

2008 - 2009

A n n u a l R e p o r t

Imagine a **future free**
from gender oppression and inequality...

The Commission for Gender Equality is **striding**
boldly and with **determination** into
this future.



Commission for Gender Equality
A society free from gender oppression and inequality



Commission for Gender Equality
A society free from gender oppression and inequality

ANNUAL REPORT

APRIL 2008 TO MARCH 2009

30 March 2010

The Speaker of the National Assembly

The Honourable Speaker of the National Assembly, Mr Max Sisulu, MP
P.O.Box 15
Cape Town
8000

COMMISSION FOR GENDER EQUALITY (CGE) ANNUAL REPORT 2008/09

Section 181 (5) of the Constitution of South Africa, read together with section 40(1)(e) of the Public Finance Management Act of 1999, requires All State Institutions Supporting Constitutional Democracy (Commonly known as C9s) to report their respective activities and performance of their functions to the national Assembly, at least once a year.

The Commission belatedly albeit regrettable would like to table the abovementioned report to the Assembly in accordance with legal requirements as stated above. To this account, we respectively place for your receipt bound hard copies of the Annual Report for consideration.

The CGE sincerely apologises for the late submission of the Annual Report for period April 2008 to 31 March 2009.

Trusting that you will find the report both informative and interesting

Yours Sincerely,

Ms Keketso Maema
On Behalf of Acting Chief Executive Officers

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INTRODUCTION

Overview

Our vision

A society free from all forms of gender oppression and all forms of inequality.

Our mission

Is to promote, protect, monitor and evaluate gender equality through undertaking research, public education, policy development, legislative initiatives, effective monitoring and litigation.

Our values

We conduct our business in a prudent and professional manner, upholding our independence and ensuring that our services add value to our stakeholders. In carrying out our business, we are guided by the Commission on Gender Equality (CGE) values of:

Trustworthiness

We deliver competent, reliable service based on trust and honesty.

Accountability

We assign clear areas of authority, make decisions at the appropriate level and report to our stakeholders on the effectiveness and impact of our actions.

Transparency

We conduct our operations and business with all stakeholders in a clear, open and responsible manner.

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Our Mandate

The Commission for Gender Equality (CGE) is an independent statutory body established in terms of section 187 of the Constitution of the Republic of South Africa and is responsible for the

- promotion for the respect of gender equality ;
- protection, development and attainment of gender equality

The powers and functions of the CGE are detailed in the Commission on Gender Equality Act 39 of 1996. In order for the CGE to achieve its object, the CGE must, in terms of Section 11(1) of the CGE Act:

- shall monitor and evaluate policies and practices of organs of state at any level; statutory bodies or functionaries; public bodies and authorities; and private businesses, enterprises and institutions, in order to promote gender equality and may make any recommendations that the Commission deems necessary;
- shall develop, conduct or manage information programmes; and education programmes, to foster public understanding of matters pertaining to the promotion of gender equality and the role and activities of the Commission;
- shall evaluate any Act of Parliament; any system of personal and family law or custom; any system of indigenous law, customs or practices; or any other law, in force at the commencement of this Act or any law proposed by Parliament or any other legislature after the commencement of this Act, affecting or likely to affect gender equality or the status of women and make recommendations to Parliament or such other legislature with regard thereto;
- may recommend to Parliament or any other legislature the adoption of new legislation which would promote gender equality and the status of women;
- shall investigate any gender-related issues of its own accord or on receipt of a complaint, and shall endeavour to resolve any dispute; or rectify any act or omission, by mediation, conciliation or negotiation: Provided that the Commission may at any stage refer any matter to- A. the Human Rights Commission to deal with it in accordance with the provisions of the Constitution and the law; B. the Public Protector to deal with it in accordance with the provisions of the Constitution and the law; or C. any other authority, whichever is appropriate:

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- shall as far as is practicable maintain close liaison with institutions, bodies or authorities with similar objectives to the Commission, in order to foster common policies and practices and to promote co-operation in relation to the handling of complaints in cases of overlapping jurisdiction or other appropriate instances;
- shall liaise and interact with any organisation which actively promotes gender equality and other sectors of civil society to further the object of the Commission;
- shall monitor the compliance with international conventions, international covenants and international charters, acceded to or ratified by the Republic, relating to the object of the Commission;
- shall prepare and submit reports to Parliament pertaining to any such convention, covenant or charter relating to the object of the Commission;
- may conduct research or cause research to be conducted to further the object of the Commission;
- may consider such recommendations, suggestions and requests concerning the promotion of gender equality as it may receive from any source.

FOREWORD BY THE CHAIRPERSON



It is a great pleasure to present to the citizens of the Republic of South Africa, the contribution the Commission for Gender Equality (CGE) made towards the achievement of gender equality. In the year under review CGE remain committed to monitor and promote Gender Equality, and to contribute to the elimination of all forms of gender discrimination and oppression.

The CGE received negative publicity during the year and underwent different investigations which are carried out by our sister organisations, namely, the Public Protector and the Auditor General. Throughout this period of investigation, CGE consistently applied effective, creative and innovative ways of raising public awareness on gender related issues; exposing gender-based discrimination and abuse, as well as securing redress through monitoring the transformation of gender relations at all levels of society.

In terms of section 20(9) and 25 (3) (a) of Promotion of Equality and Prevention of Unfair Discrimination Act (PEPUDA) the state and Constitutional institutions which include CGE must, as far as reasonably possible, assist any person wishing to institute proceedings in terms of PEPUDA and further assist complainants in instituting proceedings in the equality court, particularly complaints who are disadvantaged. CGE and other Constitutional bodies are further tasked to raise awareness of the fundamental human rights of persons. This is an added responsibility to the broad mandate of the CGE.

With limited resources to fulfil these obligations under Equality Act, the CGE has tried its best to assist South Africans to access rights as stipulated in the Equality Act. Through commitment to the citizens of South Africa as well as enforcing the mandate of the CGE, participated and presented in various forums and provided assistance in relevant court cases.

Amongst the research reports produced in 2008/2009 financial year, CGE has managed to release the following research reports, namely, the implementation of the Victims Charter by Department of Justice and Constitutional Development, and the Gender Barometer report. Thematic committees under the leadership of the Commissioners continue to provide strategic guidance and leadership to the Secretariat and in turn hold the secretariat accountable in achieving the strategic objectives as outlined in the strategic plan(2008-2013) of the CGE.

