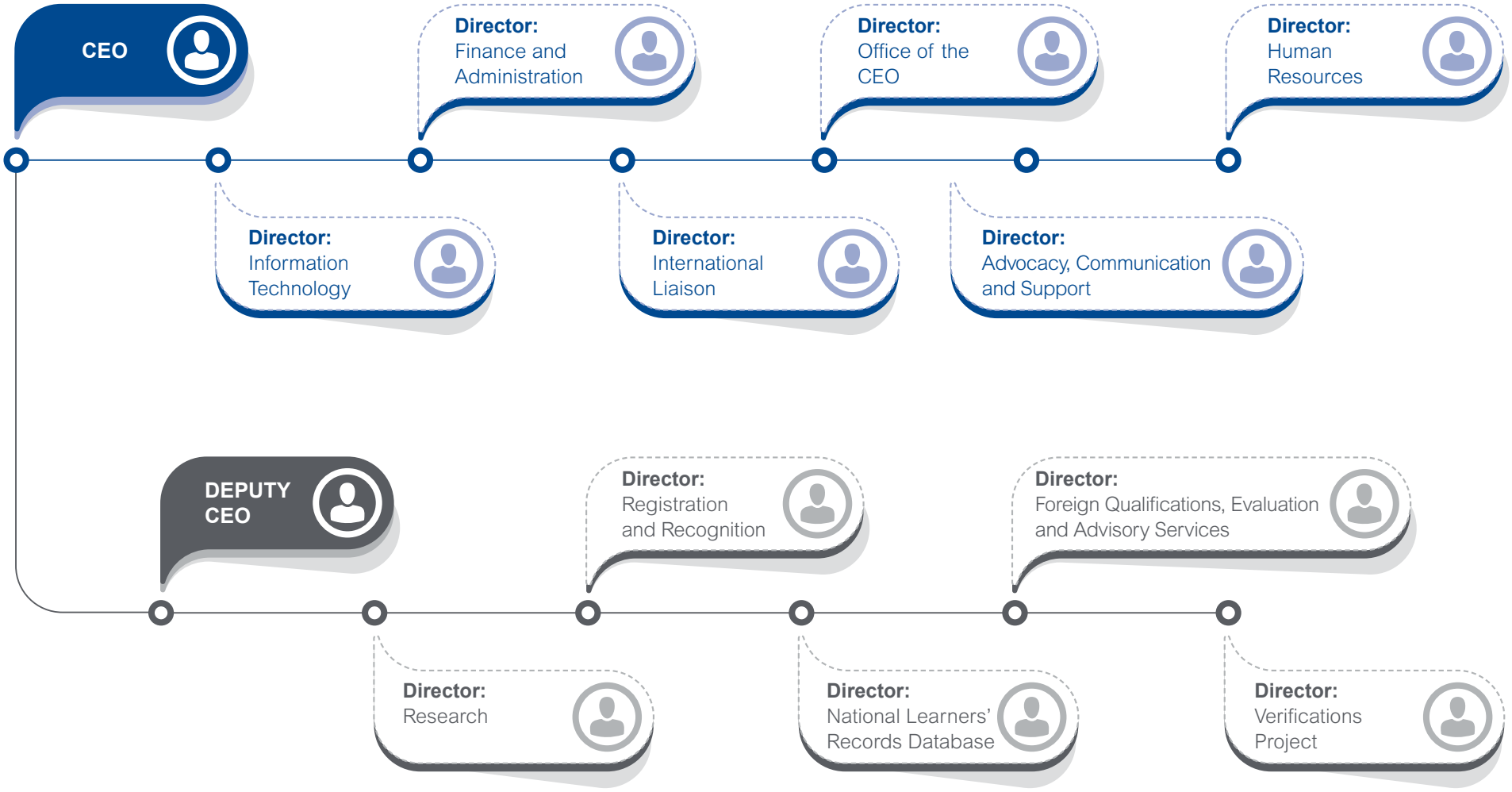
Mr Bonisile Gantile

Dr Mafu Rakometsi

Mr Vijayen Naidoo

Mr Ashley Benjamin

EXECUTIVE MANAGEMENT STRUCTURE



Mr Joe Samuels
CEO

Dr Julie Reddy
Deputy CEO

Ms Nireen Naidoo
Director: Office of the CEO

Ms Precious Mbingo
Director: Finance and Administration

Ms Phumudzo Maboho
Director:
Human Resources

Mr Joshua Ntsoia
Director:
Information Technology

Mr Wellington Radu
Director: Advocacy,
Communication and Support

Ms Faith Nyaka
Director: Registration
and Recognition

Dr Heidi Bolton
Director:
Research

Ms Nadina Coetzee
Director: Foreign Qualifications
Evaluation and Advisory Services

Ms Carina Oelofsen
Director: National Learners'
Records Database

Mr Dirk Strydom
Director:
Verifications Project

Ms Coleen Jaftha
Director:
International Liaison

PART B

PERFORMANCE INFORMATION

AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General performs the necessary audit procedures on the performance information presented in the annual performance report. The Auditor-General evaluated the usefulness and reliability of the reported performance information to determine if it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes.

Furthermore, the Auditor-General performed tests to determine if the indicators and targets were well defined, verifiable, specific, measurable, time-bound and relevant, as required by the National Treasury's Framework for Managing Programme Performance Information (FMPPI). The audit findings on the performance against predetermined objectives is included under the Predetermined Objectives heading in the Report on Other Legal and Regulatory Requirements section of the Auditor-General's Report.

SITUATIONAL ANALYSIS

THE ROLE OF SAQA

SAQA is mandated to oversee the further development and implementation of the NQF, a key national policy tool with respect to the transformation and integration of the education and training system in South Africa. SAQA operates under the NQF Act to:

- Promote a high-quality education and training system in South Africa; and
- Ensure that South African qualifications are of a high quality, internationally comparable and positioned in a system that is transparent and communicated to all stakeholders.

To achieve this, SAQA works with the three Quality Councils (QCs), which are guided by their respective Qualifications Sub-Framework policies and procedures that are aligned to national policies.

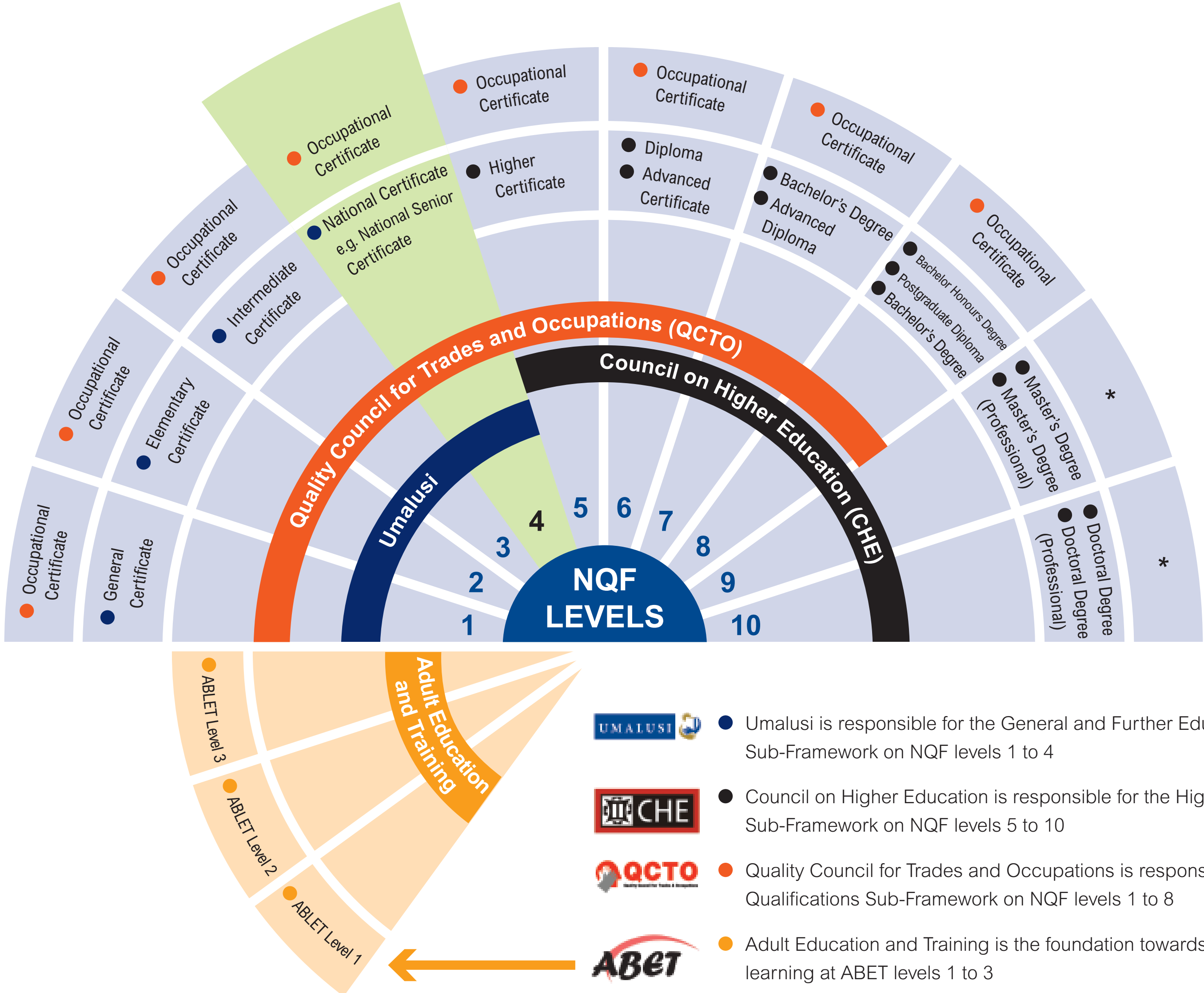
THE NQF

The NQF is a comprehensive system for the classification, co-ordination, registration and publication of articulated quality-assured national qualifications and part-qualifications. All education and training in South Africa fits within this Framework. The infographic on page 19 shows the NQF and how all qualifications across the three Sub-Frameworks fit into the NQF from levels 1 to 10.

higher education
& training
Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL QUALIFICATIONS FRAMEWORK

ABET LEVELS AND THE NATIONAL SENIOR CERTIFICATE



- UMALUSI: Umalusi is responsible for the General and Further Education and Training Qualifications Sub-Framework on NQF levels 1 to 4
- CHE: Council on Higher Education is responsible for the Higher Education Qualifications Sub-Framework on NQF levels 5 to 10
- QCTO: Quality Council for Trades and Occupations is responsible for the Occupational Qualifications Sub-Framework on NQF levels 1 to 8
- ABET: Adult Education and Training is the foundation towards lifelong learning, and provides learning at ABET levels 1 to 3

**Where an occupational qualification is needed at NQF levels 9 and 10, the developers should contact SAQA and the QCTO to motivate.*

SERVICE DELIVERY ENVIRONMENT

Recognition of Prior Learning

Recognition of Prior Learning (RPL) is an integral part of SAQA's work. For this reason, SAQA amended its National Policy on the Implementation of RPL to align it with the Minister's RPL Coordination Policy. The SAQA Board approved the amendments to the National Policy on the Implementation of RPL on 8 March 2019. The amended policy was published in the Government Gazette in March 2019.

Articulation

SAQA conducted the following initiatives to promote articulation:

- In collaboration with Durban University of Technology (DUT), SAQA developed seven in-depth case studies on articulation in practice, and hosted several workshops to encourage other institutions to establish similar practices;
- SAQA worked with DUT on the National Articulation Baseline Study, and hosted several workshops to find ways of integrating the findings from the National Articulation Baseline Study and the seven case studies, into the work of the NQF partners;
- SAQA hosted a national workshop towards the Third NQF Conference on Strengthening Learning Pathways in Early Childhood Development (ECD), Community Development, and Engineering in September 2018. An analysis of learning pathways in ECD, engineering and community development, drawn from data on the NLRD, formed the basis of this workshop; and
- SAQA produced a Bulletin (Volume 18 Number 1) on articulation initiatives in South Africa.

Genuine qualifications

In an effort to ensure the integrity of the NQF by protecting genuine qualifications, and monitoring and reporting on misrepresented qualifications, SAQA follows strict protocols to pronounce on misrepresented qualifications. During the period under review, SAQA continued to report instances of misrepresentation to the Minister of Higher Education and Training every second month.

With regard to foreign qualifications, SAQA concluded its pilot project and entered the second phase to issue electronic SAQA Certificates of Evaluation (eSCoEs) to holders of authentic foreign qualifications. By the end of the financial year, 13 606 eSCoEs had been issued.

Advocacy

The NQF Advisory Service dealt with 103 240 enquiries during the financial year. The majority of these enquiries were about the foreign qualification evaluation process and the status of the applications submitted for evaluation, as well as provider accreditation.

Simplification of the NQF

SAQA made progress with regard to the simplification of the NQF. Its activities related to the simplification of the NQF were focused on, but not limited to, the following:

- Clarifying and communicating concepts in understandable and appropriate language to policy makers, implementers and beneficiaries;
- Reviewing all policies and processes related to registration, recognition, accreditation and evaluation, and recording;
- Eliminating unnecessary duplication of qualifications and part-qualifications; and
- Identifying and addressing systemic gaps.

Global engagement

SAQA is recognised globally as a leader in the development and implementation of qualifications frameworks. It is an important role player in both regional and

continental structures, ensuring that South Africa has a transparent tool for the comparison and recognition of qualifications, and is able to verify the authenticity of foreign qualifications. During the period under review, several interactions took place between SAQA and its counterparts in Africa and the rest of the world. SAQA led the process of alignment of eight pilot countries with the SADC Qualifications Framework. SAQA presented capacity-building workshops to members of these countries in April 2018, and published its SADC Qualifications Framework Alignment Report for public comment.

Activities in support of promoting constructive international relations for the effective implementation of the objectives of the NQF include the following:

- Participating in the Groningen Declaration Network (GDN) meeting in Paris in April 2018;
- Attending a learning outcomes meeting in association with UNESCO in Greece in June 2018;
- Participating in international forums that took place in Washington, Norway and South Africa;
- Acting as Secretariat for the SADC TCCA, which met in Johannesburg in September 2018; and
- Chairing of the South African Commission of UNESCO's Education Sector Committee by SAQA's Chief Executive Officer (CEO).

The SAQA CEO was nominated by the Department of Higher Education and Training to attend the governmental experts meeting on the Global Convention for the Recognition of Higher Education Qualifications, an initiative of UNESCO, in Paris in December 2018 and March 2019.

Digitisation

In collaboration with UNESCO, SAQA is driving a SADC digitisation pilot as part of the modernisation of verification practices in SADC. During the period under review, it met with Botswana, Namibia and Zambia to discuss the requirements to move forward the pilot on the countries' e-Certificate of Evaluation. This emanates from a pilot project that SAQA had launched to provide electronic, real-time verification of the SAQA Certificate of Evaluation through digital certificates.

SAQA is constantly looking at ways to improve its workflows through automation. In this regard, SAQA embarked on a project to digitise Senior Certificate and teacher records that were paper-based, and then load these digital records onto the NLRD. During the period under review, 800 195 records were digitised with the support of the Department of Public Service and Administration (DPSA) and its funding partner, Tirelo Bosha. With funding from the Education, Training and Development Practices Sector Education and Training Authority (ETDP SETA), it is anticipated that a further 65 100 teacher records and 9 600 Senior Certificate records will be digitised in the following financial year.

ORGANISATIONAL ENVIRONMENT

Funding

SAQA continues to operate in a resource-constrained environment as it only receives 54% of its budget from the fiscus. As a result, during the period under review, SAQA explored self-funding mechanisms and raised 46% of its budget through alternative sources.

Legal Costs

The current climate of testing the law within our constitutional democracy and the complexity of our education laws means that organisations like SAQA should find avenues to channel cases through a central fund for greater efficiency and use its own designated resources for better outcomes.

Human Resources

Mr Claude Baxter, Director: Information Technology, retired at the end of June 2018. This position has been filled by Mr Joshua Ntsioa.

KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

No revisions or alterations to SAQA's mandate took place in the 2018/19 reporting period. However, the NQF Amendment Bill is awaiting promulgation.

Ministerial Guidelines

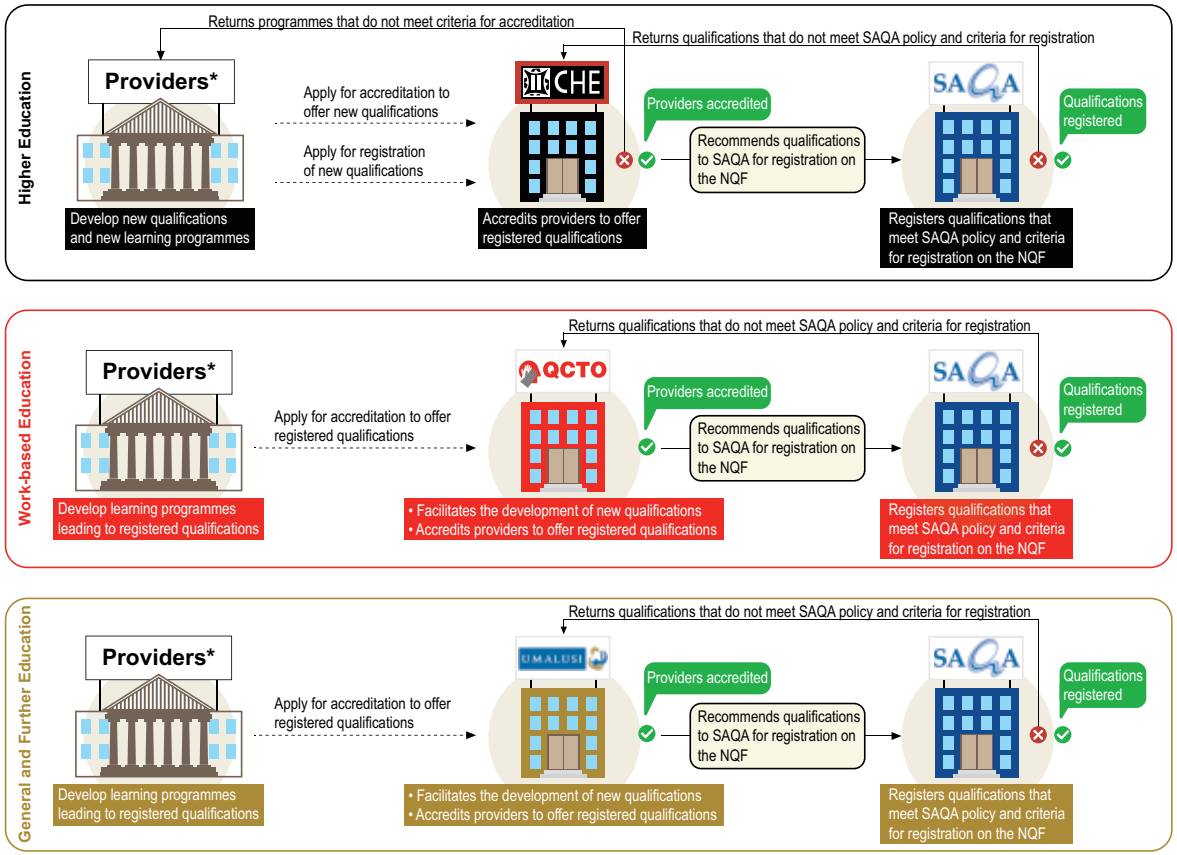
The 2018/19 Ministerial Guidelines were published in March 2018. These guidelines are directives to SAQA and the Quality Councils to further develop and implement the South African NQF, and ensure that the objectives of the NQF are met and implemented across the education and training sector. However, the Guidelines were published too late for inclusion in the 2018/19 Annual Performance Plan (APP) and budget. Consequently, SAQA only implemented those deliverables that could be accommodated within its approved APP and budget.

Re-registration of Qualifications and Part-Qualifications on the NQF

During the period under review, SAQA re-registered higher education, and general and further education and training qualifications from 1 July 2018 to 30 June 2021, and work-based qualifications from 1 July 2018 to 30 June 2023. The re-registration excluded those qualifications that:

- Did not meet QC requirements for registration;
- Had been reviewed and replaced by new qualifications;
- Were not quality-assured or accredited by the QCs; and
- Did not meet SAQA's requirements in terms of the Policy and Criteria for the Registration of Qualifications and Part-Qualifications.

The re-registration process presents an opportunity for all key players in the education and training system to look at qualifications and ensure that they meet the needs of the country. The illustrations below show the process through which qualifications are recommended by the three Quality Councils to SAQA for registration on the NQF.



National Policy on the Implementation of Recognition of Prior Learning

The SAQA Board approved amendments to the National Policy on the Implementation of RPL. These amendments align the National Policy with the Minister's RPL Coordination Policy. This amended Policy was published in the Government Gazette in March 2019.

Addendum on the Recognition of Qualifications of Refugees and Asylum Seekers

The SAQA Board approved the Addendum on the Recognition of Qualifications of Refugees and Asylum Seekers. This Addendum adds to the Policy and Criteria for Evaluating Foreign Qualifications within the South African NQF. The Addendum was gazetted in March 2019.

STRATEGIC OBJECTIVES AND ACHIEVEMENTS

In terms of the NQF Act, as well as the mandate of the Minister for Higher Education and Training, SAQA is required to deliver on certain agreed outputs in return for support and resources, as specified in its Strategic Plan. In accordance with the strategic intent, as approved by the SAQA Board, SAQA will continue to follow a value-adding, results-based approach in the delivery of the goals that have been agreed to.

STRATEGIC OUTCOME-ORIENTED GOALS

LEADERSHIP AND COORDINATION

SAQA continued to provide decisive and coherent leadership, coordination, and effective monitoring and evaluation to achieve an articulated NQF in the following ways:

- Addressed issues related to the registration of qualifications on the NQF in order to promote coherence among Qualifications Sub-Frameworks;
- Hosted a workshop for members of the NQF family in July 2018 on the implementation of the NQF Act;
- Provided advice to the Minister on the technical and vocational education and training (TVET) landscape after consulting with the quality councils;
- Provided inputs into the Draft NQF Amendment Bill to the Portfolio Committee on Higher Education and Training; and
- Continued to implement its Policy and Criteria for Registering Qualifications and Part-Qualifications on the NQF to ensure that every registered qualification has articulation options.

NQF POLICY IMPLEMENTATION

SAQA continued to oversee and facilitate the implementation of NQF policies in a coherent, simple and integrated manner across education, training, development and work as follows:

- Promoted the mobility of learners through the evaluation of their foreign qualifications. It evaluated qualifications from 116 different national systems during the period under review. The turnaround time for evaluation is three months;
- Played a role in the ratification of the Addis Convention on the Recognition of Studies, Certificates, Diplomas and Degrees and Other Academic Qualifications in Higher Education in African States; and
- Produced two mutual recognition of qualifications agreements with Cyprus and Italy.

As at 31 March 2019, the NLRD had:

108 825 790
part-qualification achievements

19 262 453
learners

16 279 666
qualification achievements

1 458 556
part-qualification achievements via RPL

786 341
people with professional designations

200 789
current and past registered assessors

81 611
learners with achievements via RPL

33 756
qualification achievements via RPL

7 540
accredited providers

390
registered professional designations

106
recognised professional bodies

RELATIONSHIP BUILDING

SAQA continued to use and promote constructive relationship building for the effective implementation of the NQF's objectives in the following ways:

- Made effective use of the system of collaboration to ensure constructive working relationships among the NQF family and stakeholders to further simplify the NQF, strengthen the promotion and understanding of the NQF, promote a culture of articulation, promote genuine qualifications, and internationalise the NQF;
- Provided comments on Umalusi's Revised Assessment Policy, as well as the National Skills Development Strategy and the Draft Occupational Qualifications Sub-Framework Policy;
- Interacted with international counterparts in the rest of the African continent and the world, for example with regard to the SADC Qualifications Framework;
- Hosted the Professional Bodies Forums in September 2018 and March 2019 to ensure that professional bodies are aware of the issues that affect them; and
- Participated in international forums that took place in Washington, Norway and South Africa.

PUBLIC POSITIONING

SAQA continued to make the NQF visible and understood through its positive impact, and structured advocacy and communications in the South African context. To demonstrate this, it did the following: During the period under review,

2 045 articles were published in the media that related to SAQA and/or the NQF.

These articles reached approximately **54 million people**.

The articles had an advertising value equivalence of approximately **R62 million**.

SAQA improved the **NQF Advisory Service's feedback mechanisms** to enable the public to navigate the NQF with ease.

SAQA responded to **103 240 queries** through its various communication platforms.

SAQA participated in **70 broadcast** media events and interviews.

STAFF DEVELOPMENT

SAQA continued to optimise capacity, encourage and value the contributions of staff towards organisational effectiveness, efficiency and economy to achieve excellence in service delivery in the following ways:

- Improved staff benefits (dread disease cover and waiting period);
- Recognised and rewarded qualifying employees through the performance and development management system;
- Placed 16 new interns; and
- Provided education assistance to employees.