I wish to acknowledge my colleagues, Commissioners of the CGE, who have been steadfast in their commitment to steer this organisation, even in trying times. In particular, I want to thank two Commissioners, Ms Janine Hicks and Ms Ndileka Loyilane, who stepped up to the plate and assumed a caretaker role after the suspension of our former CEO, Ms Chana Majake. Leadership often means being thrown into the deep end and having to find your way while acting in the interest of the organisation and the larger community of stakeholders and taxpayers.

Commissioner Janine Hicks and Commissioner Ndileka Loyilane have done this and I have often wondered where their energy comes from. It comes, I realise, from a commitment that enables people to take risks and simply assume leadership.



Mr Mfanozelwe Shozi
Deputy Chairperson.



Commissioner's Report

The Commissioners although appointed nationally are located in various provinces. The responsibilities of the Commissioners are to ensure that the mandate of the commission is realized through raising awareness on gender equality and all gender related matters.

The objectives of the commissioners' are to:

- Ensure that the CGE delivers on its Constitutional mandate
- Preserve institutional autonomy and independence
- Ensure good corporate governance by executing their fiduciary responsibility and perform an oversight function
- Ensure that the CGE's organizational policies and practices are consistent with its vision and organizational values
- Strengthen institutional systems by serving in statutory committees, theme and other committees as allocated by plenary
- Raise the profile of the CGE by engaging stakeholders on CGE's programmatic foci

The CGE under the leadership of the former chairperson, Nomboniso Gasa undertook a number of processes in an effort to re-align the CGE to its statutory mandate.

Strategic Plan 2008-2013

The Strategic plan 2008- 2013 was finalized at the onset of the financial year 2008/2009 giving strategic direction and leadership to implement the strategy through its Programme of Action.

Organisational Diagnosis

The CGE was in need of a new organizational design and structure to give effect to the implementation of the Strategic Plan 2008-2013. The CGE then engaged in an organization diagnosis process which was initiated by the office of the chairperson. The service of Four Rivers was engaged for this purpose. This process was initialized in February 2008. The initial contract of the service provider was for a period of four(4) months which had to be extended as a result of the complex issues that exist within the CGE.

Harris Commission

The Commission received a memorandum from staff which led to the suspension of the Chief Executive Officer, Ms Chana Majake. The CGE entered into a commission of enquiry on the issues

Commissioner's Report Continued...

raised in the memorandum and other issues identified by the Commissioners. The services of Advocate Harris were used to ensure that the investigations are fair, independent and thoroughly conducted.

Re-branding of the CGE

Following the adoption of the new strategic plan, the CGE engaged the services of Cut 2 Black to re-brand and raise public awareness of the organization. This resulted in a change of the logo of the Commission as well as re-branding of all offices and stationery forms used in the various departments.

Plenaries

The plenary of Commissioners is the highest decision making body of the CGE and sits once a quarter to discuss and engage the Chief Accounting Officer on all issues of operations and the realization of the strategic objectives as outlined in the Strategic Plan document. In addition to the oversight role, plenary sits to make policy decisions and take resolutions necessary to execute the strategy of the organization.

Thematic Committees

The commissioners lead the committees' thematic area and continuously held meetings to guide and exercise oversight on the secretariat on the execution of the strategy as outlined in the Strategic plan document.

Public Representation

The Commissioners also function as the face of the CGE and supports the secretariat in addressing or dealing with issues that emerge and require intervention at various levels within communities and the society at large. During the period of reporting some of the highlights engaged with by the Commissioners in this regard are reflected.

Gender and Poverty

- Manyiseni Matter: the CGE facilitated a public inquiry raised by the community of Manyiseni in Kwa-zulu Natal.
- Willow Park matter and land resettlement in the North-west Province
- Women's court on advancement of rural communities in the Northern Cape
- Women's day seminar on shared burden of responsibility

Commissioner's Report Continued...

Gender-based violence

- Presented a paper at Human Trafficking dialogues in Kwa-zulu Natal
- Xenophobia interventions from a gendered perspective in Gauteng
- Engagement with South African Police Services (SAPA) on the Domestic Violence Act and the Sexual Offences Act
- Presented a paper at a Rape Reduction seminar held in the Northern Cape
- Participation in the Men's forum in Kwa-zulu Natal in order to promote the human rights of people
- Representation at community radio stations to discuss gender discrimination and gender based violence on the Zandile Mpanza matter
- Presented a paper on gender-based violence and maintenance Women's Day celebrations in Kwa-zulu Natal

Democracy and Good Governance

- Engagement with the Labour Movements, Cosatu and Sadtu on gender issues in Kwa-zulu Natal
- Presented the CGE Programme of Action at the Launch of the Progressive Women's Movement in Mpumalanga
- Presented the CGE's Programme of Action at a South African Local Government Association (SALGA) conference hosted in Mpumalanga
- Provided leadership and guidance to the Elections Campaign focusing on monitoring
- Represented the CGE at two international gatherings on women's participation of governance
- Fostered partnerships with students bodies such as Sasco to conduct gender equality workshops
- Presented a paper on gender transformation at a workshop held in Mpumalanga

Gender, Culture, Religion and Traditional Practices

- Partnered with the Justice Portfolio Committee in providing input into the Traditional Court's Bill
- Held meetings with the House of Traditional leaders to explore collaboration
- Established a forum on Muslim marriages and held a meeting with the Justice Portfolio Committee

National Gender Machinery

- Presented a paper on strengthening the women's movement
- Attended and participated in Provincial Gender machinery meetings
- Represented the Chapter 9 institutions at the launch of the OPP mobile units in the Eastern Cape
- Attended National Gender Machinery (NGM) meetings to review the National Gender Policy

Chief Executive Officers Remarks

The Mandate of Commission for Gender Equality's is to promote and protect the constitutional principle of gender equality within the country. The past year was challenging for CGE due to changes in leadership and limited resources, which to a certain extent, impacted on its core business. Nevertheless the CGE managed to implement its strategic plan and interventions.

This financial year, 2008/09 is one year in the history of the CGE where many changes occurred. There have been both positive and undesirable developments which set off the new strategic direction for the CGE. This new strategic direction was conceived by the new set of Commissioners, who took office from July of 2007.

The change processes began at the time when criticism was mounting both within and outside the organization. The Plenary of Commissioners, decided to embark on a transformation journey to enable the organization to operate at levels commensurate with the Constitutional mandate entrusted to the Commission by the people of South Africa.

It was against the background of this need to change that consultants were engaged to assist the CGE with an Organizational Diagnosis (OD) process which culminated with an extension of the contract to include Interim Capacity in the finance department as well as improvement initiatives on systems, processes, policies and procedures for the entire organization.

The strategic planning process together with the OD process were indeed overwhelming t

for both the Secretariat and the Commissioners. It is common cause that when change occurs challenges such as resistance, confusion or tensions take root at some point during the process. These inevitable products of change are the reasons for a number of widely publicised misfortunes reported about the CGE.

Indeed, questions are asked if there is any value for money spent on the initiatives, including the development and launch of the new CGE logo. To be frank there have been irregularities in terms of how monies were committed on some of the initiatives.

It is during this phase that the suspension and investigation of the then Chief Executive Officer, Ms. Chana Majake took place. In addition, it is during this phase that the CGE experienced a high staff turnover by the Senior Management team. In the beginning of the financial year under review, a lot of time and resources were invested in the investigation by the Harris Commission which was instituted by the CGE Plenary for the purposes of disciplinary hearings against the former CEO.

Despite these challenges, the organization continued to implement the Plan of Action on Service Delivery obligations for the year under review albeit the fact that we had to reprioritise due the limited financial resources, and internal strife.

The CGE focused on human trafficking and its components in light of the upcoming world cup. Specific activities were held during August 2008 and 16 days of activism and there have been extensive consultative meetings with other stakeholders, spanning from Civil Society Organisations, Non-governmental Organisations and State institutions.

During the 2008/09 financial year 403 complaints filed were closed and a total of 528 walk-in or telephonic consultations were given. The CGE also provided input into 12 legislative submissions to parliament.

As part of the core mandate derived from the Constitution and the CGE Act, work on monitoring continued in earnest. Our Research department, Communications department assisted by Commissioners respectively undertook research work and responded to emerging and topical issues in the public domain. Two foremost highlights is the "Xenophobic Attacks" and CGE election monitoring project.

Corporate services operated at inefficient and ineffective level due to vacancies and lack of optimal management systems. The absence of an Accounting Officer and the fact two Commissioners were fulfilling this role, blurred the lines between management and governance. The AGSA report mirrors these facts in a more succinct manner.

In closing, let me take the opportunity to reflect that my term of office as an Acting CEO commenced in

June of 2009 and therefore outside of the period covered by this Annual Report. My overview therefore captures activities in which Commissioner Hicks and Loyilane jointly acted as the Chief Executive Officer of the CGE, followed by the Interim CEO, Mr. David Setshedi who was subsequently succeeded by Mr. Johan Johnson at the latter part of the financial year.

Internal Control and Corporate Management

The audit committee for the year under review was comprised of four external members as listed below. All external members of the audit committee terminated their respective services prematurely without concurrence with the Accounting Authority as is required by the Treasury Regulations. The last meeting in which the committee set was on 28 January 2008, during the last quarter of the financial year. The term of service of the members was to end in June 2008.

Name of Member

Mr Thipe Mothuloe (chairperson)

Ms Poti Dlepu

Mr Haroon Moosa

Mr Litha Gcwabe

The Committee composition was finalized in April of the new financial years as follows:

No	Name of Member	Designation
1.	Mr David Lefutso	Chairperson (External)
2.	Mr Paul Slack	Member (External)
3.	Ms Rael Hamisi	Member (External)
4.	Ms Ndileka Loyilane	Member (Commissioner: Internal)
	Ms Janine Hicks	Member (Commissioner: Internal)

INTERNAL CONTROL AND CORPORATE MANAGEMENT Continued...

Risk management

Management is responsible for proactively identifying, evaluating, and managing and monitoring all significant risks faced by the Commission. A risk management strategy was drawn up during 2009 with a view to safeguarding the Commission's staff, assets, corporate credibility and reputation.