SAQA's staff development is geared towards developing a world-class NQF that works for the people in South Africa. Thus, constant learning interventions were implemented for staff to become better ambassadors of SAQA and the NQF.

PERFORMANCE INFORMATION BY PROGRAMME

SAQA has six programmes. The programmes are listed in the table below.

Programme	Sub-Programme	Strategic Objective/s
1. Administration	1.1 Executive Office: responsible for the overall coordination and organisational performance in response to SAQA's mandate	Provide bold and competent leadership in the implementation of the NQF Act to the advantage of lifelong learners; Facilitate and support the implementation of NQF policies in a simple, coherent and integrated manner; and Coordinate the work of the NQF partners
	1.2 Finance and Administration: responsible for effective financial and infrastructural governance and resources to support SAQA's objectives	Maintain an effective and efficient financial management system
	1.3 Human Resources: responsible for providing strategic and operational support to embrace diversity, environmental sustainability, and social justice and contribute towards the delivery of SAQA's mandate	Provide strategic and operational human resource support to SAQA
	1.4 Information Technology: responsible for effective ICT governance and IT infrastructural resources to support the achievement of organisational objectives and business processes	Develop an effective and efficient IT system that supports SAQA
	1.5 Advocacy, Communication and Support: responsible for informing stakeholders and the public about the NQF, SAQA and related matters	Inform the public about the NQF, SAQA and related matters; and Develop an NQF Advisory Service to enable the public to navigate the NQF

Programme	Sub-Programme	Strategic Objective/s
2. Registration and Recognition	Responsible for registering nationally relevant and internationally comparable qualifications and part-qualifications that meet national criteria and articulate across sub-frameworks; and recognising professional bodies and registering professional designations	Register qualifications and part-qualifications; and recognise professional bodies and register professional designations
3. National Learners' Records Database	Responsible for maintaining and further developing the NLRD's functionality, which serves as the key national source of information for human resource and skills development in terms of policy, infrastructure and planning	Maintain and further develop the National Learners' Records Database
	3.1 VERIFICATIONS PROJECT: responsible for verifying the authenticity of national qualifications	
4. Foreign Qualifications Evaluation and Advisory Services	Responsible for evaluating foreign qualifications against set criteria, including verification of the authenticity of qualifications and comparison of foreign qualifications with similar qualifications on the South African NQF	Provide a foreign qualifications evaluation and advisory service
5. Research	Responsible for conducting evidence-based research to evaluate the impact of the NQF and inform the development and further implementation of the NQF	Facilitate and support the implementation of NQF policies in a simple, coherent and integrated manner; and conduct research on issues of importance to the NQF
6. International Liaison	Responsible for liaising with international partners on matters concerning qualifications frameworks and sharing best practice within the NQF family	Ensure effective international collaboration and benchmarking

This Report is based on the revised Annual Performance Plan for 2018/19 that was submitted to the Executive Authority and approved by the DHET CFO on 14 March 2019.

TABLE 1: STRATEGIC OBJECTIVES OF EXECUTIVE OFFICE LINKED TO TWO-YEAR ACHIEVEMENTS

PROGRAMME 1

1.1 EXECUTIVE OFFICE

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
Provide decisive and coherent leadership to coordinate implementation of an effectively articulated NQF	The target was met Monitored implementation of the NQF Implementation Framework 2015-2020 through an update of the Tracking Grid A dashboard was also developed to provide more concise information for tracking progress	Monitor and oversee the implementation of the NQF Implementation Framework for 2015 – 2020	The target was met Monitored implementation of the NQF Implementation Framework 2015-2020 through an update of the Tracking Grid The updated dashboard provided a high-level progress report	None	N/A
	The target was met Completed Report on implementation of Ministerial Guidelines and submitted it to Minister	Complete report on progress with implementation of Ministerial Guidelines	The target was met Completed report on progress with implementation of Ministerial Guidelines and sent it to the Minister	None	N/A
	This was not an APP target in 2017/18	Produce Progress Report on Simplifying the NQF	The target was met Produced Progress Report on Simplifying the NQF and submitted it to the Minister	None	N/A

PROGRAMME 1

1.1 EXECUTIVE OFFICE

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
	The target was met Produced a report bi-monthly on misrepresented qualifications and sent all 6 reports to the Minister	Maintain and report bi-monthly on the Register of Misrepresented Qualifications to the Minister	The target was met The List of Misrepresented Qualifications was updated Produced bi-monthly reports on Misrepresented Qualifications and sent these reports to the Minister	Yes	The NQF Amendment Bill, once promulgated, will establish the Register of Misrepresented Qualifications. For now, SAQA maintains a List of Misrepresented Qualifications.
	The target was met Developed Draft Register of Fraudulent Qualifications	Meet with the Dept. of Justice to negotiate to receive information to populate the Register of Fraudulent Qualifications	The target was met Met with the Dept. of Justice (DOJ) on 11 February 2019 The DOJ agreed to provide information on fraudulent qualifications to SAQA	None	N/A
	The target was met Produced final report on the implementation of the Articulation Action Plan The Board approved the Report on 9 March 2018 for submission to the Minister	Develop a new Action Plan for Articulation	The target was met Developed a new Action Plan for Articulation The Board approved the Articulation Action Plan in March 2019	None	N/A

PROGRAMME 1

1.1 EXECUTIVE OFFICE

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
	The target was met The Minister was reminded about advice provided on the Articulation Ombud in 2016 as we are still waiting for a response on this proposal Advice was provided to the Deputy Minister in the form of an overview of the work of SAQA	Provide advice to the Minister: HET on all requested matters, or as and when deemed necessary	The target was met SAQA provided advice to the Minister on the TVET landscape	None	N/A
	The target was met Comments were provided on the NQF Amendment Bill	Provide input and comments on draft policies / legislation if required	The target was met Provided inputs into: • Revised Assessment Policy for the GFETQSF • National Plan for PSET • National Skills Development Plan and New SETA Landscape • NQF Amendment Bill • Occupational Qualifications Sub-Framework Policy	None	N/A

PROGRAMME 1

1.1 EXECUTIVE OFFICE

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
Facilitate and support the implementation of NQF policies in a simple, coherent and integrated manner	The target was met The following two policies were reviewed and amended: • NQFpedia • Policy and Criteria for the Recognition of Professional Bodies and Registration of Professional Designations	Review 2 policies or guidelines	The target was met The RPL Policy and the Policy and Criteria for Evaluating Foreign Qualifications were reviewed An Addendum for Refugees and Asylum seekers was added to the latter Policy The Addendum and the amended RPL Policy were approved and published	None	N/A
Coordinate the work of the NQF partners	The target was met The System of Collaboration was implemented A Report on the System of Collaboration was approved by the SAQA Board and submitted to the Minister	Implement the System of Collaboration to guide mutual relations between SAQA and the QCs and report annually on its effectiveness	The target was met Produced report on the implementation and effectiveness of collaboration between SAQA and the QCs The Board approved the Report for submission to the Minister	None	N/A

TABLE 2: PERFORMANCE INDICATORS OF EXECUTIVE OFFICE LINKED TO FOUR-YEAR ACHIEVEMENTS

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
1. NQF Implementation Framework for 2015/16 to 2019/20 approved and implemented	NQF Implementation Framework for 2015–2020 approved by the CEO Committee and the SAQA Board	Implemented NQF Implementation Framework 2015–2020 Progress with implementation is discussed at each of the 4 meetings of the CEO Committee A Tracking Grid is used to monitor progress with implementation The Tracking Grid is updated for each CEO Committee meeting	The target was met Monitored implementation of the NQF Implementation Framework 2015–2020 through an update of the Tracking Grid A dashboard was also developed to provide more concise information for tracking progress	1.1 Monitor and oversee the implementation of the NQF Implementation Framework for 2015–2020	The target was met Monitored implementation of the NQF Implementation Framework 2015–2020 through an update of the Tracking Grid The updated dashboard provided a high level progress report	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
2. Ministerial guidelines to address priorities of the NQF implemented	Report produced, approved by SAQA Board and sent to Minister	Completed report on progress against 2015/16 Ministerial Guidelines and submitted it to the Minister	The target was met Completed Report on implementation of Ministerial Guidelines and submitted it to Minister	2.1 Complete report on progress with implementation of Ministerial Guidelines	The target was met Completed report on progress with implementation of Ministerial Guidelines and sent it to the Minister	None	N/A
				2.2 Produce Progress Report on Simplifying the NQF	The target was met Produced Progress Report on Simplifying the NQF and submitted it to the Minister		
3.1 Produce Bi-Monthly reports on misinformation about national and foreign qualifications and cases reported to SAPS	Produced monthly statistics on misrepresentation Sent 5 reports on statistics to the Minister	6 Reports on qualification misrepresentation were produced (one every 2nd month) and the overall statistics reported to the Minister A List of Misrepresented Qualifications is maintained	The target was met Produced a report bi-monthly on misrepresented qualifications and sent all 6 reports to the Minister	3.1 Maintain and report bi-monthly on the Register of Misrepresented Qualifications to the Minister	The target was met The List of Misrepresented Qualifications was updated Produced bi-monthly reports on Misrepresented Qualifications and sent these reports to the Minister	Yes	The NQF Amendment Bill, once promulgated, will establish the Register of Misrepresented Qualifications. For now, SAQA maintains a List of Misrepresented Qualifications.

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
3.2 Register of Misrepresented Qualifications developed, approved and maintained		The Draft Register was developed and presented to the CEO Committee on 25 Nov 2016 and EXCO on 8 February 2017 The Register will be submitted for approval together with the Policy on the Misrepresentation of Qualifications in 2017/18	The target was met Developed Draft Register of Fraudulent Qualifications	3.2 Meet with the Dept. of Justice to negotiate to receive information to populate the Register of Fraudulent Qualifications	The target was met Met with the Dept. of Justice on 11 February 2019 The DOJ agreed to provide information on fraudulent qualifications to SAQA	None	N/A
4. Implement Action Plan on Articulation	Report on SAQA's contribution to the Articulation Action Plan was produced and approved by SAQA Board	Reviewed and further implemented SAQA's contribution to the Articulation Action Plan Produced report on implementation of SAQA's portion of the Articulation Action Plan	The target was met Produced final report on the implementation of the Articulation Action Plan The Board approved the Report on 9 March 2018 for submission to the Minister	4.1 Develop a new Action Plan for Articulation	The target was met Developed a new Action Plan for Articulation The Board approved the Articulation Action Plan in March 2019	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
5. Input provided to legislation and policies as required		Provided advice to Minister on SAQA implementing the Articulation Ombuds function	The target was met The Minister was reminded about advice provided on the Articulation Ombud in 2016 as we are still waiting for a response on this proposal Advice was provided to the Deputy Minister in the form of an overview of the work of SAQA	5.1 Provide advice to the Minister: HET on all requested matters, or as and when deemed necessary	The target was met SAQA provided advice to the Minister on the TVET landscape	None	N/A
	Input provided into the Minister's Draft RPL Policy, and the Ministerial Guidelines 2015/16 and the Draft Ministerial Guidelines 2016/17	SAQA commented on: • Draft Articulation Policy; • Draft NQF Amendment Bill; • Draft M&E Policy for CET colleges; and • Draft Position Paper on Online Programme Offerings	The target was met Comments were provided on the NQF Amendment Bill	5.2 Provide input and comments on draft policies / legislation if required	The target was met Provided inputs into: • Revised Assessment Policy for the GFETQSF • National Plan for PSET • National Skills Development Plan and New SETA Landscape • NQF Amendment Bill • Occupational Qualifications Sub-Framework Policy	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
6. Number of NQF policies or guidelines implemented or reviewed and simplified	The following policies were developed and approved: Verifications Appeals Policy, Professional Bodies Appeals Policy and Foreign Qualifications Revocation Policy The Foreign Qualifications Appeals Policy was reviewed, updated and approved The Draft Policy on Misrepresented Qualifications was developed and handed over to the Minister	The following two policies were reviewed: • Foreign Qualifications Appeals Policy • Policy and Criteria for the Evaluation of Foreign Qualifications within the SA NQF The former policy was posted on SAQA's website and the latter policy was gazetted on 31 March 2017	The target was met The following two policies were reviewed and amended: • NQFpedia • Policy and Criteria for the Recognition of Professional Bodies and Registration of Professional Designations	6.1 Review 2 policies or guidelines	The target was met The RPL Policy and the Policy and Criteria for Evaluating Foreign Qualifications were reviewed An Addendum for Refugees and Asylum seekers was added to the latter Policy The Addendum and the amended RPL Policy were approved and published	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
7. The System of Collaboration as required, reviewed or implemented	Report on the System of Collaboration approved by the SAQA Board	Produced report on collaboration between SAQA and the QCs Report approved by SAQA Board and submitted to Minister	The target was met The System of Collaboration was implemented A Report on the System of Collaboration was approved by the SAQA Board and submitted to the Minister	7.1 Implement the System of Collaboration to guide mutual relations between SAQA and the QCs and report annually on its effectiveness	The target was met Produced report on the implementation and effectiveness of collaboration between SAQA and the QCs The Board approved the Report for submission to the Minister	None	N/A

Executive Office

TABLE 3: STRATEGIC OBJECTIVES OF FINANCE AND ADMINISTRATION LINKED TO TWO-YEAR ACHIEVEMENTS

PROGRAMME 1

1.2 FINANCE AND ADMINISTRATION

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
Maintain an effective and efficient financial management system	The target was not met Achieved an unqualified audit report for 2016/17	Receive a clean audit report for 2017/18	The target was not met Achieved an unqualified audit report for 2017/18	Yes	The AG identified material misstatements on comparative figures of commitments. SAQA subsequently corrected these misstatements, and as a result, the Financial Statements received an unqualified audit opinion. In the opinion of the AG, effective and appropriate steps were not taken to prevent irregular expenditure amounting to R 272 189. The SAQA Board condoned the irregular expenditure after a thorough investigation.
	The target was met Achieved 100% compliance with National Treasury requirements	Achieve 100% compliance with National Treasury requirements	The target was met Achieved 100% compliance with National Treasury requirements	None	N/A
	The target was met Produced and submitted timeously 12 monthly management accounts and 4 quarterly reports	Produce 12 monthly management accounts and 4 quarterly reports	The target was met Produced 12 monthly management accounts and 4 quarterly reports	None	N/A

TABLE 4: PERFORMANCE INDICATORS OF FINANCE AND ADMINISTRATION LINKED TO FOUR-YEAR ACHIEVEMENTS

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
8. A clean audit report	Received an unqualified audit report for 2014/15 from the Auditor-General	Achieved an unqualified audit report for 2015/16	The target was not met Achieved an unqualified audit report for 2016/17	8.1 Receive a clean audit report for 2017/18	The target was not met Achieved an unqualified audit report for 2017/18	Yes	The AG identified material misstatements on comparative figures of commitments. SAQA subsequently corrected these misstatements, and as a result, the Financial Statements received an unqualified audit opinion. In the opinion of the AG, effective and appropriate steps were not taken to prevent irregular expenditure amounting to R 272 189. The SAQA Board condoned the irregular expenditure after a thorough investigation.

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
9. Percentage of compliance with National Treasury requirements	SAQA's finance policies and procedures are aligned to the PFMA and National Treasury Regulations The relevant finance policies were reviewed to ensure alignment with the National Treasury Instruction Note. The reviewed policies were approved by the Board	Maintained 100% compliance with National Treasury requirements	The target was met Achieved 100% compliance with National Treasury requirements	9.1 Achieve 100% compliance with National Treasury requirements	The target was met Achieved 100% compliance with National Treasury requirements	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
	Produced 12 monthly management accounts and 4 quarterly reports in line with National Treasury requirements	Produced and submitted timeously 12 monthly management accounts and 4 quarterly reports The quarterly reports were approved by the Finance Committee before being submitted to National Treasury and the Minister	The target was met Produced and submitted timeously 12 monthly management accounts and 4 quarterly reports	9.2 Produce 12 monthly management accounts and 4 quarterly reports	The target was met Produced 12 monthly management accounts and 4 quarterly reports	None	N/A

Finance and Administration

TABLE 5: STRATEGIC OBJECTIVES OF HUMAN RESOURCES LINKED TO TWO-YEAR ACHIEVEMENTS

PROGRAMME 1

1.3 HUMAN RESOURCES

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
Provide strategic and operational human resource support to SAQA	The target was met Maintained 100% compliance with HR legislation Submitted Workplace Skills Plan and Report to ETDP SETA on 28 April 2017	Submit the WSP, ATR and EE Plan by stipulated deadline	The target was met Submitted the WSP and ATR to ETDP SETA by 30 April 2018	None	N/A
	Submitted the Employment Equity report to the Dept. of Labour (DOL) in December 2017, well before the deadline of 16 January 2018		The target was met ahead of schedule Submitted the Employment Equity report to DOL in December 2018, ahead of schedule	Yes	The HR Forum met, the documents were prepared and signed off in December 2018, thus allowing for the early submission ahead of the DOL deadline
	The target was met 100% of staff contracts were approved	Approve 100% of staff contracts	The target was met 100% of staff contracts were approved	None	N/A
	The target was met 100% of staff were assessed	Assess 100% of staff	The target was met 100% of staff were assessed	None	N/A
	The target was met SAQA-wide learning and development plan was approved by the CEO	Develop and get CEO approval for SAQA learning and development plan	The target was met SAQA learning and development plan was developed and approved by the CEO	None	N/A

PROGRAMME 1

1.3 HUMAN RESOURCES

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
	The target was met All SAQA staff members participated in at least one learning and development intervention	All SAQA staff members participate in at least one learning and development intervention	The target was met Produced Tracking Grid for staff learning and development initiatives All staff members participated in at least one learning and development intervention	None	N/A
	The target was met 100% of staff who qualified for bonuses in previous financial year were recognised and rewarded	Recognise and reward 100% of staff who qualify	The target was met 100% of staff who qualified for bonuses in previous financial year were recognised and rewarded	None	N/A
	The target was met The Succession Plan was reviewed, adjusted and signed off by the CEO	Review Succession Plan and adjust accordingly	The target was met The Succession Plan was reviewed and updated	None	N/A

TABLE 6: PERFORMANCE INDICATORS OF HUMAN RESOURCES LINKED TO FOUR-YEAR ACHIEVEMENTS

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
10. Percentage of compliance with all human resource regulations and legislation	Submitted the Workplace Skills Plan and Annual Training Report by 30 April 2015; and	100% compliant with HR legislation Workplace Skills Plan and Annual Training Report submitted to ETDP SETA on 30 April 2016	The target was met Maintained 100% compliance with HR legislation Submitted Workplace Skills Plan and Report to ETDP SETA on 28 April 2017	10.1 Submit the WSP, ATR and EE Plan by stipulated deadline	The target was met Submitted the WSP and ATR to ETDP SETA by 30 April 2018	None	N/A
	Submitted the Employment Equity Report online to the Dept. of Labour by 31 January 2016	100% compliant with HR legislation Submitted Employment Equity report online to DOL on 11 January 2017	The target was met Submitted the Employment Equity report to the Dept. of Labour in December 2017, well before the deadline of 16 January 2018		The target was met ahead of schedule Submitted the Employment Equity report to DOL in December 2018, ahead of schedule	Yes	The HR Forum met, the documents were prepared and signed off in December 2018, thus allowing for the early submission ahead of the DOL deadline
11. Percentage of staff performance contracts developed and approved	Developed and approved performance contracts for all staff	100% of staff contracts were developed and approved	The target was met 100% of staff contracts were approved	11.1 Approve 100% of staff contracts	The target was met 100% of staff contracts were approved	None	N/A
12. Percentage of staff assessed against performance contracts	Completed all staff assessments	100% of staff were assessed against their performance contracts	The target was met 100% of staff were assessed	12.1 Assess 100% of staff	The target was met 100% of staff were assessed	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
13. Percentage of organisation-wide learning and development plans implemented	Approved Learning and Development Plans for each Directorate Approved Learning and Development Plan for SAQA	Learning and Development Plan was developed and approved	The target was met SAQA-wide learning and development plan was approved by the CEO	13.1 Develop and get CEO approval for SAQA learning and development plan	The target was met SAQA learning and development plan was developed and approved by the CEO	None	N/A
		All SAQA staff members participated in at least one learning and development intervention 60% of SAQA Learning & Development Plan was implemented	The target was met All SAQA staff members participated in at least one learning and development intervention	13.2 All SAQA staff members participate in at least one learning and development intervention	The target was met Produced Tracking Grid for staff learning and development initiatives All staff members participated in at least one learning and development intervention	None	N/A
14. Approved Remuneration System implemented for all staff and percentage of staff who qualify are recognised and rewarded	Staff who qualified received performance bonuses Service provider still busy with benchmarking exercise	100% of staff who qualified for bonuses in previous financial year were recognised and rewarded	The target was met 100% of staff who qualified for bonuses in previous financial year were recognised and rewarded	14.1 Recognise and reward 100% of staff who qualify	The target was met 100% of staff who qualified for bonuses in previous financial year were recognised and rewarded	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
15. Succession Plan for Senior Management and critical posts in place as per policy	-	The Succession Plan for senior management and critical posts was developed The Board approved SAQA's Succession Plan on 10 March 2017	The target was met The Succession Plan was reviewed, adjusted and signed off by the CEO	15.1 Review Succession Plan and adjust accordingly	The target was met The Succession Plan was reviewed and updated	None	N/A

Human Resources

TABLE 7: STRATEGIC OBJECTIVES OF INFORMATION TECHNOLOGY LINKED TO TWO-YEAR ACHIEVEMENTS

PROGRAMME 1

1.4 INFORMATION TECHNOLOGY

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
Develop an effective and efficient IT system that supports SAQA	The target was met The Integrated Knowledge Management System was further enhanced through the establishment of the shared filing system (DocBox) which enables the sharing of Board and Committee Meeting packs and other relevant documents with Management	Migrate one (of ten) directorate documents from the "DocBox" file shared folders to the Knowledge Management System	The target was met The IT information was migrated from DocBox to IBM Connections The system was tested, quality assured and is now ready for cross-directorate use	None	N/A
	The target was not met The ICT Strategy was submitted to the I&IT Committee for consideration in February 2018 The ICT Strategy was not approved	Update and get approval for the revised ICT Enterprise Architecture (EA)	The target was met The 2017/18 Enterprise Architecture (EA) was approved in the first quarter The 2018/19 Enterprise Architecture (EA) was approved in the third quarter	Yes	The 2017/18 EA that had not been approved in the last financial year, was approved in the first quarter

PROGRAMME 1

1.4 INFORMATION TECHNOLOGY

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
	The target was met Server Uptime consistently exceeded 95% over the year	Server uptime exceeds 95%	The target was met Servers were online for at least 98% of the time during the year	None	N/A
	The target was met Evidence produced shows compliance with all IT governance legislation, regulations and codes of best practice	Provide evidence of compliance with catalogued IT governance legislation, regulations and codes of best practice	The target was met Evidence shows that IT systems and services complied with the following prescripts: • MISS • ITIL • COBIT • TOGAF • King IV • ISO 22301	None	N/A

TABLE 8: PERFORMANCE INDICATORS OF INFORMATION TECHNOLOGY LINKED TO FOUR-YEAR ACHIEVEMENTS

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
16. A coordinated and integrated knowledge and information system in place	Developed the Integrated Knowledge Management System Completed functionality testing Board approved the Knowledge Management Strategy and Plan	A service contract was signed with service provider to assist with implementation Staff (user) consultations took place Staff were trained on the Knowledge Management System	The target was met The Integrated Knowledge Management System was further enhanced through the establishment of the shared filing system (DocBox) which enables the sharing of Board and Committee Meeting packs and other relevant documents with Management	16.1 Migrate one (of ten) directorate documents from the "DocBox" file shared folders to the Knowledge Management System	The target was met The IT information was migrated from DocBox to IBM Connections The system was tested, quality assured and is now ready for cross-directorate use	None	N/A
17. Percentage of compliance with all IT governance legislation, regulations and codes of best practice	Board approved the ICT Enterprise Architecture Prepared the procurement plan and budget for 2016–2017	100% compliance with IT governance, legislation, regulations and codes of best practice The ICT Enterprise Architecture was approved and implemented	The target was not met The ICT Strategy was submitted to the I&IT Committee for consideration in February 2018 The ICT Strategy was not approved	17.1 Update and get approval for the revised ICT Enterprise Architecture (EA)	The target was met The 2017/18 Enterprise Architecture (EA) was approved in the first quarter The 2018/19 Enterprise Architecture (EA) was approved in the third quarter	Yes	The 2017/18 EA that had not been approved in the last financial year, was approved in the first quarter
	Servers were kept online more than 95% of the time throughout the year	Servers uptime exceeded 95% for the year	The target was met Server uptime consistently exceeded 95% over the year	17.2 Server uptime exceeds 95%	The target was met Servers were online for at least 98% of the time during the year	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
	Fully complied with all IT-related legislation Board approved the Enterprise Architecture, I&IT Committee recommended COBIT priority objectives for Board approval Reviewed the Information Security Policy	100% compliant with relevant IT legislation The IT Director reported on all the IT legislation that SAQA complied with	The target was met Evidence produced shows compliance with all IT governance legislation, regulations and codes of best practice	17.3 Provide evidence of compliance with catalogued IT governance legislation, regulations and codes of best practice	The target was met Evidence shows that IT systems and services complied with the following prescripts: • MISS • ITIL • COBIT • TOGAF • King IV • ISO 22301	None	N/A