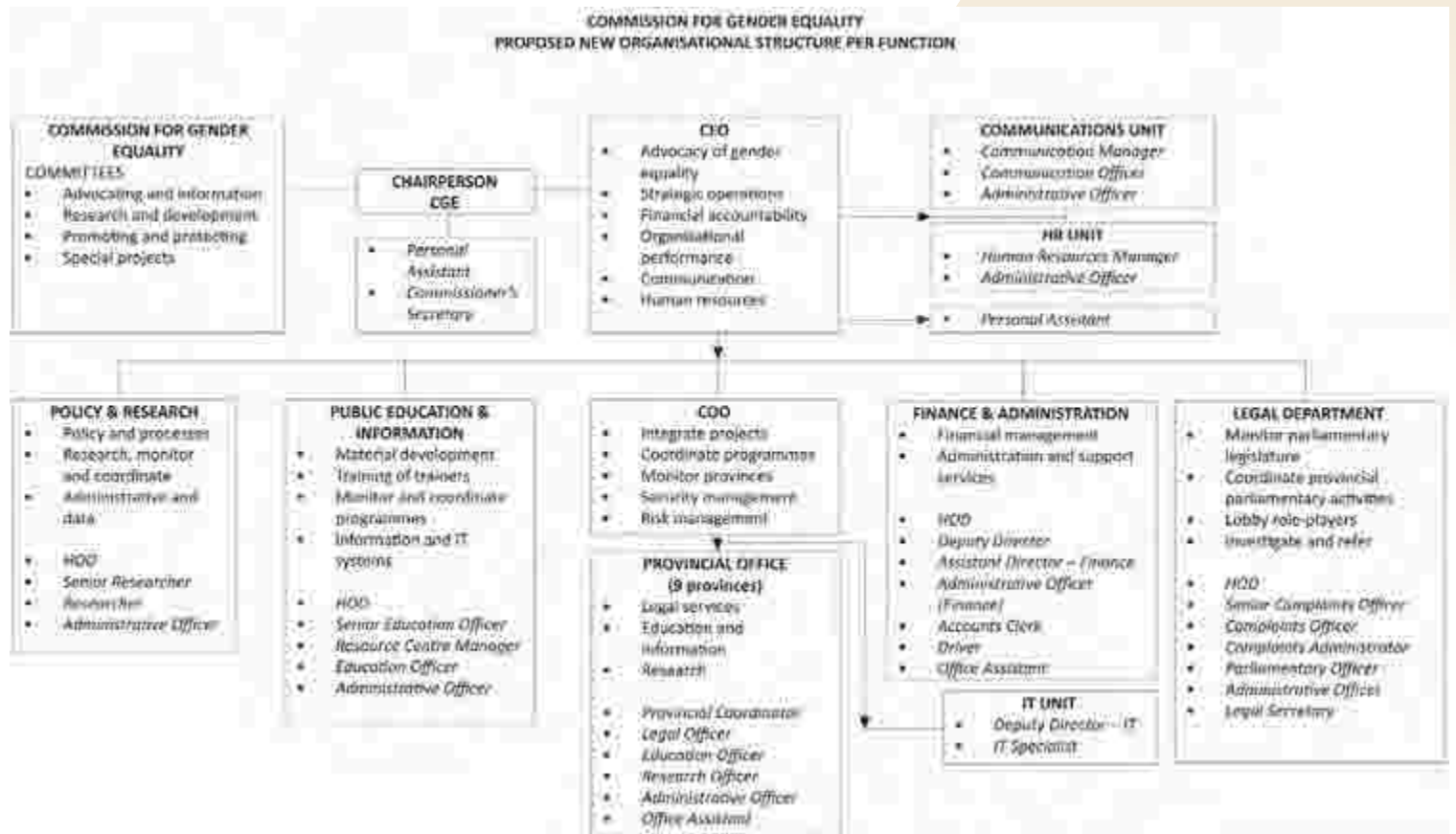
Internal audit

The internal audit function for the Commission was outsourced to a firm of auditors; SAB&T and the contract thereto lapsed within the first quarter of the 2008/9 financial year. A decision was taken by management in the latter part of the year to develop an internal audit capacity within the Commission and an appointment of an internal auditor was made in March of 2009. No internal audit was conducted for the year under review.



Ms Keketso Maema
On Behalf of Acting Chief Executive Officers

Organisational Structure



The CGE develops an annual national strategic plan with measurable targets and timeframes, together with annual provincial work plans with measurable targets and timeframes.

Programmes

In pursuit to achieve the overall objectives of the CGE to promote, protect, monitor and evaluate gender equality in the Republic of South Africa, CGE strategic framework are on the following themes:

- Gender and Poverty;
- Gender-Based Violence ;
- Gender, Democracy and Good Governance ;
- Gender, Culture, Religion and Traditional Practices ;
- Gender and HIV and AIDS
- National Gender Machinery

The service delivery programs of the Commission are rendered through three core departments, namely:

- Public Education and Information;
- Legal services; and
- Research.

Provincial offices located in major cities in the nine provinces are primarily responsible for service delivery. These offices are staffed with both administrative and professional staff trained to execute the mandate of the commission.

The programmes and interventions of the CGE are driven by the themes as outlined in the Programme of Action. In addition to the planned activities as outlined in the Plan of Action often engages in emerging and topical issues. One of the topical issues addressed by the CGE in this financial year is the Zandile Mpanza case in KwaZulu-Natal. (Zandile Mpanza was disrobed in public for wearing pants in Umlazi township's T-Section, where women were banned from wearing trousers). Through interaction with the public and striking a careful balance between nationally planned programmes, which emerged from the CGE's planning processes, and allowing space for public input, the CGE is slowly being informed by unfolding processes and the lived experience of South Africans.

A widely publicized topical issue that the CGE addressed is Xenophobia where attacks took place in Alexandra, Diepsloot and Denver during the months of May and June 2008.

The CGE undertakes litigation for declaratory remedy on gender discriminatory matters such as the Shulibane chieftancy matter.

PUBLIC EDUCATION AND INFORMATION (PEI)

The department's programmes are differentiated in respect of public-education programmes, which include workshops, dialogues and campaigns, and information programmes, which include information centres, exhibitions, responses to walk-in and telecommunication public enquiries, radio talk-shows and publications.

The department achieved the strategic objectives of the CGE through a series of interventions such as dialogues, seminars and information sessions. Interventions are conducted through raising public awareness focusing within the strategic framework

Specific activities were held during the Women's Month Celebrations on "Women in legislative processes, an initiative that enjoyed huge success and was welcomed as a platform for the sharing of information and ideas by all the stakeholders who attended. These interventions were conducted to highlight the 50/50 campaign in preparation for the April 2009 elections. This initiative provided forums that highlighted key concerns of both rural and urban women, such as poverty, HIV and AIDS and power-sharing between men and women. Provincial imbizos were able to put forward the following challenges to the Commission: poor access to healthcare facilities in rural and peri-urban areas; the gendered impact of HIV and AIDS; limited rural infrastructure, which increased the burden of poverty and demands of labour on women and their families; the difficulties of accessing social grants; and the continued vulnerability and abuse of farm workers.

Special events were also held during the 16 Days of Activism for No Violence against Women and Children, World AIDS Day and International Human Rights Day. Interventions during focussed on the impact gender based violence has on the increased number of HIV infections as well as increase in rape and sexual assault incidents. Particular emphasis was place on poor access to police stations and service delivery by the South African Police Services(SAPS).

The CGE was able to strengthen South Africa's constitutional democracy by increasing understanding of the gender-relevant legislative environment, as well as by increasing stakeholder access to existing mechanisms by attending both national and provincial gender machineries.

To further increase the sustainability of the work conducted through the CGE, the PEI Department actively fostered partnerships with public-sector institutions and fellow Chapter 9 institutions and civil society organisations. The Commission was able to

PUBLIC EDUCATION AND INFORMATION continued...

bring together various groups, such as women's groups and organisations and state institutions such as provincial AIDS councils, the National Provincial House of Traditional Leaders, government departments, various parts of the National Gender Machinery, Women in Agriculture and Rural Development, gay, lesbian and inter-gendered civil society organisations, Non Government Organisations (NGOs), community-based organisations working with women's issues – such as gender-based violence, HIV and AIDS and health-related programmes – paralegal and advice centres, and advocacy/community mobilisation groups to deliberate issues relating to gender equality in South Africa.

Partnerships were also successfully forged with national and community radio stations, enabling the CGE to increase coverage of gender mainstreaming activities in all provinces. In light of the importance of partnership in gender equality, as highlighted in the Constitution, the CGE's PEI unit collaborated with the South African Human Rights Commission, the Independent Electoral Commission and the Office of the Public Protector. The campaign, 'Empowering Women in Eradicating Poverty and Supporting Democracy through Equality', aimed to strengthen the collaboration of Chapter 9 institutions in promoting equality in all sectors of society and create platforms for women to vocalise the undermining of their rights.

One of the major roles of the CGE is to develop, conduct and manage informative and educational programmes to foster public understanding of matters pertaining to gender equality. To achieve this, the PEI Department supported the CGE Research Department by convening dialogues on widowhood in all provinces. Widows were targeted specifically for their input and the dialogues were convened with representation from both the Provincial House of Traditional Leaders and the Department of Home Affairs.

The dialogues highlighted the extreme marginalisation of widows, both socially and financially. There has been a concerted effort to increase PEI interventions, as evidenced by the geographic expansion of interventions in all nine provincial offices. Information and educational processes were conducted in 109 districts and/or municipalities countrywide. Although the primary target groups continued to be those communities living in impoverished rural and peri-urban settings, some interventions were conducted in more urban areas in response to demand..

During the 2008/9 financial year, a strong emphasis was placed on **human trafficking** and its components in light of the upcoming 2010 world cup to be hosted in South Africa. interventions were conducted in all provinces

In the Limpopo Province, 'Take Back the Night Campaign' was conducted under the Gender Based Violence theme during Women's month.

PUBLIC EDUCATION AND INFORMATION *continued...*

The campaign gave the opportunity to victims and repented perpetrators to share their experiences. A march was held in collaboration with the municipalities, government departments and Civil Society Organisations (CSO's). A seminar called "Women's Court" was held in the Northern Cape. The event was attended by over 200 women from all municipalities in the Kgalagadi district. The province partnered strategically with the Office of the Status of Women and the Municipalities in the region. The Seminar covered both urban and rural delegates. The event was addressed by the African People's Congress, Rev. Keetile who spoke on the role of the church in addressing inequality and gender roles. The Honorable Chief Mahura addressed the seminar on the roles of the chiefs and the intended hard work that the chiefs would pursue to ensure that all gender injustices are rooted out with the help of the villages. This event was a follow-up to information sessions resulting from the CGE's report launch on Widowhood.

Total number of interventions per province for the period 1 April 2008– 31 March 2009

Intervention	Planned	Achieved	Not Achieved	Percentage Achieved	Percentage variance (actual against target)
Eastern Cape	27	27	0	100%	0%
Free State	27	20	7	74.1%	26.9%
Gauteng	27	10	17	37%	63%
KZN	27	24	4	82%	18%
Limpopo	27	2	25	7%	93%
Mpumalanga	27	20	7	74.1%	26.9%
Northern Cape	27	21	6	77.8%	23.2%
North West	27	13	14	48%	52%
Western Cape	27	11	15	41%	59%
Total	243	146	97	60.1%	39.9%

A seminar called "Women's Court" was held in the Northern Cape. The event was attended by over 200 women from all municipalities in the Kgalagadi district. The province partnered strategically with the Office On the Status of Women (OSW) and the Municipalities in the region. The Seminar covered both urban and rural delegates. The event was addressed by the African People's Congress (APC), Rev. Keetile who spoke on the role of the church in addressing inequality and gender roles. The Honorable Chief Mahura spoke about the role of the chief and the intended hard work the chief will pursue to ensure that all injustices are out rooted with the help of the villages. This event was a follow-up to information sessions resulting from the CGE's report launch on Widowhood.

PUBLIC EDUCATION AND INFORMATION continued...

OBJECTIVE	ACTIVITY/PROJECT	INDICATORS/ IMPACT	TIMEFRAME	ACTUAL PERFORMANCE
Ensure that the national legislative and policy frameworks comply with all international gender based violence instruments/protocols to which the South African government is a signatory	Human Trafficking	CGE interventions guided and informed by expert input	June- July2008	Reference group concept paper developed
	Establish and convene reference group meetings (all thematic areas)	Updated materials	June Sept 2009	One human trafficking pamphlet developed Two gender based violence pamphlets developed
	Review of current material (including Human Trafficking and Gender Based Violence)	Workshops to assist with the collection of data, cases and writing up the	Oct- Nov 2008	Actual number: 7 Variance : 11
Workshops x2 per province; disseminating information around definitions of human trafficking. Informing research on issues coming from the information sessions	Promotional material developed to promote awareness and understanding GBV legislation and mechanism for redress to targeted communities in all 9 provinces	Developed material	July- March 2009	One pamphlet developed on Karridene declaration
	Identification of relevant civil society and other stakeholders	Database developed	One per quarter	Concept for database developed.
	Collaboratively run 5 workshops per province with CSOs	Informed target group	Sept- Oct 2009	Projected : 45 Actual : 31 Variance: 14
	Campaign on	Informed communities	August 2008	Projected : 9 Actual : 9
	Campaign on 16 days of activism	Informed Communities	Nov- Dec 2008	Projected : 9 Actual : 9

PUBLIC EDUCATION AND INFORMATION continued...