Information Technology

TABLE 9: STRATEGIC OBJECTIVES OF ADVOCACY, COMMUNICATION AND SUPPORT LINKED TO TWO-YEAR ACHIEVEMENTS

PROGRAMME 1

1.5 ADVOCACY, COMMUNICATION AND SUPPORT

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
Develop an NQF Advisory Service to enable the public to navigate the NQF	The target was met Reviewed NQF Advisory Service Produced Report on findings and recommendations for further implementation	Implement the recommendations of the review of the NQF Advisory Service	The target was met Implemented the recommendations of the review of the NQF Advisory Service Produced a progress report	None	N/A
Inform the public about the NQF, SAQA and related matters	The target was exceeded Recorded **2 868 358** people interactions on digital media platforms	Record 3 800 000 people and interactions on SAQA/NQF digital platforms	The target was exceeded Recorded **3 803 354** people interactions on digital media platforms	Yes	The target was exceeded because there was better planning, clearer measurement and more efficient implementation
	The target was not achieved An overall rating of **92.5%** for awareness, understanding and value for policy makers and policy implementers was recorded	Maintain over 90% rating for awareness, understanding and value among policy makers and policy implementers	The target was not met Maintained **90%** rating overall for awareness, understanding and value among policy makers and policy implementers	Yes	SAQA could only achieve 90% and not over 90%

TABLE 10: PERFORMANCE INDICATORS OF ADVOCACY, COMMUNICATION AND SUPPORT LINKED TO FOUR-YEAR ACHIEVEMENTS

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
18. An NQF Advisory Service to further the implementation of the NQF is in place	Produced report on the implementation of Phase One of the NQF Advisory Service Strategy	Produced report on the further implementation of Phase One of the NQF Advisory Service Strategy The report was approved by the CEO	The target was met Reviewed NQF Advisory Service Produced Report on findings and recommendations for further implementation	18.1 Implement the recommendations of the review of the NQF Advisory Service	The target was met Implemented the recommendations of the review of the NQF Advisory Service Produced a progress report	None	N/A
19. Number of people using digital (including social media) platforms increased	A total of **607 802** individuals used one of SAQA's digital media platforms during the year	**685 023** individuals used one of SAQA's social media platforms	The target was exceeded Recorded **2 868 358** people interactions on digital media platforms	19.1 Record 3 800 000 people and interactions on SAQA/NQF digital platforms	The target was exceeded Recorded **3 803 354** people interactions on digital media platforms	Yes	The target was exceeded because there was better planning, clearer measurement and more efficient implementation

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
20. Percentage of the three target audiences' awareness, understanding and value of the NQF	Policy Implementers AUV increased from **93%** to **96%** over last year and by **23%** over baseline (2013/14). Policy Makers AUV increased from **92%** to **96%** in the last year and improved by **18%** over the baseline (2013/14)	A rating of **92%** awareness, understanding and value was reported for policy makers and policy implementers	The target was not achieved An overall rating of **92.5%** for awareness, understanding and value for policy makers and policy implementers was recorded	20.1 Maintain over 90% rating for awareness, understanding and value among policy makers and policy implementers	The target was not met Maintained **90%** rating overall for awareness, understanding and value among policy makers and policy implementers	Yes	SAQA could only achieve 90% and not over 90%

Advocacy, Communication and Support

PROGRAMME 1: CONTRIBUTION TO SAQA'S STRATEGIC GOALS

Programme 1 comprises the support areas of SAQA. The Executive Office provides leadership to SAQA and oversight to the Quality Councils in the implementation of the NQF Act. The Executive Office sets the tone for building and maintaining relationships with SAQA's stakeholders; namely, the Minister: Higher Education and Training, the Department of Higher Education and Training, the Department of Basic Education, the Council on Higher Education, the Quality Council for Trades and Occupations, Umalusi and professional bodies. The Executive Office also manages SAQA's relationships with the Board and its Committees. The Executive Office steers implementation of SAQA's strategy and reports progress to the Board.

Finance and Administration is responsible for all activities relating to the development and reporting of SAQA's budget. This directorate manages SAQA's debtors and creditors, and reports timeously to National Treasury and to the DHET on matters relating to the budget and requirements of the PFMA.

The Human Resource directorate is responsible for ensuring that SAQA adheres to all relevant HR legislation, whilst assisting the directorates to recruit new staff, drive staff training and development and manage the performance of all staff.

The IT directorate maintains SAQA's IT infrastructure that supports its work.

The Advocacy, Communications and Support directorate is responsible for driving SAQA's mandate of publicising and popularising the NQF. This directorate communicates with stakeholders through a variety of channels.

COMMENT ON DEVIATIONS

Explanations for deviations on each of the deliverables appear in the far right column.

TABLE 11: STRATEGIC OBJECTIVES OF REGISTRATION AND RECOGNITION LINKED TO TWO-YEAR ACHIEVEMENTS

PROGRAMME 2					
REGISTRATION AND RECOGNITION					
Strategic Objective	**Actual Achievement 2017/18**	**Planned Target 2018/19**	**Actual Achievement 2018/19**	**Deviation from Planned Target to Actual Achievement for 2018/19**	**Comment on Deviation**
Register qualifications and part-qualifications	The target was met Processed 100% of qualifications and part-qualifications recommended by the QCs	Process 100% of qualifications and part-qualifications recommended by the QCs	The target was met Processed 100% of qualifications and part-qualifications recommended by the QCs	None	N/A
	The target was met Compiled List of registered qualifications with no learner enrolments and sent to the QCTO for consideration By financial year-end, the QCTO had not recommended any qualifications for de-registration	Monitor all qualifications registered from 2009, compile list of qualifications with no learner uptake after 2 years of registration and submit it to the relevant QCs	The target was met Compiled List of registered qualifications with no learner enrolments and sent to the QCTO for consideration in (December 2017) the previous financial year The QCTO had not recommended any qualifications for de-registration In March 2018, the SAQA Board approved the re-registration of all qualifications on the NQF, provided that they met SAQA's criteria	None	N/A

PROGRAMME 2

REGISTRATION AND RECOGNITION					
Strategic Objective	**Actual Achievement 2017/18**	**Planned Target 2018/19**	**Actual Achievement 2018/19**	**Deviation from Planned Target to Actual Achievement for 2018/19**	**Comment on Deviation**
			SAQA provided each of the QCs with a list of qualifications (including those with no learner uptake) and requested them to recommend which qualifications should be re-registered and which should be de-registered		
	The target was met The study was completed A Progress Report on the study was approved by SAQA Board on 9 March 2018	No target for 2018/19	N/A	None	N/A
Recognise professional bodies and register professional designations	The target was met Processed 100% of applications for the recognition of professional bodies and registration of their professional designations annually	Process 100% of applications for the recognition of Professional bodies and registration of their professional designations annually	The target was met Processed 100% of applications for the recognition of Professional bodies and registration of their professional designations	None	N/A

PROGRAMME 2

REGISTRATION AND RECOGNITION					
Strategic Objective	**Actual Achievement 2017/18**	**Planned Target 2018/19**	**Actual Achievement 2018/19**	**Deviation from Planned Target to Actual Achievement for 2018/19**	**Comment on Deviation**
	The target was met Monitored 100% of professional bodies that were recognised in the 2015/16 financial year, against the policy and criteria (mid-term review)	Monitor 100% of professional bodies that were recognised in the 2016/17 financial year, against the policy and criteria (mid-term review)	The target was met Monitored 100% of professional bodies that were recognised in the 2016/17 financial year, against the policy and criteria One professional body did not avail itself to a site visit. SAQA wrote to the CEO of this professional body and informed him of SAQA's intention to de-recognise it	None	
	The target was met Monitored 100% of professional bodies that were recognised in the 2012/13 financial year, against the policy and criteria, as a pre-cursor to renew recognition	Monitor 100% of professional bodies that were recognised in the 2013/14 financial year, against the policy and criteria, as a pre-cursor to renew recognition	The target was met Monitored 100% of professional bodies that were recognised in the 2013/14 financial year, against the policy and criteria 100% of PBs met SAQA's criteria and were recommended for re-recognition	None	N/A

TABLE 12: PERFORMANCE INDICATORS OF REGISTRATION AND RECOGNITION LINKED TO FOUR-YEAR ACHIEVEMENTS

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
21. Percentage of qualifications and part-qualifications recommended by the QCs registered using the Policy and Criteria for the registration of qualifications and part qualifications on the NQF	SAQA processed 100% of the qualifications and part-qualifications recommended by the Quality Councils for registration on the NQF: Registered **178** Higher Education qualifications. A further 61 were recommended for registration by Qualifications & Standards Committee in March 2016 (and approved by the Board in April 2016) Registered **37** Occupational qualifications A further 7 were recommended for registration by the Qualifications & Standards Committee in March 2016 (and approved by the Board in April 2016)	Processed 100% of qualifications and part-qualifications recommended by the QCs Received **447** new recommendations from QCs Returned: **36** qualifications **411** qualifications met criteria for registration In addition: Registered **361** qualifications on the NQF and recorded **10** learning programmes	The target was met Processed 100% of qualifications and part-qualifications recommended by the QCs	21.1 Process 100% of qualifications and part-qualifications recommended by the QCs	The target was met Processed 100% of qualifications and part-qualifications recommended by the QCs	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
	Registered **1** Basic education qualification Registered a total of **216** qualifications this financial year						
22. Percentage of Professional bodies and professional designations processed using the professional bodies policy and criteria	SAQA processed 100% of the applications received from professional bodies and 100% of applications for the registration of professional designations Recognised **13** professional bodies and registered **36** designations for the financial year	Processed 100% of applications for the recognition of professional bodies and registration of their professional designations *Professional bodies:* Carried over **19** PB applications from previous cycle that were processed Received **9** new PB applications for recognition Closed and returned **4** PB applications	The target was met Processed 100% of applications for the recognition of professional bodies and registration of their professional designations annually	22.1 Process 100% of applications for the recognition of professional bodies and registration of their professional designations annually	The target was met Processed 100% of applications for the recognition of professional bodies and registration of their professional designations	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
		In addition, **8** PBs were recognised and **13** PBs were carried over to next cycle *Professional designations:* Carried over **72** designations from previous cycle Received **64** new PD applications for registration Returned **1** PD application **63** PDs met criteria for registration In addition, **49** PDs were registered and **85** PDs were carried over to next cycle					

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
23. Percentage of professional bodies monitored against Policy & Criteria for Recognition of Professional Bodies	**35.4%** of the professional bodies that were recognised by 31 March 2014, were monitored This equates to **23** of **65** professional bodies recognised by 31 March 2014, having been monitored for compliance against the Policy and Criteria for Recognition of Professional Bodies A further **37** of these professional bodies were monitored for compliance in the previous financial year In total, **92.3%** of professional bodies recognised by 31 March 2014 have been monitored to date	**10** of the **72** professional bodies that were recognised for at least two years (by 31 March 2015) were monitored This equates to **13.9%** of the professional bodies recognised up to 31 March 2015, having been monitored for the year	The target was met Monitored 100% of professional bodies that were recognised in the 2015/16 financial year against the policy and criteria (mid-term review)	23.1 Monitor 100% of professional bodies that were recognised in the 2016/17 financial year against the policy and criteria (mid-term review)	The target was met Monitored 100% of professional bodies that were recognised in the 2016/17 financial year against the policy and criteria One professional body did not avail itself to a site visit. SAQA wrote to the CEO of this professional body and informed him of SAQA's intention to de-recognise it	None	

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
	N/A	In addition, a further **23** professional bodies were monitored against the Policy and Criteria for re-recognition	The target was met Monitored 100% of professional bodies that were recognised in the 2012/13 financial year, against the policy and criteria as a pre-cursor to renew recognition	23.2 Monitor 100% of professional bodies that were recognised in the 2013/14 financial year, against the policy and criteria as a pre-cursor to renew recognition	The target was met Monitored 100% of professional bodies that were recognised in the 2013/14 financial year against the policy and criteria 100% of PBs met SAQA's criteria and were recommended for re-recognition	None	N/A
24. The NQF is simplified and articulation pathways are clearly visible	N/A	SAQA identified historically registered qualifications on the OQSF that are no longer in use and brought this list to the attention of the QCTO The QCTO recommended **78** qualifications for de-registration The Board approved the de-registration of these qualifications	The target was met Compiled List of registered qualifications with no learner enrolments and sent to the QCTO for consideration By financial year-end, the QCTO had not recommended any qualifications for de-registration	24.1 Monitor all qualifications registered from 2009, compile list of qualifications with no learner uptake after 2 years of registration and submit it to the relevant QCs	The target was met Compiled List of registered qualifications with no learner enrolments and sent to the QCTO for consideration in (December 2017) the previous financial year The QCTO had not recommended any qualifications for de-registration	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
					In March 2018, the SAQA Board approved the re-registration of all qualifications on the NQF, provided that they met SAQA's criteria SAQA provided each of the QCs with a list of qualifications (including those with no learner uptake) and requested them to recommend which qualifications should be re-registered and which should be de-registered		

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
	N/A	Developed proposal to map 5 articulation pathways for learners sampled from NLRD Proposal will be submitted to Board for approval in July 2017 before articulation pathways are mapped	The target was met The study was completed A Progress Report on the study was approved by SAQA Board on 9 March 2018	No target set for 2018/19	N/A	None	N/A

Registration and Recognition

PROGRAMME 2: CONTRIBUTION TO SAQA'S STRATEGIC GOALS

The Registration and Recognition directorate (DRR) is responsible for (i) registering nationally relevant and internationally comparable qualifications and part-qualifications that meet national criteria and articulate within as well as across Sub-Frameworks, and (ii) recognising professional bodies and registering their professional designations.

Process in the context of qualifications means: To compare 100% of applications for the registration of qualifications received from the QCs to the Policy and Criteria for the Registration of Qualifications and Part-Qualifications on the NQF. DRR returns applications that do not meet the criteria to the relevant QC with a list of missing information. Applications that meet the criteria are submitted to the Qualifications and Standards (Q&S) Committee for recommendation to the Board for registration on the NQF. Once Board approval is granted, the qualifications are registered on the NQF.

Process in the context of professional bodies means to compare 100% of applications received from professional bodies, to the Policy and Criteria for the Recognition of Professional Bodies and the Registration of Professional Designations. DRR returns applications that do not meet the criteria to the applicant with a list of missing information. DRR submits applications that meet the criteria to the Qualifications and Standards Committee for recommendation to the Board for recognition of the professional bodies and/or registration of their professional designations.

COMMENT ON DEVIATIONS

No deviations were recorded for this programme.

TABLE 13: STRATEGIC OBJECTIVES OF NATIONAL LEARNERS' RECORDS DATABASE (NLRD) LINKED TO TWO-YEAR ACHIEVEMENTS

PROGRAMME 3

3.1 NATIONAL LEARNERS' RECORDS DATABASE

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
Maintain and further develop the National Learners' Records Database	The target was met Received data from QCs twice a year and loaded 100% of all data that met the criteria	Receive data from QCs twice a year and load 100% of all data that meet the criteria	The target was met Received data from QCs twice a year and loaded 100% of all data that met the criteria	None	N/A
	The target was met Received data from professional bodies twice a year and loaded 100% of all data that met the criteria	Receive data from professional bodies twice a year and load 100% of all data that meet the criteria	The target was met Received data from professional bodies twice a year and loaded 100% of all data that met the criteria	None	N/A
	The target was met Made available all 7 searchable databases at least 95% of the time	Make available all 7 searchable databases at least 95% of the time	The target was met All searchable databases were available at least 95% of the time 1 database was disabled in the 4th quarter as it is no longer required	None	N/A
	The target was met Produced 1 annual comprehensive report and submitted it to the Minister	Produce 1 annual comprehensive report	The target was met Produced 1 annual comprehensive report on information contained on the NLRD	None	N/A
	The target was met Produced 1 report per quarter on learner achievements added achievements to NLRD	Produce 1 report per quarter on learner achievements added to NLRD	The target was met Produced 1 report per quarter on learner achievements added to NLRD	None	N/A

PROGRAMME 3

3.1 NATIONAL LEARNERS' RECORDS DATABASE					
Strategic Objective	**Actual Achievement 2017/18**	**Planned Target 2018/19**	**Actual Achievement 2018/19**	**Deviation from Planned Target to Actual Achievement for 2018/19**	**Comment on Deviation**
	The target was met Produced the 5th Trends Report	No target set for 2018/19	N/A	None	N/A

TABLE 14: STRATEGIC OBJECTIVES OF THE VERIFICATIONS PROJECT LINKED TO TWO-YEAR ACHIEVEMENTS

3.2 VERIFICATIONS PROJECT					
Strategic Objective	**Actual Achievement 2017/18**	**Planned Target 2018/19**	**Actual Achievement 2018/19**	**Deviation from Planned Target to Actual Achievement for 2018/19**	**Comment on Deviation**
Maintain and further develop the National Learners' Records Database	The target was met 100% of applications for verifications received in the financial year were processed	Process 100% of applications received for the verification of national qualifications in the financial year	The target was met Processed 100% of applications received for the verification of national qualifications in the financial year	None	N/A
	The target was met Invoiced 100% of clients within 30 days of completing the verifications process	Invoice 100% of clients within 30 days of closing a batch	The target was met Invoiced 100% of clients within 30 days of closing a batch	None	N/A
	The target was met Produced a Progress Report for each quarter	Produce a progress report for each quarter within 15 days after the end of the quarter	The target was met Produced a progress report for each quarter within 15 days after the end of the quarter	None	N/A

TABLE 15: PERFORMANCE INDICATORS OF THE NATIONAL LEARNERS' RECORDS DATABASE LINKED TO FOUR-YEAR ACHIEVEMENTS

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
25. Percentage of successfully submitted data from QCs that has been successfully loaded	Successfully loaded 100% of all data received from QCs in July and August 2015 Successfully loaded 100% of all data received from QCs in January and February 2016	100% of all data received from QCs that met the criteria were successfully loaded in the 2nd and 4th quarters	The target was met Received data from QCs twice a year and loaded 100% of all data that met the criteria	25.1 Receive data from QCs twice a year and load 100% of all data that meet the criteria	The target was met Received data from QCs twice a year and loaded 100% of all data that met the criteria	None	N/A
26. Percentage of successfully submitted data from professional bodies that has been successfully loaded	Successfully loaded all data received in April and May 2015 from professional bodies Successfully loaded all data received in October and November 2014 from professional bodies	100% of all data received from Professional Bodies that met the criteria were successfully loaded in the 1st and 3rd quarters	The target was met Received data from professional bodies twice a year and loaded 100% of all data that met the criteria	26.1 Receive data from professional bodies twice a year and load 100% of all data that meet the criteria	The target was met Received data from professional bodies twice a year and loaded 100% of all data that met the criteria	None	N/A
27. Number of searchable databases available to the public		7 searchable databases were available 98% of the time	The target was met Made available all 7 searchable databases at least 95% of the time	27.1 Make available all 7 searchable databases at least 95% of the time	The target was met All searchable databases were available at least 95% of the time 1 database was disabled in the 4th quarter as it is no longer required	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
28. Number of Comprehensive Reports based on information in the NLRD	Produced the NLRD Annual Comprehensive Report for 2015/16 In summary, the report contained the following information: A total of 1 078 302 learners were added to the NLRD 856 702 qualification achievements were recorded The NLRD contains information on 16 819 020 learners, 13 411 070 achievements and 28 969 qualifications achieved through RPL by 26 379 learners	Produced Annual Comprehensive Report for financial year and submitted it to Minister	The target was met Produced 1 annual comprehensive report	28.1 Produce 1 annual comprehensive report	The target was met Produced 1 annual comprehensive report on information contained on the NLRD	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
	Produced quarterly tables on information added to NLRD	Produced 1 report quarterly on number of learner achievements added to NLRD	The target was met Produced 1 report per quarter on learner achievements added achievements to NLRD	28.2 Produce 1 report per quarter on learner achievements added to NLRD	The target was met Produced 1 report per quarter on learner achievements added to NLRD	None	N/A
29. Number of trends reports produced every 2nd year	Produced 4th Trends Report	No target for 2016/17	The target was met Produced the 5th Trends Report	29.1 No target set for 2018/19	N/A	None	N/A

TABLE 16: PERFORMANCE INDICATORS OF VERIFICATIONS PROJECT LINKED TO FOUR-YEAR ACHIEVEMENTS

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
30. Provide a qualifications verifications service that finalises a percentage of applications received	100% of applications for verifications were processed Processed a total of 8 518 batches 355 batches were rejected 8 163 batches moved to the verification stage A total of 72 543 individual records (qualifications) were verified	100% of applications for verifications received in the financial year were processed Received 10 598 batches Returned 1 017 batches 9 581 batches met the criteria for verification In addition: Verified 9 581 batches containing 81 833 individual records	The target was met 100% of applications for verifications received in the financial year were processed	30.1 Process 100% of applications received for the verification of national qualifications in the financial year	The target was met Processed 100% of applications received for the verification of national qualifications in the financial year	None	N/A
31. Percentage of clients invoiced for completed verification results	The target was met Invoiced 100% of clients within 30 days of completing the verifications process	Invoiced 100% of clients within 30 days of completing the verifications process		31.1 Invoice 100% of clients within 30 days of closing a batch	The target was met Invoiced 100% of clients within 30 days of closing a batch	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
32. Number of reports produced indicating progress with the Verifications Project	Produced (4) quarterly progress reports	Produced Quarterly progress reports (4 reports in total)	The target was met Produced a Progress Report for each quarter	32.1 Produce a progress report for each quarter within 15 days after the end of the quarter	The target was met Produced a progress report for each quarter within 15 days after the end of the quarter	None	N/A

PROGRAMME 3: CONTRIBUTION TO SAQA'S STRATEGIC GOALS

The NLRD directorate is responsible for maintaining and further developing the National Learners' Records Database, which is the largest database of learner achievements and other information related to qualifications in the country. The focus of this directorate is to strive towards loading all learner achievement data onto the NLRD. This includes digitising paper records so that they can be loaded onto the NLRD. The directorate also provides analyses of information contained on the NLRD for further research, and to inform policy and decision-making.

The Verifications Project is responsible for verifying the authenticity of national qualifications and reporting on misrepresented qualifications. The NQF Amendment Bill, once promulgated, has significant implications for the work of this directorate.

COMMENT ON DEVIATIONS

There were no deviations from the stated targets for Programme 3.

National Learners' Records Database

Verifications Project

TABLE 17: STRATEGIC OBJECTIVES OF DFQEAS LINKED TO TWO-YEAR ACHIEVEMENTS

PROGRAMME 4

FOREIGN QUALIFICATIONS EVALUATION AND ADVISORY SERVICES (DFQEAS)

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
Provide a foreign qualifications evaluation and advisory service	The target was met Produced a monitoring report on the implementation of the approved Policy and Criteria for the Evaluation of Foreign Qualifications within the SA NQF, as amended	Produce a monitoring report on the implementation of the approved Policy and Criteria for the Evaluation of Foreign Qualifications within the SA NQF, as amended, with specific reference to the framework for the recognition of deviations and exception cases	The target was met Produced a monitoring report on implementation of the amended Policy, with specific reference to the framework for the recognition of deviations and exception cases	None	N/A
	The target was met Registered and activated 100% of all compliant applications for further processing	Register and activate 100% of all compliant applications for further processing (evaluation)	The target was met Registered and activated 100% of all compliant applications for further processing	None	N/A
	The target was met Produced the annual Trends Report on Misrepresented Foreign Qualifications	Produce an annual trends report on misrepresented foreign qualifications	The target was met Produced an annual trends report on misrepresented foreign qualifications	None	N/A

TABLE 18: PERFORMANCE INDICATORS OF DFQEAS LINKED TO FOUR-YEAR ACHIEVEMENTS

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
33. An approved policy framework for the recognition of foreign qualifications in line with the NQF Act implemented	Board approved the Policy for the Evaluation of Foreign Qualifications within the SA NQF on 2 December 2015 Published the policy in the Government Gazette on 30 December 2015	Produced monitoring report on implementation of approved Policy & Criteria for the Evaluation of Foreign Qualifications in the SA NQF	The target was met Produced a monitoring report on the implementation of the approved Policy and Criteria for the Evaluation of Foreign Qualifications within the SA NQF, as amended	33.1 Produce a monitoring report on the implementation of the approved Policy and Criteria for the Evaluation of Foreign Qualifications within the SA NQF, as amended, with specific reference to the framework for the recognition of deviations and exception cases	The target was met Produced a monitoring report on implementation of the amended Policy, with specific reference to the framework for the recognition of deviations and exception cases	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
34. Percentage of applications for evaluation of foreign qualifications are processed	100% of applications were processed In total SAQA: Received and processed **24 942** applications Returned **3 647** non-compliant applications Registered **21 295** applications for evaluation Received further information on **10 446** applications from previous financial years Compared and recognised **23 622** foreign qualifications	Processed 100% of all applications received in the following manner: Received **25 395** new applications Returned **3 716** non-compliant applications Registered **21 679** compliant applications for evaluation In addition, we compared and recognised **25 188** qualifications	The target was met Registered and activated 100% of all compliant applications for further processing	34.1 Register and activate 100% of all compliant applications for further processing (evaluation)	The target was met Registered and activated 100% of all compliant applications for further processing	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
35. Report on misrepresented qualifications in the evaluation of foreign qualifications including the number of initiatives undertaken to counteract document fraud	Produced report on misrepresented qualifications in the evaluation of foreign qualifications and the number of initiatives undertaken to counteract document fraud During the current year, SAQA recorded **111** cases of misrepresented foreign qualifications, which was included in the report The initiative to improve detection processes include embarking on a pilot project to verify the authenticity of every qualification received for evaluation from 5 selected countries. The countries selected account for about 60% of applications received	Produced the annual Trends Report on Misrepresented Foreign Qualifications	The target was met Produced the annual Trends Report on Misrepresented Foreign Qualifications	35.1 Produce an annual trends report on misrepresented foreign qualifications	The target was met Produced an annual trends report on misrepresented foreign qualifications	None	N/A

PROGRAMME 4: CONTRIBUTION TO SAQA'S STRATEGIC GOALS

The Foreign Qualifications Evaluation and Advisory Service is responsible for evaluating foreign qualifications against set criteria, including the verification of the authenticity of qualifications and comparison of foreign qualifications with similar qualifications on the South African NQF. SAQA has the sole mandate to evaluate foreign qualifications.

Register and activate means: Applications that meet the requirements of a checklist are recorded on the foreign qualifications database and activated for further processing against the Policy and Criteria for Evaluating Foreign Qualifications. Applications found to be non-compliant are returned to the client.

COMMENT ON DEVIATIONS

There were no deviations reported under Programme 4.

Foreign Qualifications Evaluation and Advisory Services

Foreign Qualifications Evaluation and Advisory Services

TABLE 19: STRATEGIC OBJECTIVES OF RESEARCH LINKED TO TWO-YEAR ACHIEVEMENTS

PROGRAMME 5					
RESEARCH					
Strategic Objective	**Actual Achievement 2017/18**	**Planned Target 2018/19**	**Actual Achievement 2018/19**	**Deviation from Planned Target to Actual Achievement for 2018/19**	**Comment on Deviation**
Facilitate and support the implementation of NQF policies in a simple, coherent and integrated manner; and **Conduct research on issues of importance to the NQF**	The target was met Produced a detailed report on progress made with current partnerships	Produce a detailed report on progress made with current partnership(s)	The target was met Produced a report on progress made with current partnership (Durban University of Technology)	None	N/A
	The target was met Produced the Draft 2017 NQF Impact Study Report	Finalise and get Board approval for the 2017 NQF Impact Study Report	The target was met The Board approved the 2017 NQF Impact Study Report on 8 March 2019	None	N/A
	Not a target in 2017/18	Commence conceptualisation of the 2021 NQF Impact Study	The target was met Produced the draft Concept Paper for SAQA's 2021 NQF Impact Study		
	The target was met Produced one SAQA Bulletin	Produce one SAQA Bulletin	The target was met Produced one SAQA Bulletin	None	N/A
	The target was not met Could not commence with this deliverable because the Minister did not give approval for implementation of the Ombud function as yet	No target set for 2018/19	N/A	None	N/A

TABLE 20: PERFORMANCE INDICATORS OF RESEARCH LINKED TO FOUR-YEAR ACHIEVEMENTS

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
36. Facilitate, maintain, finalise and report on the research partnerships implemented	Produced and approved the Research Partnership Monitoring Report Signed contract with new research partner (Durban University of Technology)	Produced report giving details of research partnerships facilitated, progress with existing partnerships and partnerships concluded	The target was met Produced a detailed report on progress made with current partnerships	36.1 Produce a detailed report on progress made with current partnership(s)	The target was met Produced a report on progress made with current partnership (Durban University of Technology)	None	N/A
37. NQF Impact Study progress report	Produced shortened report on NQF Impact Study; and Held workshop with stakeholders to discuss report	The 2014 NQF Impact Study summary report was disseminated to stakeholders Produced progress report on work achieved towards the 2017 NQF Impact Study	The target was met Produced the draft 2017 NQF Impact Study Report	37.1 Finalise and get Board approval for the 2017 NQF Impact Study Report	The target was met The Board approved the 2017 NQF Impact Study Report on 8 March 2019	None	N/A
	N/A	N/A	N/A	37.2 Commence conceptualisation of the 2021 NQF Impact Study	The target was met Produced the draft Concept Paper for SAQA's 2021 NQF Impact Study		
38. Number of SAQA bulletins produced	Produced and distributed SAQA Bulletin Included two articles on international trends	Produced one SAQA Bulletin	The target was met Produced one SAQA Bulletin	38.1 Produce one SAQA Bulletin	The target was met Produced one SAQA Bulletin	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
39. Research report on Ombud function	Produced and approved draft concept document on SAQA's role in ombuds function	A research report on SAQA's role in the ombudsman function was completed and approved by the Board	The target was not met Could not commence with this deliverable because the Minister did not give approval for implementation of the Ombud function as yet	39.1 No target set for 2018/19	N/A	None	

PROGRAMME 5: CONTRIBUTION TO SAQA'S STRATEGIC GOALS

The Research directorate is responsible for conducting evidence-based research to evaluate the impact of the NQF and inform the further development and implementation of the NQF.

COMMENT ON DEVIATIONS

There were no deviations.

Research

TABLE 21: STRATEGIC OBJECTIVES OF INTERNATIONAL LIAISON LINKED TO TWO-YEAR ACHIEVEMENTS

PROGRAMME 6

INTERNATIONAL LIAISON

Strategic Objective	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
Ensure effective international collaboration and benchmarking	The target was met Produced two documents on international best practice	Produce two documents on international best practice	The target was met Produce two documents on international best practice	None	N/A
	The target was met Convened a benchmarking workshop	Produce one benchmarking report or convene a benchmarking workshop	The target was met Produced one benchmarking report	None	N/A
	The target was exceeded SAQA participated in 12 forums The target was exceeded because funding for 10 trips was provided by the event organisers SAQA only budgeted to attend two forums	Attend two international forums	The target was exceeded Participated in 12 international forums	Yes	SAQA budgets for two international trips annually. During the course of the year, we managed to get funding from the organisers of other international events, which allowed SAQA staff to participate in these events, at the cost of the international organisers. It is difficult to plan for these forums, as there is no guarantee of funding or invitations.

PROGRAMME 6

INTERNATIONAL LIAISON					
Strategic Objective	**Actual Achievement 2017/18**	**Planned Target 2018/19**	**Actual Achievement 2018/19**	**Deviation from Planned Target to Actual Achievement for 2018/19**	**Comment on Deviation**
	The target was met Produced one Trends Report	Produce one Trends Report	The target was met Produced one Trends Report	None	N/A
	The target was exceeded SAQA hosted 8 workshops related to the implementation of the SADC Qualifications Framework (SADCQF)	Convene one stakeholder workshop	The target was exceeded Convened 12 stakeholder workshops	Yes	The workshops relate to SAQA's work with the SADC Qualifications Framework and the Education Sector Committee (ESC) of the South African National Commission (SA NATCOM) of the United Nations Educational, Scientific and Cultural Organization(UNESCO) To keep costs low, most SADC events are hosted at SAQA House SAQA was the Secretariat for the ESC of SA NATCOM and hosted its meetings. This may change in the next financial year.
	The target was met Produced one guideline/ policy	N/A	N/A	None	N/A

TABLE 22: PERFORMANCE INDICATORS OF INTERNATIONAL LIAISON LINKED TO FOUR-YEAR ACHIEVEMENTS

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
40. Two documents produced informing NQF partners and other stakeholders about international best practice	Produced an article based on the Addis Convention that focused on the mutual recognition of qualifications Produced article on *Good Practice Guidelines for Learning not leading to a Qualification or Part-Qualification* Published both articles in Business Brief	Published 1st article produced by Jens Bjornaveld in the SAQA Bulletin and shared it with the NQF family and international stakeholders Produced 2nd article on SADC Qualifications Framework entitled: Building trust for better movement. Article published on SAQA website	The target was met Produced two documents on international best practice	40.1 Produce two documents on international best practice	The target was met Produced two documents on international best practice	None	N/A
41. Number of benchmarking reports produced or benchmarking workshops held	Completed the revision of the *Malaysian Benchmarking* report	Produced report outlining benchmarking activities between SAQA and National Qualifications Authority of UAE	The target was met Convened a benchmarking workshop	41.1 Produce one benchmarking report or convene a benchmarking workshop	The target was met Produced one benchmarking report	None	N/A

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
42. Number of international forums participated in so as to share best practice	SAQA participated in: Study visit to Ankara, Turkey *Groningen Declaration Network* (GDN) meeting in Malaga *UNESCO Informal Working Group on Addis Convention* *Pan African Quality Assurance Accreditation Conference* in Ghana *UNESCO Committee of Experts on Developing the Global Convention*	Presented at meeting of the 4th UNESCO Committee of Experts (CoEs) on World Reference Levels in Cape Town Visited Chinese Ministry of Education with DHET to finalise a qualifications bilateral agreement between SA and China Meeting with Higher Education Degree Datacheck (HEDD) in UK Presented at European Association for International Education (EAIE) meeting in UK Chaired and presented at a SADC Technical Committee on Certification and Accreditation (TCCA) meeting in Johannesburg	The target was exceeded SAQA participated in 12 forums The target was exceeded because funding for 10 trips was provided by the event organisers SAQA only budgeted to attend two forums	42.1 Attend two international forums	The target was exceeded SAQA participated in 12 international forums	Yes	SAQA budgets for two international trips annually. During the course of the year, we managed to get funding from the organisers of other international events which allowed SAQA staff to participate in these events, at the cost of the international organisers. It is difficult to plan for these forums, as there is no guarantee of funding or invitations.

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
		Presentations delivered at: conference in Paris (Scarce jobs & sustainable development; Global trends & local challenges); 9th Annual International Conference of Education, Research and Innovation in Spain Chaired and presented at SADC Secretariat meeting in Botswana on implementation of SADC QF Participated in Conference on Getting Organised for Better Qualifications and 5th Committee of Experts meeting on World Reference Levels in Brussels					

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
		Participated in an exchange visit to the National Students Clearing House in the USA Participated in a study visit to the Norwegian Agency for Quality Assurance in Education (NOKUT) and a study visit to the European Commission in Brussels Presented at the European Qualifications Framework (EQF) Advisory Group meeting in Brussels Presented at the International Symposium for Industrial Skills Development of Sustainable Growth for Africa and Japan					

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
43. Number of trends analyses conducted on international developments	Completed and submitted research report on trends related to national standards for teachers and school leaders to Commonwealth Secretariat	Produced report on "Hope for qualifications recognition"	The target was met Produced one Trends Report	43.1 Produce one Trends Report	The target was met Produced one Trends Report	None	N/A
44. Number of workshops or seminars hosted to inform stakeholders about relevant international development	Hosted workshop with NQF family on Addis Convention Hosted seminar on *Professional Standards for Teachers and School Leaders: A review of developments in South Africa*	Organised the GDN Annual Meeting arranged for 17 – 19 May 2016 in Cape Town	The target was exceeded SAQA hosted 8 workshops related to the implementation of the SADC Qualifications Framework (SADCQF)	44.1 Convene one stakeholder workshop	The target was exceeded Convened 12 stakeholder workshops	Yes	The workshops relate to SAQA's work with the SADC Qualifications Framework and the Education Sector Committee (ESC) of the South African National Commission (SA NATCOM) of the United Nations Educational, Scientific and Cultural Organization(UNESCO) To keep costs low, most SADC events are hosted at SAQA House SAQA was the Secretariat for the ESC of SA NATCOM and hosted its meetings. This may change in the next financial year.

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
45. Number of approved guidelines or policies developed or reviewed	Received public comment and engaged with stakeholders on the *Guidelines for Good Practice on Learning that does not Lead to a Qualification or Part-Qualification*	Produced guideline document, including roadmap and timelines, for the pilot study for African countries to align to the SADC Qualifications Framework	The target was met Produced one guideline/policy	N/A	N/A	None	N/A

PROGRAMME 6: CONTRIBUTION TO SAQA'S STRATEGIC GOALS

The International Liaison directorate is responsible for liaising with international partners on matters concerning qualifications frameworks and sharing best practice within the NQF family.

COMMENT ON DEVIATIONS

Comments on deviations are included in the far right column.

International Liaison

SUMMARY OF **FINANCIAL INFORMATION**

REVENUE COLLECTION

	2018/2019			2017/2018		
Sources of revenue	**Estimate**	**Actual Amount Collected**	**(Over-)/Under-Collection**	**Estimate**	**Actual Amount Collected**	**(Over-)/Under-Collection**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Government Grant	66 719	66 719	-	64 940	64 940	-
Evaluation Fees – DFQEAS	46 000	37 599	8 401	35 000	36 927	(1 927)
Verifications Fee income	15 000	9 819	5 181	7 500	10 418	(2 918)
Professional Bodies fees	2 000	2 745	(745)	-	-	-
Interest Received	1 800	1 878	(78)	2 000	1 844	156
Rental Income	1 250	1 099	151	1 300	1 037	263
Sundry Income	2 600	3 447	(847)	4 000	5 311	(1 311)
Total	**135 369**	**123 306**	**12 063**	**114 740**	**120 477**	**(5 737)**

PROGRAMME EXPENDITURE

Programme and Sub-Programme Name	2018/2019			2017/2018		
	Budget	Actual Expenditure	(Over-)/Under-Expenditure	Budget	Actual Expenditure	(Over-)/Under-Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Administration and Support						
1.1 Executive Office	11 970	10 817	1 153	10 749	13 223	(2 474)
1.2 Finance and Administration	19 478	21 254	(1 773)	16 368	18 499	(2 131)
1.3 Human Resources	5 719	4 698	1 021	5 251	4 193	1 058
1.4 Information Technology	13 981	9 262	4 719	10 250	9 173	1 077
1.5 Advocacy, Communication and Support	12 691	9 913	2 778	10 527	9 454	1 073
2. Directorate Recognition and Registration	10 281	9 451	830	9 692	9 248	444
3. National Learners' Records Database, including Verifications Project	18 243	16 795	1 445	16 779	14 724	2 055
4. Directorate Foreign Qualifications Evaluation and Advisory Services	29 622	29 293	329	28 094	28 444	(350)
5. Research	4 241	3 673	568	4 883	4 194	689
6. International Liaison	2 391	2 261	130	2 587	1 512	1 075
Total	**128 617**	**117 417**	**11 200**	**115 180**	**112 664**	**2 516**

CAPITAL EXPENDITURE

Capital Expenditure	2018/2019			2017/2018		
	Budget	Actual Expenditure	(Over-)/Under-Expenditure	Budget	Actual Expenditure	(Over-)/Under-Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Land and Buildings	1 557	865	942	1 560	244	1 316
IT Equipment	4 295	2 736	1 559	1 400	1 164	236
Motor Vehicles	-	-	-	-	-	-
Furniture and Fixtures	900	234	666	300	271	29
Intangible Assets	-	764	(764)	-	954	(954)
Total	**6 752**	**4 599**	**2 403**	**3 260**	**2 633**	**627**

PART C

GOVERNANCE

INTRODUCTION

In addition to the NQF Act and the South African Constitution, SAQA abides by the PFMA. SAQA also voluntarily subscribes to the King IV Code on Corporate Governance.

As a public entity, bound by the principles of the PFMA, SAQA continuously works towards improving its already sound governance processes. Commitment to the principles of openness, integrity, efficiency, accountability and compliance, as reflected in the King IV Code of Governance Principles 2016, is evident in SAQA's unbroken record of unqualified audit reports over its 23 years of existence.

The sixth SAQA Board, which was appointed in February 2016, together with each of its committees, completed an annual self-assessment in the period under review to measure their effectiveness and performance in subscribing to good corporate governance.

PORTFOLIO COMMITTEE

The SAQA delegation, led by the Chairperson of the Board, presented the Annual Integrated Report 2017/18 to the Portfolio Committee on Education and Training on 10 October 2018. SAQA was congratulated on its presentation and performance over the period under review.

EXECUTIVE AUTHORITY

The Executive Authority of SAQA is the Minister of Higher Education and Training. SAQA reported quarterly to the Minister of Higher Education and Training on progress made towards achieving the targets outlined in its APP for 2018/19. SAQA also reported progress on the implementation of the Ministerial Guidelines and provided a report on the System of Collaboration.

Cases of misrepresented qualification achievements, which had been uncovered during the verification of national and foreign qualifications, were reported to the Minister of Higher Education and Training every two months.

THE SAQA BOARD

BOARD COMPOSITION

SAQA is governed by a Board appointed by the Minister of Higher Education and Training, in accordance with section 14(3)(a) of the NQF Act. The sixth Board, appointed in February 2016, is serving the third year of its five-year term. The Board comprises 16 members, of which:

- Twelve members are appointed in their individual capacities;
- At least two of the 12 members represent organised labour; and
- The remaining four members are the CEOs of SAQA and the three QCs, who are appointed to the Board by virtue of their positions.

The Chairperson of the sixth SAQA Board is Dr Vuyelwa Toni-Penxa and the Deputy Chairperson is Prof Sarah Howie. With the exception of the CEO, all Board members serve in a non-executive capacity. The vacancy on the Board for an organised labour representative was filled by Mr Ashley Benjamin on 21 November 2018, who was appointed by the Minister for Higher Education and Training.

FUNCTIONS OF THE BOARD

The functions of the Board are set out in sections 5(3), 11 and 13 of the NQF Act. In summary, the SAQA Board:

- Must advise the Minister of Higher Education and Training and decision makers on NQF matters, oversee the implementation of the NQF and liaise and consult with the QCs on matters relating to the implementation of the NQF;
- Is mandated to develop policies and criteria for the development and registration of qualifications, assessment, RPL and credit accumulation and transfer, the recognition of professional bodies and registration of professional designations, and the development and maintenance of the content of level descriptors;
- Is required to ensure that South African qualifications are of an acceptable quality and are internationally comparable;

- Is required to maintain a national learners' records database and to provide an evaluation and advisory service with respect to foreign qualifications; and
- Is responsible for conducting or commissioning research into NQF-related matters, to collaborate with international counterparts and to initiate and drive a clear, coordinated communication and advocacy strategy to assist providers, learners and the public at large to understand the new NQF architecture and the implications of the changes for them.

In addition to the responsibilities set out in the NQF Act, the Board also fulfils the role of the Accounting Authority in terms of section 49 of the PFMA.

As the Accounting Authority, the Board acts in a fiduciary capacity and must ensure that:

- Effective, efficient and transparent systems of financial and risk management, internal control, internal audit and procurement are in place;
- Effective and appropriate steps are taken to collect revenue due and to prevent irregular, fruitless and wasteful expenditure and losses from criminal conduct and expenditure as a result of non-compliance with operational policies;
- Effective and efficient management is in place, which includes ensuring the safeguarding of SAQA's assets and controlling its liabilities, revenue and expenditures;
- Applicable legislation and regulations are complied with;
- An effective and appropriate disciplinary system is in place to deal with failures to comply with the PFMA and the internal control systems;
- Budgets, major contracts and other commitments are approved;
- The finances are properly controlled; and
- SAQA operates as an ethical organisation.

The Board sets strategy and policy. Management implements the strategy and decisions made by the Board, and maintains systems of internal control, as well as accounting and information systems. The Board monitors the performance of management.

ACTIVITIES OF THE BOARD AND ITS COMMITTEES

During the year under review, the sixth SAQA Board met four times to conduct its work and to attend to its strategic planning responsibilities.

Section 16(1) of the NQF Act allows the Board to establish committees to assist in the execution of its responsibilities. The table below reflects the structure of committees utilised by the SAQA Board.

BOARD COMMITTEE STRUCTURE

COMMITTEE	CHAIRPERSON
Advocacy and Communication Committee	Mr JS Samuels
Audit and Risk Committee	Mr L Koyana
Executive Committee (Exco)	Dr V Toni-Penxa
Finance Committee	Dr V Toni-Penxa
Foreign Qualifications Appeals Committee	Prof JO Kuye
Information and Information Technology (I & IT) Committee	Ms F Nzimande
Professional Body Appeals Committee	Ms N Starr
Qualifications and Standards (Q&S) Committee	Ms N Starr
Remuneration and Human Resources Committee (REMCO)	Prof SJ Howie
Research Committee	Prof TG Schultz
Verification and Comparison of Qualifications (VCQ) Committee	Prof JO Kuye

Notes:
In accordance with section 16(2) of the NQF Act, persons who are not members of the Board are co-opted to serve on Board committees.

Each committee (except the Audit and Risk Committee, which requires an independent chairperson) is chaired by a Board member. At least two Board members are members of each of the committees.

Over the period under review, all Board committees operated within the approved Terms of Reference as described in SAQA's Governance Manual. Apart from the members, the Deputy CEO and relevant directors also attended meetings of the Board and its committees.

Attendance of Board meetings by members of the Board and their respective appointments to Board committees were as follows:

BOARD AND COMMITTEE MEMBERS' MEETING ATTENDANCE

Board Attendance

Title	Surname	Initials	Q&S	I & IT	Advocacy and Communication	VCQ	Research	REMCO	Finance	Audit and Risk	Exco	Board	Appeals
Prof	Baijnath	N										1/4	
Mr	Benjamin	A										0/4[1]	
Dr	Bhikha	SD	7/8									4/4	
Mr	Gantile	BM		2/4								2/4	
Prof	Howie	SJ	1/8				1/3	3/5[2]			3/4	3/4	
Prof	Kuye	JO	0/8			3/4		3/5[2]			2/4	1/4	0/1
Mr	Louw	GC			4/4							4/4	
Mr	Maleka	M			1/4				1/4			2/4	
Mr	Naidoo	V										3/4	
Ms	Nzimande	PLF		3/4				5/5[2]		3/5[3]	4/4	3/4	
Ms	Oberholzer	AK				2/4						3/4	1/1
Dr	Rakometsi	M										2/4	
Mr	Samuels	JS	5/8	4/4	2/4	2/4	3/3	5/5[2]	4/4	4/5[3]	4/4	3/4	1/1
Prof	Schultz	TG	8/8				3/3	4/5[2]	4/4		3/4	4/4	
Ms	Starr	N	5/8					1/5			1/4	4/4	
Dr	Toni Penxa	V						5/5[2]	4/4		4/4	4/4	

[1] Mr A Benjamin was appointed to the Board on 21 November 2018. He attended a Board Strategy Session.
[2] A special REMCO meeting was held on 21 June 2018.
[3] A special Audit and Risk Committee meeting was held on 3 September 2018.

BOARD COMMITTEES MEETING ATTENDANCE

Title	Surname	Initials	Q&S	I & IT	Advocacy and Communication	VCQ	Research	Finance	Audit and Risk	Appeals	Board	Attendance Fees	Travel & other costs
Mr	Baleni	Z					3/3					-	-
Ms	Buchler	M					2/3					R6 774	R893
Mr	Chabalala	TG	2/8[1]									-	R6 364
Dr	Chinje	N			2/4							R6 956	R1 007
Dr	Clayton	PG		2/4								-	R1 056
Mr	Du Toit	B						1/4[2]				R3 478	R487
Ms	Fordyce	A			2/4							R7 963	R1 007
Mr	Johnstone	N							4/5			R13 548	R1 932
Mr	Hall	K	6/8									-	-
Mr	Koyana	L							5/5		1/4[3]	R42 656	R4 108
Dr	Mahlathi	P					0/3					-	-
Ms	Maifadi	M				3/4						-	-
Mr	Makhaga	NH				3/4						-	-
Mr	Mheyamwa	Z						1/4[4]				-	R406
Mr	Mockler	K	8/8						5/5			R64 444	R8 948
Mr	Moloisane	J				3/4				1/1		-	-
Mr	Moonsamy	S						1/4[5]				R3 478	R298
Ms	Müller	CS	8/8									R34 234	-
Prof	Nepfumbada	MP							4/5			-	R1 126
Dr	Nkonki	VJJ					3/3					-	-
Mr	Oosthuizen	MJ		3/4								-	-
Prof	Pendlebury	S					2/3					R3 478	R183
Dr	Pretorius	JA		2/4					3/5			R9 888	R656
Mr	Ramotse	TP			3/4							-	-
Dr	Reddy	J						3/4				-	-
Dr	Samuels	L				3/4						-	-
Ms	Thomas	C		1/4[6]								R3 478	-
Ms	Travern	Y				3/4						-	-
Mr	Urban	B						4/4				R13 548	R292
Dr	Von Eck	C	2/8									-	-
Prof	Walters	S					3/3					R10 252	R882

[1] Mr TG Chabalala resigned from the Q&S Committee on 21 November 2018.
[2] Mr B du Toit was appointed to the Finance Committee on 25 October 2018.
[3] Mr L Koyana attended the Board meeting per special invitation as the Audit and Risk Committee Chairperson.
[4] Mr Z Mheyamwa was appointed to the Finance Committee on 25 October 2018.
[5] Mr S Moonsamy was appointed to the Finance Committee on 26 July 2018.
[6] Ms C Thomas was appointed to the I & IT Committee on 7 December 2018.