OBJECTIVE ONE	ACTIVITIES/PROJECTS	INDICATOR/IMPACT	TIMEFRAME	BUDGET AND RESOURCES NEEDS
<p>The CGE takes advantage of opportunities to collaborate with the <u>National Treasury and Stats SA</u> on their longitudinal research processes, with review to ensuring that such studies take into account the impact of poverty on the quality of life of women, including female headed households. The outcomes of these studies are used as a basis for developing appropriate strategic responses to poverty linked to gender equality.</p>	<p>Focusing on access to land x 4 information sessions per province (2 urban 2 rural) National office to develop material to inform the</p>	<p>Informed communities</p>	<p>Sept-March 2009</p>	<p>Projected : 36 Actual : 8 Variance : 24</p>
<p>Develop innovate campaign/s, in conjunction with civil society partners and where appropriate, government, to raise awareness among women and traditional leaders about the mandate of the</p>	<p>Development of Outreach strategy: Development of TOR Procurement of consultants Refinement of strategy as per recommendations Training of staff required</p>	<p>Advocacy strategy developed TOR Outreach assessment report Minutes of meetings/interviews</p>	<p>June-July 2008</p>	<p>Outreach strategy developed</p>
<p>rights and gender equality. Where applicable, adopt a targeted approach in terms of rural and/or informal settlements with the CGE taking up legal test to further raise awareness.</p>	<p>WIDOWHOOD Provincial Information sessions x 2 per province 1 urban and 1 rural National Conference precede the UN conference and have our input ready. Men as partners against all forms gender discrimination</p>	<p>Informed communities National conference recommendations and report</p>	<p>August- September 2008 Oct- Dec 2008</p>	<p>Projected : 18 Actual : 8 Variance : 10 Projected : 1 Actual : 0 Variance 1</p>

PUBLIC EDUCATION AND INFORMATION continued...

OBJECTIVE	ACTIVITIES/ PROJECT	INDICATORS/IMPACT	TIMEFRAME	BUDGET AND RESOURCES NEEDS
CGE assesses in policy and implementation terms the extent to which the Broad Framework for HIV/AIDS and STI Strategic Plan for South African 2007-2011 reduces vulnerability to HIV/AIDS	1x Consultative Dialogue with research department on the gendered aspects of the national and Provincial HIV/AIDS plans.	Informed Community Reports	Oct- Dec 2008	Reported in 16 days for activism, 9 interventions conducted
	World Aids Day	Informed Community Reports	1 Dec 2008	Projected :9 Actual : 9

OBJECTIVE ONE	ACTIVITY/PROJECT	INDICATOR/IMPACT	TIMEFRAME	ACTUAL PERFORMANCE
To improve the efficacy and impact of national gender machinery and delivery of gender equality.	2 consultative sessions held (one rural one urban) with communities to assess impact of NGM	Information reports to feed into other areas of analysis	June- March 2008	Projected : 18 Actual : 13 Variance : 5

LEGAL SERVICES

The Legal Department is empowered by the CGE Act to investigate any gender related issues of its own accord or upon receipt of a complaint. It must endeavour to resolve any dispute or rectify any act; evaluate laws, customs, practices and indigenous law, personal and family law affecting gender equality or status of women that are in force or proposed by Parliament.

In this regard, it may recommend to Parliament for adoption of laws that will promote gender equality and the status of women as well as make submissions on any draft legislation having a bearing on gender equality in South Africa.

In terms of Section 20 of Promotion of Equality and Prevention of Unfair Discrimination Act (PEPUDA), the CGE through its Legal Department may to institute legal proceedings in the Equality Courts on behalf of any individual who has suffered unfair discrimination on the grounds of gender.

The Legal Department is responsible for investigating complaints and identifying areas of systematic discrimination on the grounds of gender. It evaluates laws, customs, and practices affecting gender equality or the status of women, which are enforced or proposed by Parliament. The department works in collaboration with other institutions or bodies with similar objectives and focuses in litigation in High Courts as *amicus curiae* and in Equality Courts.

Complaints handling: During the 2008/09 financial year there were 207 complaints carried forward from the preceding year, 2007/08. Four Hundred and twenty four (424) files were opened during this financial year. A total of 403 files were closed during this financial year as indicated by the table below:

Province	Files Brought Forward	Opened Files	Closed Files	Files Pending
Gauteng	24	24	25	23
Limpopo	32	73	70	35
Western Cape	34	72	78	28
Mpumalanga	33	10	35	8
North West	7	11	2	16
Free State	18	85	77	26
Kwa-Zulu Natal	32	36	26	42
Eastern Cape	22	40	23	39
Northern Cape	5	73	67	11
Total	207	424	403	228

LEGAL SERVICES continued...

The CGE received 424 complaints for this financial year. The table below reflects the nature of the complaints received:

Nature of Complaint	Gauteng	Limpopo	Western Cape	Mpumalanga	North West	Free State	Kwa-Zulu Natal	Esatern Cape	Northern Cape	Total
Divorce	4	4	6	0	1	3	1	0	3	22
Custody and Access	0	6	1	1	2	3	0	0	8	21
Estate	5	5	2	1	0	5	0	0	0	18
Gender Based Violence	0	1	8	0	0	2	6	7	1	25
Sexual Harassment	0	0	4	0	1	2	0	0	1	8
Labour	1	2	18	0	1	7	1	3	3	36
Unlawful Eviction	0	7	1	0	0	1	0	0	1	10
Claim for Restitution	0	2	0	0	0	0	0	0	0	2
Tradition / Culture	0	0	5	0	2	0	0	0	0	7
Other	7	9	8	0	0	35	15	8	29	111
Totals	24	73	72	10	11	85	36	40	73	424

LEGAL SERVICES continued...

Walk-in and telephonic consultations: A total of 528 walk-in/telephonic consultations were held by Legal Officers nationally as indicated in the table below:

Province	Number of Consultation
Gauteng	66
Limpopo	97
Western Cape	68
Mpumalanga	5
North West	18
Free State	91
Kwa-Zulu Natal	52
Eastern Cape	17
Northern Cape	124
Totals	528

Litigation/Equality court matters: The CGE participated in the following court matters:

Zandile Mpanza vs Thulani Cele and Others: The CGE in KwaZulu Natal acted on behalf of Ms Z Mpanza (Applicant) in this matter. The presiding officer was the Chief Magistrate Radyn in the Umlazi Court. The Applicant was stripped off her pants in Umlazi's T-Section and subsequently had her family house burnt down as a result of her defying a ban on women wearing pants in Umlazi's T-Section. The judgement was awarded in April 2008 and was successful in her request to remove the order that ban pants in T-Section Umlazi. Her request for payment of damages in respect of impairment of dignity, pain and suffering, emotional and psychological suffering are pending in the criminal court which CGE continues monitoring.