RISK MANAGEMENT

Risk is managed on three distinct levels at SAQA: line managers at operational level, oversight by the governance structures, and assurance by third parties. The right structures are in place to identify, monitor and manage risks effectively.

KEY DEVELOPMENTS

By actively managing risk mitigation plans and implementing mitigation strategies, SAQA again succeeded in decreasing the risk profile of selected risks and achieved its targets for the year.

SAQA's risk mitigation plans for 2018/19 were categorised as follows:

RISK MANAGEMENT PLAN

The Board is mandated to develop a detailed Risk Management Plan annually; both in the execution of its fiduciary duties and in compliance with sections 50(a) and 51(c) of the PFMA. The Plan includes strategies to mitigate identified risks. The Risk Management Plan includes identified strategic and operational risks and is structured per directorate.

Overview of the Risk Management Plan

IDENTIFY AND DEFINE

Directorate identifies and defines strategic and operational risks

ASSESS AND RATE

Risks are rated according to the likelihood of occurring, and impact if they do occur, on a scale of 1 (low likelihood/impact) to 5 (very strong likelihood/great impact). The risk rating is the product of the likelihood and impact scores.

Risk ratings of 1–8: managed through routine operations; Risk ratings of 9–15: staff member assigned to manage risk; Risk ratings of 16–25: specific action plans are developed to mitigate these risks. Action Plans are incorporated into Directorate Operational Plans.

Directorate risks (irrespective of risk ratings) are collated into the SAQA Risk Plan.

Risks rated 16–25 are collated into the Prioritised Risk Register.

MONITOR AND REPORT

The Management Risk Committee, comprising the CEO, Deputy CEO and Directors: reviews quarterly; assesses risks with ratings of 16–25 by reviewing the impact of mitigation strategies where necessary; and making adjustments to the risk ratings and mitigation strategies; and identifies new areas of risk.

The Audit and Risk Committee recommends the Risk Register (Plan) to the Board for approval annually; ensures that risk assessment and management procedures are followed on a quarterly basis and are satisfactory; and reports progress to the Board quarterly.

The Combined Assurance Plan lists assurance by third parties and is discussed by the Audit and Risk Committee quarterly.

MAJOR STRATEGIC RISKS

The major risks associated with SAQA achieving its mandate over the financial year are described below.

Governance

Budgetary constraints continued to pose a risk in the medium to long term. Strategies to address this risk included lobbying government to ensure SAQA's financial sustainability by increasing the baseline; requesting government support in gaining funding support for projects, such as the digitisation of learner records; lobbying other organisations to ensure SAQA's financial sustainability; and revisiting SAQA's pricing model for services provided.

Leadership

One of the risks SAQA and its NQF partners face is the differences in the interpretation of the NQF Act, leading to conflicting implementations of the Act. To mitigate this risk, SAQA engages constructively with the Minister, her representatives and advisors, and the QCs to ensure that the principles, values and benefits of systemic coordination of the NQF are understood and implemented, that accurate and comprehensive information is available to assist in decision making and implementation, and that SAQA's role as the NQF oversight and leadership body in upholding the NQF in the national interest is agreed upon and supported.

Staff development

Another risk SAQA faces is the loss of scarce skills. This could be mitigated by ensuring that a pool of suitably qualified staff is in place within SAQA, and ensuring that systems, networks and technical documentation is up to date.

Public positioning

Not providing quality information and advice on the NQF to the public on time could compromise SAQA's reputation as the apex body in the education, training and development sector. Strategies to address this risk include collaborating with the relevant partners to promote the NQF to mutually identified audiences, leveraging on digital and social media platforms to communicate and create support for NQF advocacy, and optimising the website for audiences to easily obtain information.

INTERNAL AUDIT AND **AUDIT COMMITTEES**

SAQA does not use an in-house internal audit function, due to the nature and size of its staff complement. The internal audit function was outsourced to Nexia SAB&T and the audit reports produced were reviewed by the Audit and Risk Committee.

COMPLIANCE WITH **LAWS AND REGULATIONS**

SAQA provided confirmation of compliance to the Audit and Risk Committee and the Board in terms of a list of the major legislation, codes and rules that it must comply with, as well as additional rules, codes and standards that the Board subscribed to during the 2018/19 financial year. In addition, the Auditor-General tested compliance with laws and regulations during its annual audit.

FRAUD AND **CORRUPTION**

SAQA maintained its internal policies on fraud prevention and detection as well as on fraud reporting during the year. These policies makes allowance for whistle-blowing and anonymous reporting. The CEO is required to report all cases of fraud and corruption to the Board. There were no reported instances of fraud and corruption during the financial year.

MINIMISING **CONFLICT OF INTEREST**

SAQA has a multi-level system of approval for all purchases, which removes bias and prevents any manipulation of the system. The Finance Committee approves purchases above R1 million, and for amounts below that, internal processes are followed. All adjudicators of tenders, and members of the Board and its committees, are requested to declare conflicts of interest at the start of each meeting.

CODE OF **CONDUCT**

Good governance leads to good management, good performance, good stewardship of public money, good public engagement and, ultimately, good outcomes. As an organisation that facilitates an effective public service for improved social outcomes, SAQA recognises the importance of good corporate governance, especially for the public sector. SAQA also recognises the importance of setting the right tone at the top and has adopted the SAQA Code of Ethics and Values, which it strives to live by on a daily basis. The SAQA Code of Ethics forms part of the Governance Manual, which was updated in 2018. The Governance Manual ensures that all members of the Board and its committees, as well as SAQA staff members, have easy access to the Board's Rules of Procedure, Terms of Reference of Committees, the Code of Ethics and Values, and other relevant governance matters.

Staff members are required to pledge to uphold the Code of Ethics when they join SAQA. During the year, SAQA continued to actively manage the quality and standards of the service provided by its staff. Client Service Standards were implemented and reviewed and client compliments and complaints were discussed at the weekly Executive Management meetings.

HEALTH, SAFETY AND **ENVIRONMENTAL ISSUES**

ECONOMIC SUSTAINABILITY

Economic sustainability in the public sector generally refers to "the ability of government to meet its service delivery and financial commitments, both now and in the future". For SAQA, this is an important consideration as it receives partial government grant funding. In spite of funding challenges, SAQA continued its efforts to reprioritise and curb costs to more effectively use its government grant allocation and the additional funds it raises to deliver optimally on its functions, as mandated by the NQF Act.

ENVIRONMENTAL SUSTAINABILITY

During the 2018/19 reporting period, SAQA's primary focus was to formalise its commitment to achieving the Sustainable Development Goals through a declaration of its commitment to support the United Nations Global Compact initiative. It also continued to entrench and expand its energy-saving activities that it has been implementing over the previous three financial years.

United Nations Global Compact Principles

In adherence to King IV, SAQA will report against the following three principles listed in the United Nations Global Compact.

SUPPORT FOR A PRECAUTIONARY APPROACH IN TERMS OF ENVIRONMENTAL CHALLENGES

Two projects form part of this initiative: The Green Building Initiative and the Recycling and Waste Management Project.

GREEN BUILDING INITIATIVE

In this financial year, SAQA visited other green buildings to learn what they offer in terms of sustainability. Drawing on ideas from such visits, SAQA will be rolling out a Green Lung Project in the next financial year. The first part of the project will focus on the entrance and first floor of the SAQA House building. SAQA appointed a contractor to provide plants for offices that did not previously have plants, as well as for the other general spaces in the building.

RECYCLING AND WASTE MANAGEMENT PROJECT

A waste management company was appointed as a partner during the 2018/19 financial year to expand the implementation of SAQA's Recycling and Waste Management Project. The Project has offered local unemployed persons an entrepreneurial opportunity. Although SAQA is not compensated for the recyclable materials removed from its premises, it is excited to link this initiative to the organisation's social responsibility initiative. As part of its recycling initiative, SAQA collected bread packet sealers and recycled them in exchange for a wheelchair that was handed over to a deserving learner in the Eastern Cape.

SAQA CEO handing over the wheelchair to Lutho Lali in the Eastern Cape

UNDERTAKING INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

Two activities form part of this initiative: the annual World Environment Day event and the Energy-Saving Project.

WORLD ENVIRONMENT DAY 2018

SAQA celebrated World Environment Day by hosting an Environmental and Wellness Day on 5 June 2018. The theme for the event was "Beat plastic pollution: If you can't reuse it then refuse it". Various service providers were invited to showcase and market their plastic recycling products, display wellness information and interact and share ideas for recycling and wellness with SAQA staff. The event deepened the conversations about environmental sustainability and wellness among staff members.

SAQA staff celebrating World Environment Day

ENERGY-SAVING PROJECT

An LED light bulb project has resulted in substantial savings due to the reduction in the cost of electricity for SAQA. SAQA is considering other cost-saving initiatives to further decrease its energy consumption.

ENCOURAGING THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLINESS

SAQA encouraged all its service providers, clients and staff members to make use of the facilities that it provides for the disposal of unwanted goods in an environmentally friendly manner. This is a standard requirement in all services-related Supply Chain Management (SCM) contracts. Failure on part of the service providers to adhere to these terms and conditions will constitute a breach of contract. In addition, all SCM acquisition of furniture, equipment and other assets have to adhere to "green" requirements.

BLUE AND GREEN BLOG

SAQA developed a Blue and Green Blog to encourage more staff engagement and involvement in environmental sustainability development activities. It was developed to serve as an advocacy and communication tool on sustainability issues, including information relating to health and safety issues, as well as regular wellness updates.

SOCIAL RESPONSIBILITY

Every year SAQA staff donate to the Tshwaraganang Children's Home in Hammanskraal, North of Gauteng on Mandela Day and World AIDS Day. This year was no different as SAQA staff collected and donated various goods, including food, clothing, books and sanitary towels.

SAQA staff, in commemorating World Aids Day, gave donations to the Tshwaraganang Home

STAKEHOLDER COMMUNICATION

SAQA uses various channels to raise awareness, understanding and valuing of the NQF, including a multi-platform advisory service, stakeholder engagement, as well as both mass and digital media. For stakeholders like those living in rural areas, where the reach of both new and traditional media like print, online media or television is limited, SAQA has targeted events and exhibitions where staff members interact directly with stakeholders.

NQF ADVISORY SERVICE

The public needs to understand how to navigate the NQF landscape. SAQA continued to offer lifelong learners NQF information and advice through a multi-channel and quality-assured service to enable the public to better understand the NQF, thereby facilitating access, mobility and redress in the education and training sector. In the 2018/19 financial year, the NQF Advisory Service received 103 240 enquiries, which was over 23 000 more than the previous year.

MASS MEDIA

SAQA uses relevant communication channels to promote the ways in which the NQF is a national asset that is positively impacting on people's lives. Mass media such as radio and print media are used to promote SAQA and the objectives of the NQF. During the period under review, SAQA had **4 333** messages on various media channels.

- **2 045** articles in the print media
- **2 218** articles on digital media
- **70** broadcast media events and interviews

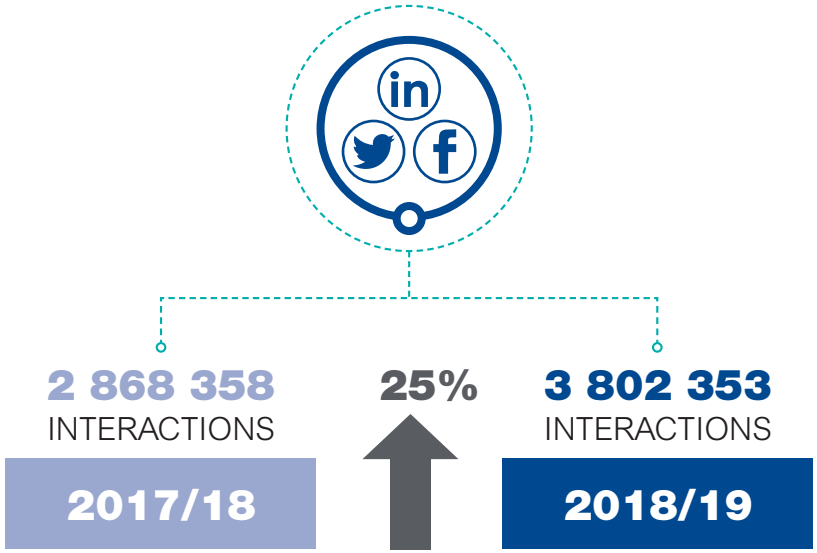
4 333 MESSAGES ON VARIOUS MEDIA CHANNELS

SAQA staff taking the NQF to the people

SAQA CEO Joe Samuels briefs the media at the launch of the eSAQA Certificate of Evaluation

SOCIAL AND DIGITAL MEDIA

SAQA continued to use digital media to raise awareness about the NQF, its objectives and impact. This included regularly updating the SAQA website and various social media platforms with relevant information about the NQF and SAQA's services. SAQA has a presence on Facebook, Twitter and LinkedIn to ensure consistent and powerful messaging. By driving this focused social media strategy around specific topics, **3 802 353** interactions were recorded on digital media. This is a 25% increase from the last financial year when **2 868 358** interactions were recorded. These interactions were made possible by SAQA's collaboration with NQF partners on a number of marketing communication initiatives, including social media campaigns.



NQF EVENTS AND PARTNERSHIPS

SAQA hosted several key events during the period under review, including the NQF Act Implementation Workshop, the National Workshop towards the third NQF Research Conference, the fifth Ben Parker Memorial Lecture, the NQF Seminar on Articulation and the NQF Stakeholder Forum.

Delegates at the National Workshop towards the third NQF Research Conference

NQF ACT IMPLEMENTATION WORKSHOP

Attended by representatives of the CHE, QCTO, Umalusi, the Department of Basic Education and SAQA, the NQF Act Implementation Workshop took place on 25 July 2018. The purpose of the Workshop was to create a common understanding among NQF partners of the legislation governing the NQF space. Topics covered included understanding the NQF, the implementation of the NQF Act (implementing quality assurance, accrediting learning programmes and accrediting providers) and closing the gap (the NQF Implementation Evaluation Improvement Plan).

National Workshop towards the third NQF Research Conference

Hosted on 4 and 5 September 2018, the National Workshop towards the third NQF Research Conference brought together stakeholders to showcase successful articulation models and analyses of actual learner movements in the ECD, community development and engineering fields. The workshop also explored barriers in those fields with a view to develop an action plan for the way forward.

Fifth Ben Parker Memorial Lecture

On the evening of 4 September 2018, SAQA hosted Prof Punday Pillay as he delivered the fifth Ben Parker Memorial Lecture on "The economy, society, and education and training for a sustainable future in South Africa."

SAQA CEO Joe Samuels addressing a Professional Body Forum

NQF Seminar on Articulation

The NQF Seminar on Articulation was held in Tshwane on 24 January 2019. The event focused on fine-tuning the recommendations of the SAQA-DUT Research Partnership into TVET/Higher Education/Workplace Articulation.

NQF Stakeholder Forum

The NQF Stakeholder Forum was held in Kempton Park on 2 March 2019. The purpose of the Forum was for key stakeholders to engage around the new NQF environment and share their thoughts on how to address systemic challenges. It was attended by 85 stakeholders from across the education and training sector.

SAQA's Director for Registration and Recognition addressing the Professional Body Forum

The Minister of Higher Education and Training at the NQF Stakeholder Forum

Disclosure on conferences hosted by SAQA

	Name of conference / event	NQF Act Implementation Workshop	National Workshop towards the 3rd NQF Research Conference	5th Ben Parker Memorial Lecture	NQF Research Seminar	NQF Stakeholder Forum
	Hosting Directorate	Executive Office	Research	Research	Research	Executive Office
	Date of conference / event	25 July 2018	4–5 September 2018	4 September 2018 (evening)	24 January 2019	2 March 2019
	Venue location	CHE offices	Garden Court OR Tambo	Garden Court OR Tambo	QCTO offices	Emperors Palace
	Number of participants	50	80	80	80	100
	Event description, purpose and strategic objective	The objective was to: 1. Create a common understanding among NQF partners of the legislation governing the NQF space.	The objectives were to: 1. Bring stakeholders together in order to take developments in articulated learning pathways forward in (a) ECD, (b) Community Development, (c) Engineering; 2. Showcase successful articulation models and analyses of actual learner movements in the selected fields, and barriers in these fields, with a view to using this information to inform ways forward; and 3. Develop an action plan for the way forward in the three fields.	The objectives were to: 1. Commemorate and build on Ben Parker's activism, his deep and progressive theoretical and practical understandings, and his work on the development of education and training across the range of communities in South Africa; and 2. Reflect on the issues of inequality, poverty, and the creation of jobs.	The objectives were to: 1. Share a research paper on the differences between occupational and vocational qualifications and learning; and 2. Enable audience discussion on the topic.	The objective was to: 1. Engage around the new NQF environment and share thoughts on how to address systemic challenges.

	Name of conference / event	NQF Act Implementation Workshop	National Workshop towards the 3rd NQF Research Conference	5th Ben Parker Memorial Lecture	NQF Research Seminar	NQF Stakeholder Forum
	Contracting procedures followed	Competitive bids (quotations)	Competitive bids (quotations)	Competitive bids (quotations)	Competitive bids (quotations)	Competitive bids (quotations)
	Costs for: Hiring of venue (Full conference package and cocktail – with food and beverages)	R3 565	R79 155		R13 800	R100 000[1]
	Accommodation	N/A	N/A		N/A	R3 570
	Total costs for all four events listed above	**R3 565**	**R79 155**		**R13 800**	**R103 570**

[1] The venue hire costs for the NQF Stakeholder Forum were paid by the DHET.

AUDIT AND RISK **COMMITTEE REPORT**

Mr L Koyana
Chairperson of the Audit and Risk Committee

The Audit and Risk Committee Report is presented for the financial year ended 31 March 2019.

The Audit and Risk Committee is an independent statutory committee appointed by the Board. In addition to its statutory responsibilities, further duties have been delegated by the Board to the Committee. This report deals with the Committee's duties and responsibilities.

TERMS OF REFERENCE

The Committee was re-constituted under the newly appointed sixth SAQA Board. The Committee adopted formal Terms of Reference that were approved by the fifth Board in the previous financial year. The Committee conducted its affairs in compliance with the Terms of Reference and discharged its responsibilities contained therein.

ROLE AND RESPONSIBILITIES

Statutory duties

The Committee's role and responsibilities include the statutory duties set out in sections 76(4)(d) and 77 of the PMFA 1999 and sections 3.1 and 27.1 of the Treasury Regulations issued in terms of that Act and further responsibilities assigned to it by the Board. The Committee executed its duties in terms of the requirements of King IV.

External Auditor

In terms of the PFMA, the external auditor is the Auditor-General. The Committee, in consultation with Executive Management, agreed to the Engagement Letter, Audit Plan and budgeted audit fees for the 2018/19 financial year. The Auditor-General was not asked to provide any non-audit services.

Financial statements and accounting policies and practices

The Committee reviewed the accounting policies and practices and the financial statements of the organisation and was satisfied with their appropriateness and compliance with the effective GRAP. This included any interpretations, guidelines and directives issued by the ASB. No concerns or complaints in relation to the reporting practices of the organisation were received.

Internal financial controls

The Committee oversaw the process by which the Internal Audit function provided a written assessment of the effectiveness of SAQA's system of internal control including internal financial controls and risk management. This written assessment formed the basis for the Committee's recommendation to the Board's response to the External Audit Report to fulfil its reporting requirements. The Board's report on the effectiveness of the system of internal control is on page 8. The Committee fully supports the opinion of the Board in this regard.

Whistle-blowing

The Committee noted that no fraud was reported in the 2018/19 financial year. No concerns or complaints were received relating to the accounting practices and internal audit, the content or auditing of the Financial Statements or any related matters from within or outside SAQA during the 2018/19 financial year.

DUTIES ASSIGNED BY THE BOARD

In addition to the statutory duties of the Committee as reported on above, the Board determined additional functions for the Committee to perform, as set out in the Committee's Terms of Reference. These included providing oversight over integrated reporting, assessment of the organisation as a going concern, governance of risk and internal audit oversight.

Integrated reporting

The Committee fulfils an oversight role regarding the Annual Integrated Report and the reporting process.

The Committee considered the organisation's sustainability information as disclosed in the Annual Integrated Report and assessed its consistency with operational and other information known to the Audit and Risk Committee members and, for consistency, with the Annual Financial Statements.

The Committee discussed the sustainability information with management and was satisfied with the information provided.

According to King IV, the Committee should recommend to the Board the appointment of an external assurance provider on material sustainability issues. The Committee's recommendation to the SAQA Board was not to appoint an external assurance provider. This recommendation is premised on the belief that the relatively straightforward nature and extent of the information did not warrant such an appointment.

Going concern

The Committee reviewed a documented assessment prepared by management, which included key assumptions of the going concern status of SAQA and made its recommendation to the Board. The Board's statement on the going concern status of SAQA is set out on page 124.

Governance of risk

The Board assigned oversight of the risk management function to the Committee. The Committee reviewed the risk management process, the effectiveness of risk management activities, the key risks facing the organisation and responses to address them. The Committee fulfilled its oversight role regarding financial reporting risks, internal financial controls, and fraud and information technology risks as they relate to financial reporting.

Internal Audit

The Committee ensured that the Internal Audit function was independent and had the necessary resources, standing and authority to enable it to discharge its duties. Furthermore, the Committee oversaw cooperation between the Internal and External Auditors and served as the link between the Board and these functions.

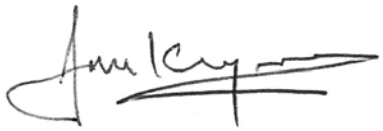
The Committee reviewed and recommended the Internal Audit Charter for Board approval and approved the Annual Audit Plan.

The Internal Audit team reported to the Committee. It reviewed and provided assurance on the adequacy of the internal control environment across all SAQA's operations. The head of the Internal Audit team had direct access to the Committee, through its chairperson. The head of the Internal Audit team attended all Committee meetings.

The Committee assessed the performance of the Internal Audit function.

Evaluation of the Expertise and Experience of the Finance Director and Finance Function

The Committee satisfied itself that the Finance Director has appropriate expertise and experience. The Committee satisfied itself with the appropriateness of the expertise, adequacy of resources of the finance function and the experience of the senior members of management responsible for the finance function.



Mr L Koyana
Chairperson of the Audit and Risk Committee

PART D

HUMAN RESOURCES MANAGEMENT

HUMAN RESOURCE OVERVIEW

PROFESSIONAL STAFF DEVELOPMENT

Learning and development remains an organisational priority in line with SAQA's strategic imperatives. As a result, every staff member has a Learning and Development Plan that is aligned to the strategic objectives and the organisation-wide Learning and Development Plan. This, in turn, ensures that SAQA enhances the culture of effective leadership and accountability for a workforce that shares common values, quality, effective problem solving and high performance.

PERFORMANCE RECOGNITION AND REWARDS

In terms of the recognition and reward of staff performance, SAQA has been using an interim recognition of performance system. With this system, qualifying staff received a once-off performance bonus upon reaching a performance level of four or more (out of a five-point scale) during the performance assessment process.

HUMAN RESOURCE INFORMATION SYSTEM

During the year under review, SAQA continued to enhance the integrated HR information system to streamline HR processes. The system continues to empower line managers to effectively manage leave and draw reports.

LABOUR RELATIONS

Salary increases for 2018/19 were implemented in line with the three-year agreement with the South African Democratic Teachers Union (SADTU), which was concluded with SADTU on 31 March 2016. Two labour disputes were concluded in the year under review. The matter, which was referred to the Labour Court, was finalised on 13 March 2019.

WORKFORCE PLANNING

The vacancy rate at the end of the year under review remained at 4%. During the year under review, SAQA appointed 18 new employees and 19 employment contracts were terminated. Sadly, one of its employees passed away and four employees retired. Five employees were promoted during the period.

STAFF INDUCTION PROGRAMME

SAQA continued to implement its six-day comprehensive induction programme, which is used to induct new employees with relevant information as they begin their new work journey at SAQA. The information is delivered in a simple, fun and user-friendly manner, using a variety of facilitation methods, ranging from role-play to videos and discussions.

INTERNSHIP PROGRAMME

As part of the overall strategy to foster a culture of lifelong learning, SAQA enables all individuals, especially those in poor and rural communities to have access to, and succeed in quality lifelong education and training as signified by the NQF. To achieve this, over the reporting period, SAQA, for the fifth consecutive year, successfully implemented an internship programme, funded by the ETDP SETA, building on its 15-year relationship with the SETA.

2018/19 Internship Programme

SAQA continued to focus on providing workplace exposure to unemployed graduates and creating an environment where the transfer of workplace skills takes place by means of an internship programme. In the year under review, 16 interns were placed in various directorates. Of these, two found employment outside SAQA. The current internship programme's term would come to an end on 31 August 2019.

WELLNESS PROGRAMME

SAQA supports a wellness culture where employees are both physically and mentally equipped to fulfil their roles optimally. To achieve its mandate, SAQA aspires to have 100% work-fit employees. To make this possible, an Employee Wellness Programme is available to all employees and their immediate family members.

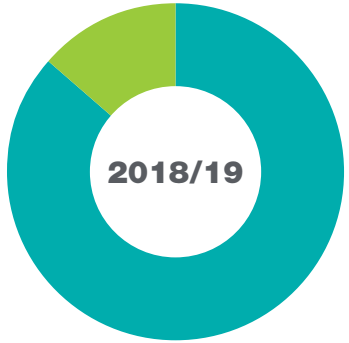
Core wellness services offered to SAQA staff include the following:

- Twenty-four-hour access to the professional wellness call centre;
- Access to telephonic psychosocial counselling;
- Access to face-to-face psychosocial counselling (up to six sessions per incident);
- Access to psychosocial, financial, legal and health advisory services;
- Health education;
- Access to referrals for external specialised networks;
- Access to a lifestyle risk management programme (outreach care calls);
- Group trauma debriefing;
- Wellness orientation and manager training;
- Promotional materials by programme, including wallet cards, posters, pamphlets, articles and mailers; and
- Nurse on site on a monthly basis.

UTILISATION OF THE WELLNESS PROGRAMME

The utilisation of the wellness programme consisted entirely of SAQA employees and two family members.

In the year under review, female employees utilised the wellness programme the most at 65%, while the utilisation by male employees was 35%. The employees who utilised the wellness programme the most were between the age categories of 34–50 years and 51–65 years.



ACHIEVEMENTS

During the 2018/19 financial year, SAQA successfully fulfilled its ongoing and priority functions by achieving the following:

- Improved staff benefits (dread disease cover and waiting period);
- Recognised and rewarded qualifying employees through the performance and development management system;
- Approved the new Remuneration and Recognition philosophy;
- Implemented the organisation-wide Learning and Development Plan;
- Recruited and placed 16 interns; and
- Offered employee education assistance.

FUTURE HR PLANS

In 2019/20, SAQA plans to do the following:

- Continue to implement staff Learning and Development Plans;
- Implement the new performance management system and training;
- Assess managers for the Succession Plan; and
- Continue with the improvements and the automation of HR functions for the effective and efficient analysis of trends to inform strategic decisions.

HUMAN RESOURCES **OVERSIGHT STATISTICS**

PERSONNEL COST BY PROGRAMME

Programme	Total expenditure for the entity	Personnel expenditure	Personnel expenditure as a percentage of total expenditure	Number of employees	Average personnel cost per employee
Administration and Support	55 944 131	32 384 876	28%	49	660 916
Registration and Recognition	9 450 756	8 474 308	7%	14	605 308
NLRD, including Verifications Project	16 795 277	15 017 887	13%	42	357 569
Foreign Qualifications Evaluation and Advisory Services	29 293 429	25 018 182	21%	68	367 914
Research	3 673 164	3 294 972	3%	3	1 098 324
International Liaison	2 260 582	2 094 388	2%	3	698 129
Total	**117 417 339**	**86 284 613**	**73%**	**179**	

PERSONNEL COST BY SALARY BAND

Level	Personnel expenditure	Percentage of personnel expenditure to total personnel cost	Number of employees	Average personnel cost per employee
F-lower / E-upper	3 508 521	4%	2	1 754 261
E-lower	12 443 870	15%	11	1 131 261
D	12 842 785	15%	20	642 139
C	42 143 918	50%	87	484 413
B	14 074 364	17%	59	238 549
Total	**85 013 458**	**100%**	**179**	

Note:

This amount differs from the R86 248 613 as the following items get processed via the VIP payroll system, but are allocated to the personnel cost in the general ledger:

- Payments to agencies for temporary staff;
- Payment to the Compensation for Occupational Injuries and Diseases Act (COIDA);
- Payments to staff for education assistance;
- Payments for recruitment of staff;
- Provisions raised for bonus; and
- Provisions raised for leave.

TRAINING COSTS

Directorate / Business unit	Personnel expenditure	Training expenditure	Training expenditure as a percentage of personnel costs	Number of employees trained	Avg training cost per employee
All Directors / Business Unit	86 248 613	218 597	0,3%	60	3 643

EMPLOYMENT AND VACANCIES AS AT 31 MARCH 2019

Programme	2017/18 Number of employees	2018/19 Approved posts	2018/19 Number of employees	2018/19 Vacancies	2018/19 Percentage of vacancies
Administration and Support	49	52	49	3	6%
Registration and Recognition	15	15	14	1	7%
NLRD, including Verifications Project	40	43	42	1	2%
Foreign Qualifications Evaluation and Advisory Services	68	69	68	1	1%
Research	5	5	3	2	40%
International Liaison	3	3	3	0	0%
Total	**180**	**187**	**179**	**8**	**4%**

Total vacancies per rank	2018/19 Vacancies	2018/19 Percentage of vacancies
F-lower/E-upper	0	0%
E-lower	0	0%
D	2	25%
C	3	37.5%
B	3	37.5%
Total	**8**	**100.00%**

EMPLOYMENT CHANGES

Salary band	Employment at beginning of period (1 April 2018)	Appointments	Terminations	Employment at end of period (31 March 2019)
F-lower/E-upper	2	0	0	2
E-lower	11	1	1	11
D	20	5	5	20
C	91	7	11	87
B	56	5	2	59
Total	**180**	**18**	**19**	**179**

REASONS FOR STAFF LEAVING

Resignation	Retirement	Ill-health	Deceased	TOTAL
14	**4**	**0**	**1**	**19**
74%	21%	0%	8%	100%

LABOUR RELATIONS MATTERS AS AT 31 MARCH 2019

Disciplinary action	Labour Court
1	**1**

EQUITY TARGETS AND EMPLOYMENT EQUITY INFORMATION AS AT 31 MARCH 2019

	* Learners and interns	* Persons with disabilities	Admin clerks	Secretaries	Admin officers	Personal assistants	Assistant directors	Deputy directors	Directors	Deputy Chief Executive Officer	Chief Executive Officer	Total	Percentage	Variance	Target
Number of staff	15	4	46	8	55	0	39	18	11	1	1	**179**			
African male	7	1	13	1	24	0	11	6	2	0	1	**58**	29.28%	3.87%	33.15%
African female	7	1	32	6	26	0	21	6	3	0	0	**94**	51.93%	18.78%	33.15%
Coloured male	1	0	0	0	1	0	0	1	0	0	0	**2**	1.67%	2.20%	3.87%
Coloured female	0	0	1	0	0	0	2	1	1	0	0	**5**	2.21%	2.21%	4.42%
Indian male	0	0	0	0	1	0	0	1	0	0	0	**2**	0.55%	2.21%	2.76%
Indian female	0	1	0	0	1	0	0	2	1	1	0	**5**	3.88%	-1.67%	2.21%
White male	0	1	0	1	1	0	1	1	1	0	0	**5**	3.88%	6.62%	10.50%
White female	0	0	0	0	1	0	4	0	3	0	0	**8**	6.08%	3.86%	9.94%
Vacancies	0	0	1	0	1	0	4	2	0	0	0	**8**			
Staff complement	15	4	47	8	56	0	43	20	11	1	1	**187**			

* Learners and Interns are not included in the total.

****Note: Target of 2% persons with disabilities has been met.**

PART E

FINANCIAL INFORMATION

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON SOUTH AFRICAN QUALIFICATIONS AUTHORITY

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

1. I have audited the financial statements of the South African Qualification Authority (SAQA) set out on pages 127 to 179, which comprise statement of financial position as at 31 March 2019, the statement of financial performance, statement of changes in net assets and statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the SAQA as at 31 March 2019, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa,1999 (Act No.1 of 1999) (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) 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 code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my unqualified opinion.

Responsibilities of accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting authority is responsible for assessing the SAQA's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

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

8. My objectives are to obtain reasonable assurance about whether 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 programmes 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 public entity. 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 programmes presented in the annual performance report of the public entity for the year ended 31 March 2019:

Programmes	Pages in the annual performance report
Programme 2 – Registration and Recognition	55 – 65
Programme 3 – National Learners' Records Database	66 – 72
Programme 4 – Foreign Qualifications Evaluation and Advisory	74 – 78
Programme 5 – Research	80 – 82
Programme 6 – International Liaison	83 – 90

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. I did not raise any material findings on the usefulness and reliability of the reported performance information for these programmes:
    Programme 2 – Registration and Recognition
    Programme 3 – National Learners' Records Database
    Programme 4 – Foreign Qualifications Evaluation and Advisory
    Programme 5 – Research
    Programme 6 – International Liaison

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON SOUTH AFRICAN QUALIFICATIONS AUTHORITY

Achievement of planned targets

15. Refer to the annual performance report on pages 26 to 90 for information on the achievement of planned targets for the year and explanations provided for the under/ over achievement of a number of targets.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

Introduction and scope

16. 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 public entity with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
17. I did not raise material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

OTHER INFORMATION

18. The accounting authority 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 programmes presented in the annual performance report that have been specifically reported in this auditor's report.
19. 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.
20. 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 programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
21. I did not receive the other information prior to the date of this auditor's report. After I receive and read this information, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this Auditor's Report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

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

Auditor-General

Pretoria
31 July 2019

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 [consolidated and separate] financial statements, and the procedures performed on reported performance information for selected programmes and on the public entity's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
   - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
   - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control
   - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors, which constitutes the accounting authority
   - conclude on the appropriateness of the board of directors, which constitutes the accounting authority 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 Qualification Authority's 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 public entity 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 authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting authority that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

ACCOUNTING AUTHORITY REPORT

SAQA is a statutory body governed by the NQF Act. SAQA's main mandate is to advance the objectives of the NQF, to oversee the further development and implementation of the NQF and to co-ordinate the Sub-Frameworks that comprise the NQF. In terms of the PFMA, SAQA is a schedule 3A National Public Entity. The SAQA Board is the accounting authority for the activities of the entity.

1. NATURE OF ENTITY

The Authority is a public entity domiciled in South Africa.

2. NATURE OF ENTITY'S OPERATIONS

The nature of the entity's business as set out in the NQF Act, is to oversee the further development and implementation of the NQF, and to ensure the achievement of its objectives.

3. GOING CONCERN

The Board believes that SAQA will continue to be a going concern for the financial year ahead. Accordingly, it continues to adopt the going concern basis in preparing the financial statements. In arriving at this view, the Board took into account the current sound financial position of SAQA as well as the responsibility of the Minister of Higher Education and Training, in terms of the NQF Act, to fund SAQA's functions.

4. EVENTS AFTER THE REPORTING PERIOD

No adjusting events, or non-adjusting events requiring disclosure, occurred after the reporting period.

5. PRINCIPAL ACTIVITIES

- Oversee the implementation of the NQF.
- Develop a system of collaboration to guide the mutual relations of SAQA and the Quality Councils.
- Develop, publish and maintain Level Descriptors for each level of the NQF.
- Develop and implement policy and criteria for the development, registration and publication of the qualifications and part-qualifications on the NQF.
- Register qualifications and part-qualifications on the NQF.
- Develop policy and criteria for assessment, Recognition of Prior Learning and credit accumulation and transfer.
- Develop and implement policy and criteria for recognising a professional body and registering a professional designation.
- Recognition of professional bodies and registration of professional designations on the NQF.
- Collaborate with international counterparts on all matters of mutual interest concerning qualifications frameworks.
- Conduct and commission research on education and training systems.
- Maintain the NLRD as the key national source of information for human resource development in South Africa, including the verification of qualifications.
- Implement and maintain SAQA's Foreign Qualifications Evaluation and Advisory Services.
- Inform the public about the NQF.

6. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

There were no changes in the nature of property, plant and equipment and intangible assets or in the policy regarding their use during the year. Capital expenditure on property, plant and equipment and intangible assets for the year amounted to R4,598,507 (2018: R2,633,278).

Details are contained in notes 9 and 10 to the financial statements.

7. REMUNERATION

The remuneration of the Chairperson is determined by the Minister of Higher Education and Training, with the concurrence of the Minister of Finance.

Allowances paid to other non-executive members of the Board are determined by the Minister of Finance and approved by the Minister of Higher Education and Training.

Remuneration and allowances paid to the members of the Board for the year under review were as follows:

	Board fees	Remuneration	Travel and Other Costs	Total
	R	R	R	R
Executive				
Mr J Samuels	-	1,805,650	-	1,805,650
Dr J Reddy	-	1,702,870	-	1,702,870
6th Board Members				
Dr V Toni Penxa - Chairperson	374,133	-	5,516	379,649
Dr SD Bhikha	48,328	-	1,263	49,591
Mr BM Gantile	20,504	-	1,689	22,193
Prof SJ Howie	-	-	847	847
Prof JO Kuye	26,528	-	573	27,101
Mr GC Louw	31,120	-	28,099	59,219
Mr FM Maleka	13,912	-	-	13,912
Ms PLF Nzimande	53,988	-	3,600	57,588
Prof TG Schultz	70,347	-	7,064	77,411
Ms N Starr	-	-	7,194	7,194
Mr AO Benjamin - Appointed 26 November 2018	3,478	-	-	3,478
Total	**642,338**	**3,508,520**	**55,845**	**4,206,703**

ACCOUNTING AUTHORITY REPORT

8. FINANCIAL STATEMENTS

The financial statements are prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) as set out in Accounting Policy paragraph 1 on page 133.

9. AUDITORS

The Auditor-General will continue in office as External Auditor in accordance with section 13 of the National Qualifications Framework Act.

The Auditor-General expresses an opinion on the financial statements. The audit has been performed in terms of section 188 of the Constitution of the Republic of South Africa, read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) and section 13 of the National Qualifications Framework Act (Act No. 67 of 2008). The audit is conducted in accordance with International Standards on Auditing.

10. FAIR PRESENTATION

The financial statements fairly present the state of affairs of SAQA at 31 March 2019, the results of its operations and cash flow information for the year then ended. These were approved by the Board on 25 July 2019.

11. PROJECTS

Projects continue to play a role in the realisation of SAQA's objectives. The Board is grateful for the contributions to SAQA by the project partners for the year.

Projects	1 April 2018 Balance	Current Year Income	Current Year Expenditure/ Release/ Refund	31 March 2019 Balance
	R	R	R	R
CHE - HEQCIS	351,074	1,655,250	(1,733,293)	273,031
Tirelo Bosha Digitisation Projects	2,116,280	-	(885,493)	1,230,787
Total	**2,467,354**	**1,655,250**	**(2,618,786)**	**1,503,818**

Below is a summary of the services provided in terms of the projects:

SAQA has been contracted to manage the Higher Education Quality Committee Information System (HEQCIS) on behalf of the CHE

The Tirelo Bosha projects granted funding to SAQA for two digitisation of learner records projects. The first project is for the digitisation of pre-1992 Senior Certificate learner records. The second project is for the digitisation of records of Teacher Qualifications.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2019

	Note(s)	**2019**	**2018**
		R	**R**
Revenue			
Revenue from exchange transactions			
Rendering of services	2	50,163,061	47,344,674
Profit on sale of property, plant and equipment		-	27,067
Rent income		1,099,427	1,036,580
Interest received		1,878,242	1,843,641
Sundry income		3,354,945	5,311,860
Compensation from insurance		92,136	-
Total revenue from exchange transactions		**56,587,811**	**55,563,822**
Revenue from non-exchange transactions			
Transfer revenue			
Government grants from Department of Higher Education and Training		66,719,000	64,940,000
Total revenue		**123,306,811**	**120,503,822**
Expenditure			
Employee-related costs	3	(86,284,613)	(80,268,220)
Depreciation and amortisation	9 & 10	(3,185,730)	(2,938,534)
Lease rentals on operating lease		(56,339)	(49,254)
Provision for credit losses		(656,386)	(110,884)
Repairs and maintenance		(1,242,173)	(973,959)
Loss on disposal		(12,110)	(33,470)
General expenses	4	(25,979,988)	(28,842,847)
Total expenditure		**(117,417,339)**	**(113,217,168)**
Surplus for the year		**5,889,472**	**7,286,654**

STATEMENT OF FINANCIAL POSITION

as at 31 March 2019

	Note(s)	2019	2018
		R	R
Assets			
Current Assets			
Inventories	5	476,563	492,360
Receivables from exchange transactions	6&34	5,659,758	5,646,510
Prepaid expenses	7	1,974,291	1,459,287
Operating lease asset		15,979	-
Cash and cash equivalents	8	25,515,333	22,497,671
		33,641,924	**30,095,828**
Non-Current Assets			
Property, plant and equipment	9	23,834,917	22,019,140
Intangible assets	10	2,643,436	3,058,544
Operating lease asset		-	5,326
		26,478,353	**25,083,010**
Total Assets		**60,120,277**	**55,178,838**
Liabilities			
Current Liabilities			
Deferred income	11	11,429,553	13,930,598
Payables from exchange transactions	12	12,009,497	9,601,717
VAT payable from exchange transactions	13	12,349	25,364
Provisions	14	1,800,000	2,641,755
Total Liabilities		**25,251,399**	**26,199,434**
Net Assets		**34,868,878**	**28,979,404**
Net Assets			
Accumulated surplus		34,868,878	28,979,404

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2019

	Accumulated surplus	Total net assets
	R	R
Opening balance as previously reported	20,300,622	20,300,622
Adjustments		
Prior-year adjustments	1,392,128	1,392,128
Balance at 1 April 2017 as restated	**21,692,750**	**21,692,750**
Changes in net assets		
Surplus for the year	7,286,654	7,286,654
Balance at 1 April 2018	**28,979,404**	**28,979,404**
Changes in net assets		
Surplus for the year	5,889,474	5,889,474
Balance at 31 March 2019	**34,868,878**	**34,868.878**

STATEMENT OF CASH FLOWS

for the year ended 31 March 2019

	Note(s)	2019	2018
		R	R
Cash flows from operating activities			
Receipts			
Rendering of services		53,722,560	43,961,341
Government grants received		66,719,000	64,940,000
Interest income		1,878,242	1,843,641
Project funding received		1,655,250	3,681,445
		123,975,052	**114,426,427**
Payments			
Employee cost		(85,598,263)	(79,568,699)
Payments to suppliers and others		(30,760,620)	(31,520,470)
		(116,358,883)	(111,089,169)
Net cash flows from operating activities	15	**7,616,169**	**3,337,258**
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(3,834,217)	(1,679,083)
Proceeds from sale of property, plant and equipment		-	27,067
Purchase of intangible assets	10	(764,290)	(954,195)
Net cash flows from investing activities		**(4,598,507)**	**(2,606,211)**
Net increase in cash and cash equivalents		**3,017,662**	**731,047**
Cash and cash equivalents at the beginning of the year		22,497,671	21,766,624
Cash and cash equivalents at the end of the year	8	**25,515,333**	**22,497,671**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

for the year ended 31 March 2019

Budget on accrual basis

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R	R	R	R	R	
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Foreign qualifications evaluation fees	46,000,000	-	**46,000,000**	37,599,114	**(8,400,886)**	29
Rent income	1,250,000	-	**1,250,000**	1,099,427	**(150,573)**	
Interest received	1,800,000	-	**1,800,000**	1,878,242	**78,242**	
Sundry income	2,600,000	-	**2,600,000**	3,354,945	**754,945**	
Verification fees	15,000,000	-	**15,000,000**	9,818,827	**(5,181,173)**	
Compensation from insurance	-	-	**-**	92,136	**92,136**	
Professional bodies fees	2,000,000	-	**2,000,000**	2,745,120	**745,120**	
Total revenue from exchange transactions	**68,650,000**	**-**	**68,650,000**	**56,587,811**	**(12,062,189)**	
Revenue from non-exchange transactions						
Government grant from Department of Higher Education and Training	66,719,000	-	**66,719,000**	66,719,000	**-**	29
Retained surplus funds from prior years	-	46,000	**46,000**	-	**(46,000)**	
Total revenue from non-exchange transactions	**66,719,000**	**46,000**	**66,765,000**	**66,719,000**	**(46,000)**	
Total revenue	**135,369,000**	**46,000**	**135,415,000**	**123,306,811**	**(12,108,189)**	

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

for the year ended 31 March 2019

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R	R	R	R	R	
Expenditure						
Employee-related costs	(89,479,497)	-	**(89,479,497)**	(86,284,613)	**3,194,884**	29
Depreciation and amortisation	-	-	**-**	(3,185,730)	**(3,185,730)**	
Lease rentals on operating lease	(48,000)	-	**(48,000)**	(56,339)	**(8,339)**	
Provision on credit losses	-	-	**-**	(656,386)	**(656,386)**	
Repairs and maintenance	(1,170,500)	-	**(1,170,500)**	(1,242,173)	**(71,673)**	
General expenses	(38,972,003)	1,007,000	**(37,965,003)**	(25,979,987)	**11,985,016**	
Total expenditure	**(129,670,000)**	**1,007,000**	**(128,663,000)**	**(117,405,228)**	**11,257,772**	
Operating surplus / (deficit)	**5,699,000**	**1,053,000**	**6,752,000**	**5,901,583**	**(850,417)**	
Loss on disposal of Property, Plant and Equipment and intangible asset	-	-	**-**	(12,110)	**(12,110)**	
Surplus / (Deficit)	**5,699,000**	**1,053,000**	**6,752,000**	**5,889,473**	**(862,527)**	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**5,699,000**	**1,053,000**	**6,752,000**	**5,889,473**	**(862,527)**	
Statement of Financial Position						
Assets						
Current Assets						
Operating lease asset	-	-	**-**	15,979	**15,979**	
Non-Current Assets						
Property, plant and equipment	(5,745,000)	(1,007,000)	**(6,752,000)**	(3,834,217)	**2,917,783**	29
Intangible assets	-	-	**-**	(764,290)	**(764,290)**	

ACCOUNTING POLICIES

1. BASIS OF PREPARATION

The Annual Financial Statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. The financial statements have been prepared on the historical cost basis except for financial instruments stated at fair value as disclosed in the notes below. The financial statements are presented in South African Rand.

1.1 Significant accounting judgements and estimates

The preparation of financial statements in conformity with GRAP requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying SAQA's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the annual financial statements, are disclosed below.

Significant accounting estimates and assumptions

Provisions

Provisions were raised based on management-determined estimates using the information available. The accounting policy for provisions is disclosed under note 1.5 and additional disclosure of these estimates of provisions are included in note 14.

Depreciation and amortisation

During each financial year, management reviews property, plant and equipment and intangible assets to assess whether the useful lives and residual values applicable to each asset are appropriate.

At the end of each financial year, management assesses whether there is any indication that SAQA's expectations about the residual values and the useful lives of assets included in property, plant and equipment have changed since the preceding reporting date.

Impairment of receivables

Management conducts annual tests to determine whether receivables have suffered any impairment (refer to note 1.11).

1.2 Property, Plant and Equipment

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

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

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Costs include expenditure that is directly attributable to the acquisition of the assets.

SAQA recognises in the carrying amount of property, plant and equipment the cost of replacing part of such an item when the cost is incurred if it is probable that the future economic benefit or service potential embodied within the item will flow to SAQA and the cost can be measured reliably. All other costs are recognised in the statement of financial performance when incurred.

Where property, plant and equipment is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Land is not depreciated. Depreciation is charged to the statement of financial performance on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Asset	Useful life
Land	-
Buildings	5–50 years
IT equipment	4–20 years
Furniture and fixtures	4–27 years
Motor vehicles	10 years

The depreciation charge for each period is recognised in surplus or deficit. Depreciation methods, estimated useful lives and residual values are reviewed annually at reporting date.

Items of property, plant and equipment are de-recognised 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 de-recognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Maintenance and repairs, which neither materially add to the value of the assets nor prolong their useful lives, are charged against the statement of financial performance. The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (refer to note 9).

1.3 Intangible assets

An asset is identifiable if it either:

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

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.

An intangible asset is recognised at cost if it is probable that future economic benefits or service potential will flow to SAQA. Amortisation is charged on a systematic basis over the estimated useful lives of the intangible assets.

Subsequent expenditure on capitalised intangible assets are capitalised only if it increases the future benefits or service potential embodied in the specific asset to which it relates. The carrying amounts are reviewed at financial position date to determine whether there is any indication of impairment. The estimated useful lives and residual values are reassessed annually.

All of SAQA's intangible assets have a finite useful life.