Lindile Njokweni vs Raymond Francis Aucamp (WC): The matter was referred to the Bellville Equality Court. The complainant in this matter is a victim of racial comments made by her employer. CGE has filled all necessary documents on behalf of complainant and the matter was placed on the roll for 28 June 2008 and respondent had filed replying affidavits. The directions were heard during August 2008 and the matter is still ongoing.

LEGAL SERVICES *continued...*

Court monitoring: The CGE is monitoring the following cases which are as a result of gender-based violence:

- Zoliswa Nkonyana Murder Trail
- S vs Bhengu and others
- S vs Thulani Cele and others
- Shayamoya Killings
- S vs Rasta Magagula and others
- Monica Khanyane Rape trail

Submissions In terms of the legislative framework and access to justice, the Legal Services Department made the following submissions through the Parliamentary Officer to Parliament, National Assembly and KZN Provincial Legislature during the period under review:

- Traditional Courts Bill
- Prevention and Treatment of Substance Abuse Bill
- Defense Amendment Bill
- Land Use Management Bill
- Judicial matters Amendment Bill
- Criminal Procedures Amendment Bill
- Reform of Customary Law of Succession and Regulation of Related Matters Bill
- Draft law relating to Liquor Trading days and hours
- Criminal Law Forensic Procedure Amendment Bill
- Commission for Gender Equality Amendment Act
- Comments to the Department of Home Affairs on the Draft Marriages Amendment Bill.
- Draft Human Trafficking Bill

LEGAL SERVICES continued...

OBJECTIVE	ACTIVITY/PROJECT	INDICATORS/ IMPACT	TIMEFRAME	ACTUAL PERFORMANCE
<p>Ensure that the national legislative and policy frameworks comply with all international gender based violence instruments/protocols to which the South African government is a signatory</p>	<p>Human Trafficking</p> <p>Propose legislation/ Submission to parliament (subject to literature review) including consultative meetings and workshops</p>	<p>Complete review will inform Legal department to propose legislation/ make a submission. Legislation tabled in parliament or submission made, informed by research and PEI</p>	<p>June- Sept 2008</p>	<p>A submission was made through Parliamentary Officer on Human Trafficking Bill</p>
<p>The CGE, in collaboration with strategic partners, continues to develop a clear conceptual framework for its gender equality and poverty focus-defining possible entries and monitoring points of government poverty reduction policies, strategies and programmes-to assess the gendered impact of poverty on the quality of life of poor women including female headed households, bearing in mind the effects of various poverty programmes on global climate change and biodiversity. The CGE will also develop gender sensitive tools of assessment.</p>	<p>Complaints administration: Legal officers to set up clinics to receive complaints (Cross cutting on all themes</p>	<p>Finalized complaints</p>	<p>ongoing</p>	<p>403 files were closed during this financial year</p>

LEGAL SERVICES continued...

OBJECTIVE	ACTIVITIES/ PROJECTS	INDICATORS/ IMPACT	TIMEFRAME	ACTUAL PERFORMANCE
<p>To engage the religious sector, civil society organisation, faith based organisations, tradition leaders and traditional healers to develop a strategy to change gender perceptions, increase women's representation, and become more gender sensitive in implementing their respective mandates</p>	<p>Litigation on Primogeniture/Inheritance Litigation on all thematic areas</p>	<p>Relevant cases selected. Opinions provided regarding gender implications of precedent setting cases</p>	<p>Ongoing</p>	<p>No cases was identified that would compelled the CGE to litigate on.</p>
<p>CGE assesses in policy and implementation terms the extent to which the Broad Framework for HIV/AIDS and STI Strategic Plan for South African 2007-2011 reduces</p> <p>HIV/AIDS</p>	<p>Complaints administration: Legal officers to set up clinics or attend the dialogues to receive complaints (Cross cutting on all themes</p>	<p>Finalized complaints and Courts monitoring</p>	<p>ongoing</p>	<p>Six gender related court cases were monitored national. The CGE also represent two complainants in the Equality Courts</p>

RESEARCH

The Research Department informs and supports the objectives of the CGE, notably monitoring all organs of society to ensure that gender equality is respected, protected, developed and attained; assessing legislation from a gender perspective; monitoring South Africa's progress towards gender equality and compliance with international norms; liaising and interacting with institutions, bodies, authorities and civil society to promote gender equality.

Monitoring and evaluation is conducted in terms of the African Gender and Development Index (AGDI), which incorporates qualitative monitoring to indices of the Gender-related Development Index and the Gender Empowerment Measure. The AGDI is a composite index consisting of a Gender Status Index and the African Women's Progress Scorecard.

This approach enables the CGE to collect and record information towards monitoring of progress towards the Millennium Development Goals, input into African Peer Review Mechanism, monitor and evaluate the country's compliance with a range of international, regional and sub-regional women's rights and gender equality instruments. This approach to research is based on the mandate of the CGE to monitor and evaluate gender equality, derived from the principles of constitutional democracy. Equality requires "similar treatment for people who are similarly situated" and "people who are not similarly situated should not be treated alike". What counts as relevant when it comes to determining "similarity", is approached through assessment of **formal equality** (based on the notion of all persons being

equal bearers of rights despite actual social and economic disparities between groups and individuals), **substantive equality** (which requires an examination of the actual social and economic conditions of individuals and groups in order to determine whether the Constitutional commitment to equality is being upheld), and restitution equality (based on positive action, remedial action, redress, protective measures)

The Research Department conducts its monitoring and evaluation through two broad programmes, focusing on monitoring and evaluation of the gender dimensions of:

- Social powers and capabilities and economic opportunities; and
- Political agencies.

Each programme implements a number of research projects. A summary of the main research activities is provided below, followed by a qualitative impact assessment of the work of the Research Department.

Gender-based Violence: There are two projects in this thematic area, namely on human trafficking and on the monitoring of the Victims' Charter.

Human trafficking: Inputs from internal stakeholders were incorporated into the document. This document has been discussed at various levels within the CGE, especially the Thematic Committee and provinces have taken up issues emerging from the paper and discussed it with its stakeholders. Provinces such as Mpumalanga for instance, have held information sharing sessions with social partners with the aim of coming up with

RESEARCH continued...

solutions on how to identify victims of human trafficking and how to combat trafficking in the province. The Free State office has had a round table discussion on human trafficking with different Non Government Organisations (NGO), Community Based Organisations (CBOs), and experts about challenges and achievements they face in dealing with the topic.