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

Item	Useful life
DFQEAS Workflow Software	8–14 years
NLRD Software	22 years
SAQA Website	5,5 years
License Fees	As per the license agreement
Verifications Database	8 years
Other computer software	10 years

Intangible assets are derecognised:
- on disposal; or
- when no future economic benefits or service potential are expected from their use or disposal.

The gain or loss arising from the de-recognition of an intangible assets is included in surplus or deficit when the asset is de-recognised.

1.4 Inventories

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

Subsequently stationery inventories are measured at the lower of cost and current replacement cost at reporting date. Collateral Inventories are measured at the lower of cost and current replacement cost where they are held for distribution at no charge or for a nominal charge.

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

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

1.5 Provisions

Provisions are recognised in the statement of financial position when:
- SAQA has a present legal obligation as a result of a past event; and
- It is probable that an outflow of economic benefits will be required to settle the obligation.

If the effect is material, provisions are determined by discounting the expected future cash flows at a rate which reflects current market assessments of the time-value of money and, where appropriate, the risks specific to the liability.

Provision for onerous contracts is recognised when the expected benefits to be derived from the contracts are lower than the unavoidable cost of meeting the

obligations under the contracts. A provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, SAQA recognises any impairment loss on the asset associated with the contract.

Performance bonus

Performance bonus is a short-term employee benefit which is expensed as the related services are provided. A liability is recognised for the amount expected to be paid if the entity has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be measured reliably. A liability for performance bonus is raised on the estimated amount payable in terms of the incentive scheme which is based on the employee's performance in the applicable year. Performance bonuses are expected to be settled within 12 months from reporting date.

1.6 Commitments

Commitments are disclosed where SAQA has, in the normal course of its operations, entered into a contractual agreement with entities and suppliers related to expenses which are yet to be due for payment. Commitments are not recognised in the statement of financial position, but disclosed in the notes for the annual financial statements. Refer to note 24.

1.7 Employee benefits

Short-term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service. The recognised employee entitlements to 13th cheque and annual leave represent the amount that SAQA has a present obligation to pay as a result of employees' services provided at reporting date. The amounts are calculated based on salary rates at reporting date.

Defined contribution plan

SAQA contributes to a defined contribution plan and all contributions are charged against the statement of financial performance as incurred.

1.8 Revenue

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

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

Revenue from exchange transactions comprises the following:

Verification fees

Verification fees for learner achievements are recognised once the services have been rendered and they become due and payable.

Foreign qualifications evaluation fees

A Compliance and Administration Fee is recognised as income once an application has been accepted, registered and a reference number is assigned. The balance of the fee charged is recognised as revenue once the evaluation is completed and a report/certificate is issued.

Professional bodies fees

A percentage of 0,27% of non-statutory professional bodies' total income minus income from donations and sponsorships with a minimum fee of R10 000 and maximum fee of R200 000 is recognised as revenue annually.

Sundry income

Sundry income comprises income recoveries and income received from projects that SAQA manages from time to time. Sundry income is recognised when it becomes due to SAQA.

Rent income

Rent income is recognised in the statement of financial performance on a straight-line basis over the period of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

Interest income

Interest income from short-term investment is recognised on a time-proportion basis using the effective interest rate.

Revenue from non-exchange transactions

Government grant from Department of Higher Education and Training

The Government grant is initially recognised in the statement of financial position as deferred revenue when there is reasonable assurance that the conditions attached to it will be complied with and that the grant will be received.

Subsequent to initial recognition:

- Grants for the purpose of giving immediate financial support with no future related costs are recognised in the statement of financial performance in the period in which they become receivable; and
- Grants that compensate the entity for expenses or losses incurred are recognised as revenue in the statement of financial performance on a systematic basis in the same periods in which the expenses or losses are incurred.

Grants received that carry any restrictions or conditions as to the use thereof are held in a deferred revenue account until such time as the conditions or stipulations related thereto have been fulfilled or a repayment has been made. Each grant is assessed to determine if any liability exists and if so, the grant is recorded as deferred revenue until such time as there is no longer any liability by the entity that relates to that grant.

1.9 Prepayments

Prepayments are payments made in advance for services that have not been delivered for which SAQA expects the delivery in the next financial period. Prepayments are recognised as current assets and are not discounted as the discounting effect is considered immaterial.

1.10 Leases

Operating leases – lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. Contigent rent is recognised as revenue in the period it arises.

The difference between the amounts recognised as an revenue and the contractual payments are recognised as an operating lease asset or liability.

Operating leases – lessee

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

1.11 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised in SAQA's statement of financial position when SAQA becomes party to the contractual provisions of the instrument. Financial assets and liabilities are recognised initially at fair value. In the case of financial assets or liabilities not classified at fair value through the statement of financial performance, transaction costs that are directly attributable to the acquisition or issue of the financial instrument are added to the fair value. Financial assets are derecognised if the SAQA's contractual rights to the cash flows from the financial assets expire or if SAQA transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the SAQA's obligations specified in the contract expire or are discharged or cancelled.

Financial instruments are classified in the following categories:

Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method less provision for credit losses.

A provision for credit losses is established when there is objective evidence that not all amounts due will be collected according to original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The provision for the credit allowance is recognised in surplus or deficit when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate.

Payables

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

Cash and cash equivalents

Cash and cash equivalents consist of the balances in the current and call investment accounts and the cash on hand. Cash and cash equivalents are recognised at cost, which equals to their fair value at reporting date.

Offset

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when SAQA has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liabilities simultaneously.

1.12 Foreign currency transaction and balances

Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the transaction date. Any remaining balances denominated in foreign currencies are translated at the rate of exchange ruling at the financial position date. Gains or losses arising on translation are credited to or charged against the statement of financial performance.

1.13 Impairment of assets

SAQA's non-financial assets consist only of non-cash-generating assets. The carrying amounts of SAQA's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable service amount is the higher of its fair value less costs to sell and its value in use.

Value in use is the present value of the asset's remaining service potential. This is determined using the depreciation replacement cost method. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

1.14 Related parties

All payments to the Executive Management members and Board members are disclosed as related-party transactions. Transactions and balances with national departments of government and state-controlled entities which occur other than at arm's length or outside the operating parameters are also disclosed as related parties.

1.15 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.

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred, unless it is impractical to determine, in which case reasons therefore must be provided in the notes.

Irregular expenditure receivables are measured at the amount that is expected to be recovered and are de-recognised when settled or written-off as irrecoverable.

1.16 Expenditure

Expenses have not been offset except where offsetting is required or permitted by a Standard of GRAP and are accounted for on the accrual basis of accounting.

1.17 Deferred income

SAQA recognises deferred income when it has received funds in advance for services that it has still to render. Once it has rendered the services, the funds are recognised as income in the statement of financial performance. Deferred income is stated at nominal amount received. The effect of discounting is immaterial.

1.18 Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of SAQA.

Contingent liabilities are not recognised, but disclosed in the notes to the financial statements. Contingent liabilities are disclosed in note 23.

2. REVENUE FROM EXCHANGE TRANSACTIONS

	2019	2018
	R	R
Rendering of services includes the following:		
Foreign qualifications evaluation fees	37,599,114	36,926,565
Verification fees	9,818,827	10,418,109
Professional bodies fees	2,745,120	-
	50,163,061	**47,344,674**

3. EMPLOYEE-RELATED COSTS

	R	R
Remuneration and other benefits	77,007,398	71,752,742
Statutory contributions	581,768	510,754
Defined contribution plans	8,695,447	8,004,724
	86,284,613	**80,268,220**

4. GENERAL EXPENSES

Included in general expenses are the following items:

	R	R
Auditors' Remuneration		
External audit	1,375,609	1,908,391
Internal audit	402,296	401,980
	1,777,905	**2,310,371**

	2019	2018
	R	R
Other		
Board Chairperson fee	374,133	354,629
Board members fees	268,205	317,687
Board members travel reimbursement	55,845	46,997
Committee members attendance fees	265,778	138,890
Committee members travel reimbursement	36,942	25,224
Bank charges	1,586,014	1,460,919
Postage	2,649,195	2,939,590
Computer software licensing	607,560	1,524,643
Temporary staff costs	1,478,658	1,113,753
Printing	636,185	959,492
IT support and maintenance	2,876,761	2,797,414
Conference fees	416,849	596,965
Consulting and professional fees	1,905,209	3,061,476
Travel and subsistance	930,840	752,322
Legal fees	691,774	3,270,567
Building costs	4,337,288	3,512,279
Advertising and advocacy	213,643	33,452
Other operating expenses	4,871,204	3,626,177
	24,202,083	**26,532,476**
Total general expenses	**25,979,988**	**28,842,847**

5. INVENTORIES

	2019	2018
	R	R
Collateral	140,885	206,147
Stationery	335,678	286,213
	476,563	**492,360**
Inventories recognised as an expense during the year (disclosed under general expenses)	360,983	493,235

6. RECEIVABLES FROM EXCHANGE TRANSACTIONS

	R	R
Verification debtors	3,561,707	6,226,770
Less: Provision for credit losses	(1,001,176)	(980,325)
	2,560,531	**5,246,445**
Professional bodies debtors	2,019,633	-
	2,019,633	**-**
Staff debtors	44,690	67,171
Less: Provision for credit losses	-	(16,734)
	44,690	**50,437**
Other receivables	1,687,173	349,628
Less: Provision for credit losses	(652,269)	-
	1,034,904	**349,628**
Closing balance	**5,659,758**	**5,646,510**
Reconciliation of provision for credit loss of receivables from exchange transactions		
Opening balance	997,059	886,175
Charged to the Statement of Financial Performance	656,386	110,884
Closing balance	**1,653,445**	**997,059**

7. PREPAID EXPENSES

	2019	2018
	R	R
Electricity	136,463	125,003
E-Toll	380	313
Insurance	214,574	203,784
IT-related expenses	1,383,412	1,001,345
Subscriptions	219,281	91,882
Conferences and training	16,503	12,483
Flights	-	24,477
Sundry expenses	3,678	-
	1,974,291	**1,459,287**

8. CASH AND CASH EQUIVALENTS

	R	R
Cash and cash equivalents consist of:		
Cash on hand	1,544	1,127
Bank balances	2,029,747	2,382,526
Credit card deposit	200,000	200,000
Corporation for Public Deposits	23,284,042	19,914,018
	25,515,333	**22,497,671**

The average weekly balance of funds held at the Corporation for Public Deposits (CPD) over the financial year was R25,67 million (2018: R24,92 million) and the average interest rate over the same period was 7.21% (2018: 7.33%).

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

Cash and short-term deposits held with banking instititions and the CPD and are regarded as having insignificant credit risk. SAQA invests its surplus cash in the short-term deposit account with CPD. The interest rate fluctuates in line with the movements in current money market rates.

9. PROPERTY, PLANT AND EQUIPMENT

	2019			2018		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Land	515,455	-	515,455	515,455	-	515,455
Buildings	21,487,291	(6,206,301)	15,280,990	20,622,655	(6,010,581)	14,612,074
Subtotal: Land and building	**22,002,746**	**(6,206,301)**	**15,796,445**	**21,138,110**	**(6,010,581)**	**15,127,529**
IT equipment	17,522,053	(11,351,476)	6,170,577	14,792,774	(9,794,928)	4,997,846
Motor vehicles	304,287	(130,820)	173,467	304,287	(104,785)	199,502
Furniture and fixtures	4,344,036	(2,649,608)	1,694,428	4,158,995	(2,464,731)	1,694,264
Total	**44,173,122**	**(20,338,205)**	**23,834,917**	**40,394,166**	**(18,375,025)**	**22,019,141**

Reconciliation of property, plant and equipment – 2019

	Opening balance	Additions	Carrying amount on disposals	Depreciation	Total
Land	515,455	-	-	-	515,455
Buildings	14,612,074	864,636	-	(195,720)	15,280,990
Subtotal: Land and building	**15,127,529**	**864,636**	**-**	**(195,720)**	**15,796,445**
IT equipment	4,997,846	2,735,472	(4,595)	(1,558,146)	6,170,577
Motor vehicles	199,502	-	-	(26,035)	173,467
Furniture and fixtures	1,694,264	234,109	(7,515)	(226,430)	1,694,428
Total	**22,019,141**	**3,834,217**	**(12,110)**	**(2,006,331)**	**23,834,917**

Reconciliation of property, plant and equipment – 2018

	Opening balance	Additions	Carrying amount on disposals	Depreciation	Total
Land	515,455	-	-	-	515,455
Buildings	14,537,012	243,662	-	(168,600)	14,612,074
Subtotal: Land and building	**15,052,467**	**243,662**	**-**	**(168,600)**	**15,127,529**
IT equipment	5,556,120	1,164,478	(20,115)	(1,702,637)	4,997,846
Motor vehicles	225,537	-	-	(26,035)	199,502
Furniture and fixtures	1,650,480	270,943	(13,355)	(213,804)	1,694,264
Total	**22,484,504**	**1,679,083**	**(33,470)**	**(2,111,076)**	**22,019,141**

SAQA acquired the land and buildings at 1067 Arcadia Street, Hatfield, Pretoria, Erf 637 Hatfield, on 1 October 2002 for R5,400,000. Net improvements to land and buildings to date amount to R16,602,746 (2018: R15,738,110).

None of the items of property, plant and equipment are pledged as security.

The useful lives and residual values of various categories of property, plant and equipment were assessed at reporting date and it resulted in a change in accounting estimate. Refer to note 21.

Expenditure on repairs and maintenance to property, plant and equipment amount to R1,164,698 (2018: R938,681).

9. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	2019	2018
	R	R
Details of property		
Cost	5,400,000	5,400,000
Improvements		
2002	551,259	551,259
2004	5,041,314	5,041,314
2005	17,222	17,222
2006	59,530	59,530
2007	251,754	251,754
2008	3,889,380	3,889,380
2009	519,855	519,855
2010	54,059	54,059
2011	1,897,929	1,897,929
2012	154,900	154,900
2013	686,714	686,714
2014	99,152	99,152
2015	1,107,238	1,107,238
2016	995,126	995,126
2017	169,016	169,016
2018	243,662	243,662
2019	864,636	-
Total	**22,002,746**	**21,138,110**

10. INTANGIBLE ASSETS

	2019			2018		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Other computer software	83,456	(2,782)	80,674	-	-	-
DFQEAS Workflow Software	2,435,611	(2,126,095)	309,516	2,435,611	(2,047,915)	387,696
NLRD Software	27,002,662	(26,093,016)	909,646	27,002,662	(25,911,087)	1,091,575
SAQA Website	331,972	(301,794)	30,178	331,972	(241,435)	90,537
License fees	680,834	(361,248)	319,586	452,507	-	452,507
Verification Database	380,825	(172,389)	208,436	380,825	(129,996)	250,829
DFQEAS Workflow Under Development	785,400	-	785,400	785,400	-	785,400
Total	**31,700,760**	**(29,057,324)**	**2,643,436**	**31,388,977**	**(28,330,433)**	**3,058,544**

10. INTANGIBLE ASSETS (CONTINUED)

Reconciliation of intangible assets – 2019

	Opening balance	Additions	Amortisation	Total
Other computer software	-	83,456	(2,782)	80,674
DFQEAS Workflow Software	387,695	-	(78,180)	309,515
NLRD Software	1,091,575	-	(181,929)	909,646
SAQA Website	90,537	-	(60,359)	30,178
License fees	452,507	680,834	(813,755)	319,586
Verifications Database	250,829	-	(42,393)	208,436
DFQEAS Workflow Under Development	785,400	-	-	785,400
Total	**3,058,543**	**764,290**	**(1,179,398)**	**2,643,435**

Reconciliation of intangible assets – 2018

	Opening balance	Additions	Amortisation	Total
DFQEAS Workflow Software	465,875	-	(78,180)	387,695
NLRD Software	1,181,580	86,046	(176,051)	1,091,575
SAQA Website	150,896	-	(60,359)	90,537
License fees	471,930	452,507	(471,930)	452,507
Verification Database	238,525	53,242	(40,938)	250,829
DFQEAS Workflow Under Development	423,000	362,400	-	785,400
Total	**2,931,806**	**954,195**	**(827,458)**	**3,058,543**

All additions to intangible assets have arisen from internal development initiatives by SAQA, except for the additions to License fees which have been acquired seperately. DFQEAS Workflow includes workflow that is still under development to the amount of R785,400 (2018: R785,400). Management intends to complete the development of the workflow.

11. DEFERRED INCOME

	2019	2018
	R	R
Foreign Qualifications Evaluation and Advisory Services	11,136,827	11,434,995
Council on Higher Education	273,031	351,074
Rent received in advance	19,695	28,249
Tirelo Bosha	-	2,116,280
Total	**11,429,553**	**13,930,598**

12. PAYABLES FROM EXCHANGE TRANSACTIONS

	2019	2018
	R	R
Account payables	7,379,218	5,357,789
Leave accrual	3,526,532	3,198,588
13th Cheque accrual	1,103,747	1,045,340
Total	**12,009,497**	**9,601,717**

SAQA pays all its trade and other payables within 30 days of receipt of invoice in accordance with the terms of the PFMA and Treasury Regulations.

SAQA does not know the timing of the payment, if any, for any accrued leave pay as this is dependent on whether an employee remains in the service of SAQA or not. Any accrued bonus (13th cheque) is paid out in December each year or in the month after an employee leaves the employ of SAQA. These accruals have therefore not been included in the analysis table below.

The ageing of Trade Payables is as follows:

	R	R
Current due (1 month)	6,052,256	4,507,192
2 months past due	282,069	157,797
>3 months	1,044,893	692,800
Total	**7,379,218**	**5,357,789**

13. VAT PAYABLE FROM EXCHANGE TRANSACTIONS

	R	R
VAT payable	12,349	25,364

14. PROVISIONS

Reconciliation of provisions – 2019

	Opening balance	Additions	Reversed / Utilised during the year	Total
Legal fees	1,141,755	-	(1,141,755)	-
Staff Performance Bonus	1,284,859	1,605,451	(1,284,859)	1,605,451
CEO Performance Bonus	215,141	194,549	(215,141)	194,549
Total	**2,641,755**	**1,800,000**	**(2,641,755)**	**1,800,000**

Reconciliation of provisions – 2018

	Opening balance	Additions	Reversed / Utilised during the year	Total
Legal fees*	-	1,141,755	-	1,141,755
Staff Performance Bonus	1,000,000	1,284,859	(1,000,000)	1,284,859
CEO Performance Bonus	203,925	215,141	(203,925)	215,141
Total	**1,203,925**	**2,641,755**	**(1,203,925)**	**2,641,755**

* In the 2017/18 financial year, an unaccredited body lodged an application to prevent SAQA and a Quality Council from stating that its school-leaving certificate was offerred illegally. The judgement was in favour of the body and awarded with cost. Costs were apportioned. The legal fee provision represents the best estimate of the entity's liability.

15. CASH GENERATED FROM OPERATIONS

	2019	2018
	R	R
Surplus	5,889,474	7,286,654
Adjustments for:		
Depreciation and amortisation	3,185,730	2,938,534
Loss on disposal of assets	12,110	33,470
Proceeds on disposal of assets	-	(27,067)
Bad debts provision	656,386	110,884
Movements in operating lease asset	(10,653)	(5,326)
Movements in provisions	(841,755)	1,437,830
Changes in working capital:		
Inventories	15,798	36,124
Receivables from exchange transactions	(669,634)	(1,348,754)
Prepaid expenses	(515,004)	343,771
Payables from exchange transactions	2,407,779	947,969
VAT	(13,015)	10,794
Deferred income	(2,501,047)	(8,427,625)
Total	**7,616,169**	**3,337,258**

16. OPERATING LEASE

SAQA leases office space and microcell space for a period of two years and nine years and 11 months respectively. The office space agreement includes escalations of 6% per annum and the lease started on 1 January 2018. In terms of the microcell lease agreements, the commencement date is 1 December 2014 and SAQA is entitled to a minimum lease payment of R18,000 per annum. The lease agreement provides for a lease escalation rate linked to the percentage increase to the headline consumer price index (CPI) annually. The contingent rent recognised as revenue in the current year is R7,496.

SAQA leases out offices in the SAQA House building under operating leases. The future minimum lease payments under non-cancellable leases are as follows:

	2019	2018
	R	R
Less than one year	667,271	846,944
Between one and five years	72,000	721,271
More than five years	10,500	28,500
Total	**749,771**	**1,596,715**
Amount to be recognised in future periods	749,771	1,596,715

17. TAXATION

SAQA is exempt from Income Tax in terms of section 10(1)(cA) of the Income Tax Act.

18. FINANCIAL RISK MANAGEMENT

Financial risk factors

Exposure to credit risk arises in the normal course of SAQA's business. Exposure to currency and interest rate risk is minimal. SAQA has an overall risk management plan that is approved by the Board and is annually reviewed by the Audit and Risk Committee. The Board has approved written policies covering specific areas such as the investment policy, debtors policy, payables policy and other policies that SAQA's management adheres to.

18. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Reputable financial institutions are used for investing and cash-handling purposes.

At the statement of financial position date there was no significant concentration of credit risk (Refer to note 34).

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Liquidity risk

SAQA manages liquidity risks by monitoring forecasted cash flows and ensuring that the necessary funds are available to meet any commitments which arise. SAQA further manages liquidity risk by only spending according to its approved budget, which is fully funded. The budget is reviewed and approved annually by the Board and by the Minister of Higher Education and Training. Cash which is not needed immediately is invested with the Corporation for Public Deposits. As funds are needed, the necessary cash is transferred to SAQA's operations account. Creditors are paid within 30 days of receipt of invoice. See note 12 for an analysis of the timing of the payments to trade creditors.

Interest rate risk

SAQA's exposure to interest rate risk relates to the call deposit held with the Corporation for Public Deposits (CPD). The interest rate is updated weekly and is linked to the Treasury Bill rate. SAQA reviews the rate at regular intervals and compares the rate received to the rates available in the market from other large commercial banking institutions to ensure that it is receiving competitive rates. The funds held with the CPD are available on the same day, if requested before 12:00.

On an average cash balance of R25,67 million (2018: R24,92 million), a 1% rise or fall in the interest rate would have an effect on income of either increasing income or decreasing it by R256,700 (2018: R249, 200), having an effect of 0.21% (2018:0.22%) of total income.

Fair values

The fair values of all financial instruments are substantially identical to carrying amounts reflected in the statement of financial position.

19. RETIREMENT BENEFIT OBLIGATIONS

SAQA operates a defined contribution retirement plan covering all qualifying employees. The fund is governed by the Pension Funds Act, 1956 (Act No. 24 of 1956).

The assets of the fund are held in trust under the control of the umbrella Board of Trustees of the Orion Money Purchase Pension Fund (SA). Old Mutual is the fund underwriter. Fund assets consist primarily of monthly contributions paid over to the fund on behalf of the members by the participating employers. The underlying assets are invested in listed shares, fixed income securities, cash and deposits.

The total cost charged to income of R8,695,447 (2018: R8,004,724) represents contributions payable to the scheme by SAQA according to the rates specified in the rules of the scheme. This amount is disclosed under employee-related costs in the statement of financial performance (refer to note 3). As at 31 March 2019, all contributions had been paid over to the scheme.

20. SUBSEQUENT EVENTS

No adjusting or non-adjusting events requiring disclosure occurred after the reporting period.

21. CHANGE IN ACCOUNTING ESTIMATE

	2019	2018
	R	R
Impact of changes in accounting estimates		
Increase in net surplus	361,903	1,293,473
Decrease in depreciation on property, plant and equipment	(361,903)	(612,980)
Decrease in amortisation on intangible assets	-	(680,493)
Total	-	-

In the current year, management re-assessed the remaining useful lives and residual values of property, plant and equipment and intangible assets. The change in estimate is applied prospectively. The effect of this assessment has decreased the depreciation and amortisation charges in the current period and increased the depreciation and the amortisation charges for future periods by R361,903.

22. INVESTMENT PROPERTY

The Authority leases a portion of the SAQA House building, but has decided not to treat this property as an investment property as the Authority occupies a significant portion of the building for administration purposes. Accordingly, the leased floor space is treated as an operating lease of property, plant and equipment.

23. CONTINGENT LIABILITIES

SAQA does not have any contigent liabilities at reporting date.

24. COMMITMENTS

Committed and Contracted

SAQA has the following contractual commitments that it has already entered into for the coming financial years.

	2019	2018
	R	R
Research – Durban University of Technology	60,000	220,000
IT-Related Costs	7,736,369	3,012,725
Facilities Costs	5,679,221	7,243,013
Professional Services	2,359,450	1,805,778
Advertisements and Advocacy	2,579,870	154,403
Total	**18,414,910**	**12,435,919**

Research Proposal Commitments

SAQA has entered into a research partnership agreement with the Durban University of Technology as reflected in the amounts above. Should the research partner not perform according to the terms of the agreement, SAQA has the right to cancel the agreement and to withhold any further payments to the institution.

	2019	2018
	R	R
Tenders approved but not contracted for		
IT-Related Costs	3,531,881	-

SAQA approved two tenders relating to IT services, which were fully contracted for after year-end. The contracts were signed by the service providers after year-end.

Operating lease as Lessee

	R	R
Minimum lease payments due		
within one year	27,830	30,360
in second to fifth year inclusive	-	27,830
Total	**27,830**	**58,190**

SAQA entered into a contract for water coolers effective from 1 March 2018 for a period of 24 months. The lease payment is R2,530 per month and there are no built-in price escalations in the lease agreement.

25. PUBLIC FINANCE MANAGEMENT ACT

SAQA is not aware of any material losses during the year from any criminal conduct and has not incurred any irregular, unauthorised or fruitless and wasteful expenditure during the financial year. It has therefore not had to carry out any criminal or disciplinary steps in the light thereof.

SAQA has assessed the levels of materiality to be:
- any amount which arises from criminal conduct;
- R1,000 and above which results from irregular, fruitless or wasteful expenditure caused by gross negligence; or
- R670,000 and above, being approximately 0.5% of gross revenue / expenditure budgeted for in the 2018/19 financial year for any other transactions.

The Board has decided that any transaction covered by Section 54(2) of the PFMA in excess of R2 million be reported on, being:
- The acquisition or disposal of a significant asset; and
- The beginning of a significant business activity.

SAQA is not aware of any fruitless and wasteful expenditure that occurred during the financial year.

SAQA received R66,719,000 (2018: R64,940,000) from the government during the year. No financial commitments were made on behalf of government.

26. PRIOR-PERIOD ADJUSTMENT

Management decided to re-assess the useful lives of fully depreciated asssets that are still in use. This has resulted in management disclosing a prior-year adjustment. The impact of the prior-year adjustment is as follows:

	2019	2018
	R	R
Statement of Financial Position		
Increase in Intangible Assets	-	90,538
Increase in Property, Plant and Equipment	-	786,512
Increase in Accumulated Surplus	-	(877,050)
Total	**-**	**-**

	R	R
Restated surplus		
Surplus reported 31 March 2018	-	7,801,733
Depreciation and amortisation	-	(515,079)
Total	**-**	**7,286,654**

27. RELATED PARTIES

Identity of related parties

The entity has a related party relationship with public entities within the national sphere of government. The ultimate parent of SAQA is the government, represented by the Minister of Higher Education and Training. IPSAS 20.27 exempts SAQA from disclosing arm's length transactions between related parties.

Transactions with members of SAQA consist of remuneration and are disclosed in note 4 to the financial statements and the names are detailed in the Accounting Authority Report.

Transactions between SAQA, the DHET and its public entities:

	2019	2018
	R	R
Grant		
Department of Higher Education and Training	66,719,000	64,940,000

	R	R
Funds received from related parties		
CHE	1,655,250	1,562,700
DHET (NQF Stakeholder Forum)	100,000	-
Tirelo Bosha Digitisation Projects (DPSA)	-	2,118,745
Total	**1,755,250**	**3,681,445**

	R	R
Balance owed to / (by) other related entity		
CHE	273,031	351,074
DHET (NQF Stakeholder Forum)	(100,000)	-
Tirelo Bosha Digitisation Projects (DPSA)	1,230,788	2,116,280
Total	**1,403,819**	**2,467,354**

28. DIRECTORS' EMOLUMENTS

2019

	Remuneration	SAQA's contribution to retirement plan	Performance bonus paid	Total
J Samuels, Chief Executive Officer	1,446,115	175,129	184,407	1,805,651
R Reddy, Deputy Chief Executive Officer	1,405,833	191,081	105,956	1,702,870
N Naidoo, Director: In the Office of the CEO	877,641	127,731	33,450	1,038,822
C Jaftha, Director: International Liaison	886,202	119,170	18,681	1,024,053
W Radu, Director: Advocacy Communications and Support	886,202	119,170	-	1,005,372
P Mbingo, Director: Finance and Administration	1,381,308	192,294	-	1,573,602
N Coetzee, Director: Foreign Qualifications Evaluations and Advisory Services	1,013,134	137,917	36,760	1,187,811
C Baxter, Director: Information Technology – Retired 30 June 2018	338,882	32,866	-	371,748
J Ntsioa, Director: Information Technology – Appointed 1 July 2018	767,921	107,383	-	875,304
C Oelofsen, Director: National Learners' Records Database	886,202	119,170	22,981	1,028,353
F Nyaka, Director: Registration and Recognition	947,522	128,227	35,086	1,110,835
H Bolton, Director: Research	938,310	137,438	-	1,075,748
D Strydom, Project Director: Verifications	886,202	119,170	33,450	1,038,822
P Maboho, Director: Human Resources	980,328	133,072	-	1,113,400
Total	**13,641,802**	**1,839,818**	**470,771**	**15,952,391**

28. DIRECTORS' EMOLUMENTS (CONTINUED)

2018

	Remuneration	SAQA's contribution to retirement plan	Performance bonus paid	Total
J Samuels, Chief Executive Officer	1,375,483	164,630	160,227	1,700,340
J Reddy, Deputy Chief Executive Officer	1,334,405	180,105	143,475	1,657,985
N Naidoo, Director: In the Office of the CEO	830,025	120,861	23,776	974,662
C Jaftha, Director International Liaison – Appointed 1 October 2017	786,718	96,605	19,439	902,762
M Albetyn, Director: Finance and Administration – Resigned 31 July 2017	589,893	56,408	-	646,301
W Radu, Director: Advocacy Communication and Support	834,797	112,761	-	947,558
P Mbingo, Director: Finance and Administration – Appointed 1 December 2017	411,779	60,640	-	472,419
N Coetzee, Director: Foreign Qualifications Evaluation and Advisory Services	958,178	130,492	-	1,088,670
C Baxter, Director: Information Technology	916,849	124,388	-	1,041,237
P Maboho, Director: Human Resources – Appointed 1 October 2017	447,181	62,955	-	510,136
Y Shapiro, Director: National Learners' Records Database – Retired 31 October 2017	736,435	85,260	28,880	850,575
F Nyaka, Director: Registration and Recognition	896,122	121,326	-	1,017,448
C Oelofsen, Director: National Learners' Records Database – Acted from 1 November to 31 December – Appointed 1 January 2018	332,991	41,598	19,439	394,028
H Bolton, Director: Research	887,406	130,043	24,926	1,042,375
D Strydom, Project Director: Verifications	838,125	112,761	21,322	972,208
V Booysens, Director: Human Resources – Retired 30 April 2017	200,697	11,794	-	212,491
P Flanagan, Acting Director: Human Resources – 1 May to 30 September 2017	333,015	42,522	-	375,537
B Urban, Acting Director: Finance and Administration – 18 September to 18 December 2017	319,814	-	-	319,814
Total	**13,029,913**	**1,655,149**	**441,484**	**15,126,546**

29. COMMENTS TO THE STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

The budgetary basis adopted in the budget are the same as those used in the preparation of the financial statements. Both the budget and financial statements are prepared on an accrual basis on the financial statements. The approved budget covers the period from 1 April 2018 to 31 March 2019.

Revenue

Revenue from exchange transactions

The 18% unfavourable variance to budget was due to the following main contributors

- Foreign qualifications evaluation fees are unfavourable to the budget by R8,4 million due to annual increases that were implemented in a different manner than planned and a decrease in the demand for the services.
- Verification income is unfavourable to the budget by R5,2 million due to services being blocked for clients that have long outstanding balances and a decrease in demand for services resulting from the freezing of vacant positions by government.
- Rental was under-recovered by approximately R151,000 as a result of the second floor that was previously occupied by a tenant becoming vacant.

Expenditure

Employee-related costs

- Employee-related costs are underspent by R3,2 million mainly due to vacancies during the year.

Depreciation and amortisation

- SAQA does not include depreciation and amortisation in its budget.

29. COMMENTS TO THE STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (CONTINUED)

General expenses

The general expenditure is underspent by an aggregate anount of R11,9 million mainly due to the following contributors:

- Computer application development is underspent by R3,5 million due to the SAQA Website Project and DFQEAS System not being completed during the financial year, as anticipated. The tender for the website was advertised at the end of March 2019.
- Legal fees have a favourable variance to the budget of R1,7 million mainly due to the number of cases being lower than anticipated and the reversal of a prior-year provision which was not utilised.
- IT support and maintenance is underspent by R1 million. The spending under this line item is dependent on SAQA's needs and is estimated at budget stage.
- Saving of R1 million which was budgeted for fixing the building's sewerage pipes. A more cost-effective solution was implemented.
- Saving of approximately R500,000 due to a management decision to publish bulletins and articles online, instead of manual printing.
- Advertisements are dependent on exhibitions that SAQA is invited to. SAQA is increasingly using more social media platforms for advertising than printed media. The social media platforms are considered more cost effective especially when considering the target market. The saving for this line item is R400,000.
- The balance is attributable to various cost-saving initiatives implemented by the directorates.

Non-current assets

Property, Plant and Equipment

Property, plant and equipment (PPE) is underspent by R2,9 million as a result of not being able to spend the additional budget allocated to the PPE by financial year-end. This amount had been allocated to upgrade certain parts of the SAQA building and to replace some of the furniture and fittings. The procurement processes were not able to be completed before the year-end due to the late allocation of the additional resources to this budget line item.

Intangible assets includes software licenses that were purchased that cover periods of longer than one year. These are budgeted under computer software licensing and reclassified to intangible at financial year-end.

30. NEW STANDARDS AND INTERPRETATIONS

30.1 Standards and interpretations issued, but not yet effective

The entity has not yet applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 1 April 2019 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 18 (as amended 2016): Segment Reporting	1 April 2019	Unlikely there will be a material impact
GRAP 20: Related Parties	1 April 2019	Unlikely there will be a material impact
GRAP 32: Service Concession Arrangements: Grantor	1 April 2019	Unlikely there will be a material impact
GRAP 105: Transfers of Functions between Entities under Common Control	1 April 2019	Unlikely there will be a material impact
GRAP 106 (as amended 2016): Transfers of Functions between Entities not under Common Control	1 April 2019	Unlikely there will be a material impact
GRAP 107: Mergers	1 April 2019	Unlikely there will be a material impact
GRAP 108: Statutory Receivables	1 April 2019	Unlikely there will be a material impact
GRAP 109: Accounting by Principals and Agents	1 April 2019	Unlikely there will be a material impact
IGRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset	1 April 2019	Unlikely there will be a material impact
IGRAP 18: Interpretation of the Standard of GRAP on Recognition and Derecognition of Land	1 April 2019	Unlikely there will be a material impact

31. IRREGULAR EXPENDITURE

	2019	2018
	R	R
Opening balance	261,043	99,148
Add: Irregular Expenditure – current year	-	272,189
Less: Amounts Condoned	(261,043)	(110,294)
Total	**-**	**261,043**

31. IRREGULAR EXPENDITURE (CONTINUED)

Details of irregular expenditure condoned

Schindler lifts

SAQA initially entered into a five-year maintenance contract with Schindler Lifts for the maintenance of the lifts in SAQA House. Unless the contract is cancelled, the contract is automatically renewed for a new five-year term on the same terms and conditions as the original contract. The lift maintenance contract expired in November 2015 and was automatically renewed for a further five-year period. SAQA had appointed Schindler to upgrade the lift doors in February 2015 and, according to that contract, should SAQA not use Schindler for the normal maintenance of the lifts, then the warranties on the lift door upgrade would lapse and thereby cause additional expenditure to the state. SAQA therefore did not cancel the maintenance contract with Schindler and renewed it for a further five-year maintenance agreement. The renewal of the contract on the same terms and conditions as the original contract exceeded the 20% variance as allowed by National Treasury for which approval was not requested. This resulted in irregular expenditure in the amount of R0 (2018: R79,287) being incurred during the year. National Treasury has condoned the amount incurred and issued a new Irregular Expenditure Framework implementable from 1 December 2018 to clarify condonement of multi-year contracts.

Optiplan

During the prior financial year, SAQA procured Optiplan Filing System products from Waltons by means of sole sourcing. Waltons is the sole provider of Optiplan products in South Africa and therefore management was of the view that Waltons, in accordance with National Treasury's definition, possesses the unique singularity available capacity to meet SAQA's requirements for its filing system. SAQA did not invite competitive bids when procuring the Optiplan products and did not provide the Auditor-General with a market analysis of similar products and was therefore told it had incurred irregular expenditure by the Auditor-General during the 2016/17 financial year, to the amount of R68,141. The Board condoned this irregular expenditure during the 2018/19 financial year.

Legal Services

During the prior financial year, SAQA secured domains and procured the services for the monitoring of trademarks transgressions. Management considered the best value principle when procuring these services and, therefore, the same service provider that was used for registration was also used for the monitoring, which resulted in irregular expenditure for the 2017/18 financial year to the amount of R192,902. The expenditure was condoned by the Board during the 2018/19 financial year.

32. RECONCILIATION BETWEEN BUDGET AND STATEMENT OF NET ASSETS

Reconciliation of budget surplus/deficit with the net cash generated from operating, investing and financing activities:

	2019	2018
	R	R
Operating activities		
Actual amount as presented in the budget statement	6,752,000	3,560,286
Timing differences	864,169	(223,028)
Net cash flows from operating activities	**7,616,169**	**3,337,258**

	R	R
Investing activities		
Actual amount as presented in the budget statement	(5,745,000)	(3,560,000)
Timing differences	1,146,493	953,789
Net cash flows from investing activities	**(4,598,507)**	**(2,606,211)**
Net cash generated from operating and investing	**3,017,662**	**731,047**

33. SEGMENT INFORMATION

General information

Identification of segments

The entity is organised and reports to management on a programme basis. There are six different programmes each with its own area of responsibility as set out in the APP. Programme 1 – Administration is aligned with National Treasury's recommendation that the support functions form part of this Programme. There are five sub-programmes which are included in Programme 1. The other programmes have been organised around the specific functions and deliverables that these programmes are set to achieve in line with SAQA's mandate and functions in terms of the NQF Act.

33. SEGMENT INFORMATION (CONTINUED)

Information reported about these segments is used by management as a basis for evaluating each segment's performance and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Aggregated segments

The entity operates from its offices in Pretoria and does not have any other business premises from which its conducts any operations. Programme 1 reflects aggregated information on the basis of the administration and support functions that the sub-programmes contribute to the entity's services. The Verifications Project and NLRD services have been aggregated under Programme 3 on the basis that they both utilise the NLRD to fulfil their functions. All the other programmes have not been aggregated and are reflected separately based on the services rendered by each programme.

Types of goods and/or services by segment

These reportable segments with the revenue and expenditure for each segment are set out in the tables below. The total column of the segment revenue agrees to and reconciles with note 2 above, while the total column of the segment expenditure agrees to and reconciles with note 3 and 4 above. The resultant aggregate deficit of the segments agrees with the deficit as reflected in the statement of financial performance. The entity reports segmented information on the assets and liabilities of the different programmes as the majority are managed on a centralised basis by the administration and support programme.

Segment surplus or deficit, assets and liabilities

2019

	Programme 1 – Administration and Support	Programme 2 – Directorate Recognition and Registration	Programme 3 – National Learners' Records Database plus Verifications Project	Programme 4 – DFQEAS	Programme 5 – Research	Programme 6 – International Liaison	Total
Revenue							
Revenue from non-exchange transactions	66,719,000	-	-	-	-	-	66,719,000
Evaluation Fees	-	-	-	37,599,115	-	-	37,599,115
Verification Services	-	-	9,818,827	-	-	-	9,818,827
Rent	1,099,427	-	-	-	-	-	1,099,427
Income from Professional Bodies	-	2,745,120	-	-	-	-	2,745,120
Other Income (Sundry)	1,375,685	106,523	1,644,253	248,000	72,620	-	3,447,081
Interest Received	1,878,242	-	-	-	-	-	1,878,242
Total segment revenue	**71,072,354**	**2,851,643**	**11,463,080**	**37,847,115**	**72,620**	**-**	**123,306,812**

33. SEGMENT INFORMATION (CONTINUED)

	Programme 1 – Administration and Support	Programme 2 – Directorate Recognition and Registration	Programme 3 – National Learners' Records Database plus Verifications Project	Programme 4 – DFQEAS	Programme 5 – Research	Programme 6 – International Liaison	Total
Expenditure							
Auditors' Remuneration	1,777,905	-	-	-	-	-	1,777,905
CEO Remuneration	1,805,651	-	-	-	-	-	1,805,651
Employee-related Costs	30,160,575	8,519,682	15,151,329	25,238,570	3,304,695	2,104,111	84,478,962
Depreciation and Amortisation	3,185,730	-	-	-	-	-	3,185,730
Loss on disposal of PPE	12,110	-	-	-	-	-	12,110
Printing	435,285	12,912	50,610	117,143	4,019	16,216	636,185
Legal fees	610,826	72,242	-	8,706	-	-	691,774
Consulting and professional Fees	1,082,634	494,413	135,851	94,398	59,110	38,803	1,905,209
Other operating expenses	16,873,415	351,507	1,457,487	3,834,612	305,340	101,453	22,923,814
Total segment expenditure	**55,944,131**	**9,450,756**	**16,795,277**	**29,293,429**	**3,673,164**	**2,260,583**	**117,417,340**
Total segmental surplus/(deficit)	**15,128,223**	**(6,599,113)**	**(5,332,197)**	**8,553,686**	**(3,600,544)**	**(2,260,583)**	**5,889,472**

	Programme 1 – Administration and Support	Programme 2 – Directorate Recognition and Registration	Programme 3 – National Learners' Records Database plus Verifications Project	Programme 4 – DFQEAS	Programme 5 – Research	Programme 6 – International Liaison	Total
Assets							
Inventories	476,563	-	-	-	-	-	476,563
Receivables from exchange transactions	1,079,594	2,019,633	2,560,531	-	-	-	5,659,758
Intangible assets	430,438	-	1,118,082	1,094,916	-	-	2,643,436
Operating lease accrual	15,979	-	-	-	-	-	15,979
Total segment assets	**2,002,574**	**2,019,633**	**3,678,613**	**1,094,916**	**-**	**-**	**8,795,736**
Prepaid expenses							1,974,291
Cash and cash equivalents							25,515,333
Property, Plant and Equipment							23,834,917
Total assets as per statement of financial position							**60,120,277**

33. SEGMENT INFORMATION (CONTINUED)

	Programme 1 – Administration and Support	Programme 2 – Directorate Recognition and Registration	Programme 3 – National Learners' Records Database plus Verifications Project	Programme 4 – DFQEAS	Programme 5 – Research	Programme 6 – International Liaison	Total
Liabilities							
Deferred income	19,695	-	273,031	11,136,827	-	-	11,429,553
VAT payable from exchange transactions	12,349	-	-	-	-	-	12,349
Total segment liabilities	**32,044**	**-**	**273,031**	**11,136,827**	**-**	**-**	**11,441,902**
Payables from exchange transactions							12,009,497
Provisions							1,800,000
Total liabilities as per statement of financial position							**25,251,399**

2018

	Programme 1 – Administration and Support	Programme 2 – Directorate Recognition and Registration	Programme 3 – National Learners' Records Database plus Verifications Project	Programme 4 – DFQEAS	Programme 5 – Research	Programme 6 – International Liaison	Total
Revenue							
Revenue from non-exchange transactions	64,940,000	-	-	-	-	-	64,940,000
Evaluation Fees	-	-	-	36,926,565	-	-	36,926,565
Verification Services	-	-	10,418,109	-	-	-	10,418,109
Rent	1,036,580	-	-	-	-	-	1,036,580
Income from Professional Bodies	27,067	-	-	-	-	-	27,067
Other Income (Sundry)	912,714	1,317,014	2,538,336	274,923	139,381	129,492	5,311,860
Interest Received	1,843,641	-	-	-	-	-	1,843,641
Total segment revenue	**68,760,002**	**1,317,014**	**12,956,445**	**37,201,488**	**139,381**	**129,492**	**120,503,822**

33. SEGMENT INFORMATION (CONTINUED)

	Programme 1 – Administration and Support	Programme 2 – Directorate Recognition and Registration	Programme 3 – National Learners' Records Database plus Verifications Project	Programme 4 – DFQEAS	Programme 5 – Research	Programme 6 – International Liaison	Total
Expenditure							
Auditors' Remuneration	2,310,371	-	-	-	-	-	2,310,371
CEO Remuneration	1,700,341	-	-	-	-	-	1,700,341
Employee-related Costs	29,813,092	7,765,381	13,528,634	24,212,393	2,778,947	1,427,093	79,525,540
Depreciation and Amortisation	2,938,534	-	-	-	-	-	2,938,534
Loss on disposal of PPE	33,470	-	-	-	-	-	33,470
Loss on exchange differences	101	-	-	-	-	-	101
Printing	624,297	-	16,469	298,369	16,234	4,123	959,492
Legal fees	2,503,290	767,277	-	-	-	-	3,270,567
Consulting and professional fees	1,655,831	349,707	53,022	42,916	960,000	-	3,061,476
Other operating expenses	13,517,053	365,333	1,125,826	3,889,973	438,843	80,248	19,417,276
Total segment expenditure	**55,096,380**	**9,247,698**	**14,723,951**	**28,443,651**	**4,194,024**	**1,511,464**	**113,217,168**
Total segmental surplus/(deficit)	**13,663,622**	**(7,930,684)**	**(1,767,506)**	**8,757,837**	**(4,054,643)**	**(1,381,972)**	**7,286,654**

	Programme 1 – Administration and Support	Programme 2 – Directorate Recognition and Registration	Programme 3 – National Learners' Records Database plus Verifications Project	Programme 4 – DFQEAS	Programme 5 – Research	Programme 6 – International Liaison	Total
Assets							
Inventories	492,360	-	-	-	-	-	492,360
Receivables from exchange transactions	208,399	-	5,438,111	-	-	-	5,646,510
Intangibles	543,044	-	1,342,404	1,173,096	-	-	3,058,544
Operating lease	5,326	-	-	-	-	-	5,326
Total segment assets	**1,249,129**	**-**	**6,780,515**	**1,173,096**	**-**	**-**	**9,202,740**
Prepaid expenses							1,459,287
Cash and cash equivalents							22,497,671
Property, Plant and Equipment							22,019,141
Total assets as per statement of financial position							**55,178,839**

33. SEGMENT INFORMATION (CONTINUED)

	Programme 1 – Administration and Support	Programme 2 – Directorate Recognition and Registration	Programme 3 – National Learners' Records Database plus Verifications Project	Programme 4 – DFQEAS	Programme 5 – Research	Programme 6 – International Liaison	Total
Liabilities							
Deferred income	28,249	-	2,467,354	11,434,995	-	-	13,930,598
VAT payable ffrom exchange transactions	25,364	-	-	-	-	-	25,364
Total segment liabilities	**53,613**	**-**	**2,467,354**	**11,434,995**	**-**	**-**	**13,955,962**
Payables from exchange transactions							9,601,717
Provisions							2,641,755
Total liabilities as per statement of financial position							**26,199,434**

34. CREDIT QUALITY OF RECEIVABLES FROM EXCHANGE TRANSACTIONS FAIR VALUE OF RECEIVABLES

	2019	2018
	R	R
Receivables from exchange transactions	5,659,758	5,646,510

Receivables which are past due are assessed for impairment and provision is made on the statement of financial performance (refer to note 6. A provision for credit loss is raised for all receivables outstanding for greater than one year even although SAQA considers these amounts to be recoverable.

The ageing of amounts due but not impaired is as follows:

	R	R
Current due (1 month)	3,232,211	1,590,769
2 months past due	433,944	822,103
>3 months past due	1,993,603	3,233,638
Total	**5,659,758**	**5,646,510**

The maximum exposure to credit risk at the reporting date is the value of each class of receivable mentioned above. SAQA does not hold any collateral as security.

35. FINANCIAL ASSETS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

2019

	Financial assets at amortised cost	Total
Receivables	5,659,758	5,659,758
Cash and cash equivalents	25,515,333	25,515,333
Total	**31,175,091**	**31,175,091**

2018

	Financial assets at amortised cost	Total
Receivables	5,646,510	5,646,510
Cash and cash equivalents	22,497,671	22,497,671
Total	**28,144,181**	**28,144,181**

36. FINANCIAL LIABILITIES BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

2019

	Other financial liabilities	Total
Payables	8,482,965	8,482,965

2018

	Other financial liabilities	Total
Payables	6,403,129	6,403,129

37. RECLASSIFICATION OF COMPARATIVE FIGURES

The credit card deposit has been reclassified from prepayments to cash and cash equivalents. The reclassification is aimed to improve the disclosure and fair presentation of the asset. The reclassification has resulted in a decrease in prepayments and an increase in cash and cash equivalents by R200 000.

The deferred income from Foreign Qualifications Evaluation and Advisory Services was reclassified from the calculation of cash paid to suppliers and others to the calculation of cash received from rendering of services. The reclassification has resulted in a decrease in cash received from service rendering and cash paid to suppliers and other. There is no impact on the cash and cash equivalents.

The statement of financial performance and its related notes 2, 3 and 4 were reclassified with the aim of improving disclosure and fair presentation of the income and expenditure. The reclassification did not impact on the total surplus as reported.

NOTES

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