The CGE Head Office, in collaboration with the Gauteng office, held a seminar on 2010 preparations for the World Cup with Molo Songololo. Issues such as child trafficking (especially the girl child) and how to engage the Department of Education and other stakeholders on the issue of children were tackled noting that schools will be closed during the tournament.

The research office participated in the debates; and has received draft notes from Molo Songololo. These debates have also taken place in the Western Cape, Mpumalanga, Eastern Cape and KwaZulu Natal CGE offices. In some provinces, e.g. Mpumalanga, a provincial forum was established by all stakeholders who participated in the seminar to come up with practical solutions that would reduce the extent of trafficking in the province.

b) Victims Charter: During the period under review the Research department monitored two government departments, namely the Department of Justice and Constitutional Development (DOJCD) and the South African Police Services (SAPS). The project aimed to assess whether police stations and the courts possess the necessary legal and administrative structures conducive to the realization of the rights of victims as specified in the Victims Charter. Though the study is informed by the principles of the Victims Charter, its scope is narrower in that it focuses on how the police and the courts realise the rights of victims of a

particular type, which is gender based-violence. A report on these two departments was finalised in February 2009 and its contents have been widely disseminated to the stakeholders who participated in the study.

Land distribution/socio-economic rights access:

The team comprising of researchers from the Mpumalanga, Northern Cape and KwaZulu Natal provincial offices have developed an implementation concept note. It has been approved by the Thematic Committee and the Director General of the Department of Land Affairs to conduct the study in early 2009. Fieldwork began in February 2009 targeting the two National Departments, namely the Department of Rural Development and Land Reform (DRDLR) and the Department of Agriculture and Fisheries (DAFF)

The North West researcher has developed an implementation concept note on a baseline study on Gender and poverty, and has also conducted a poverty environmental scan at Willow Park, Mathateng, Madutle and Matlhase villages. This study does not necessarily focus on the current focus of land, but it touches on several other aspects of poor service delivery in these areas.

Widowhood study: Mpumalanga office has, in collaboration with Public Education and Information (PEI) Programme and Legal officers, continued to participate in dialogues which were spearheaded by PEI at various sites. The researchers were responsible for popularizing the findings of the Widowhood study, and the Legal officers were focusing on the legal implications of widowhood and sensitizing participants about their rights; such as ensuring that marriages are registered in terms of customary law and inheritance rights. There is still a

RESEARCH *continued...*

gap in Mpumalanga and Kwa-Zulu Natal in terms of the recognition of Customary marriages and the Maintenance Acts. There is a dire need to educate people about these acts so that the level of violence can be reduced, especially around widowhood.

A desktop study concept paper on Traditional courts is in its developmental stage. It is being drafted by the Limpopo and Free State Researchers. The Limpopo office attended the inauguration of Hosi Lwandlamuni Tinyiko Nwabita at the Nwabita Royal offices in Tzaneen. This was a victory to the gender fraternity in that she was the first female chief of Baloyi tribe after a long legal battle, with the CGE as partners that assisted to ensure this victory.

A study on HIV and Aids titled "Threads and Pain" has been completed. Some provinces have held Information sessions on Gender and HIV and AIDS with social partners such as Health, Home Affairs and Social Development with the aim of making communities aware about the scourge of the disease from a gendered perspective, advise them about the services they render and issuing food parcels. The Albert Luthuli Municipality in Mpumalanga has for instance a programme on paupers' funerals. The municipality assists families who are in dire need to bury their loved ones.

Employment equity: The Gender in the private sector study has been completed and it was approved that it be peer-reviewed by the Human Sciences Research Council senior researcher. It will then go to the thematic committee for inputs, then for editing and findings will be disseminated through round table discussions or information sharing sessions with the Employment Equity Commission (EEC) and stakeholders who participated in the study.

The **political party concept note:** Head office developed a letter which has been signed by the

CGE Chairperson. The letter has been forwarded to political parties requesting them to send their election manifestos to the Research department for analysis of their gender representation. There has been no response to date. The researchers were able to access the ANC manifesto electronically from their website.

Review of previous (2007-8) Research reports: Three previous studies conducted in the Research department went through a review process. The HIV and AIDS studies are completed-it needs to be formatted. The Gender Barometer study has been edited, and it is in the process of being laid out, and then going for printing. The Gender in Education study has been reviewed by external experts. The review of all 3 has been completed. With regard to participation in government, public-sector programmes and service delivery, the Research Department provided input for the Women and Rural Development process and conference, contributed to the development of the Gender Barometer and sensitised education decision-makers about policy gaps and challenges in integrating gender into the curriculum and gender mainstreaming in national and provincial departments.

Apart from the Gender in the Private Sector Project, which was rolled over from the 2008 financial year, the Research Department was able to complete all target projects (as outlined below) that were initiated since 2006.

PROGRESS IN TERMS OF STRATEGIC PLAN/RESEARCH PLAN OF ACTION

Thematic area	Output	Output/Deliverables	Planned target
GBV Objective 1: Ensure that the national legislative and policy frameworks comply with all international gender based violence instruments/protocols to which the South African government is a signatory	1.1 Human trafficking literature review	Position paper developed	Completed
Objective 2. Monitor enforcement legislation seeking to address Gender Based Violence and improvement effectiveness of service	Track implementation of, by SAPS, DoJ,	Study focusing on DOJ and SAPS	Study Completed
Poverty The CGE, in collaboration with strategic partners, continues to develop a clear conceptual framework for its gender equality and poverty focus-defining possible entries and monitoring points of government poverty reduction policies, strategies and programmes-to assess the gendered impact of poverty on the quality of life of poor women including female headed households, bearing in mind the effects of various poverty programmes on global climate change and biodiversity. The CGE will also develop gender sensitive tools of assessment.	2.1 Land distribution/socio-economic rights access Identify key cases on access to land, water, sanitation, transport, food and employment, and initiate litigation to establish case law	Concept paper and literature reviews on land developed.	Study to be completed in 2009
3. Culture, religion and tradition Develop innovate campaign/s, in conjunction with civil society partners and where appropriate, government, to raise awareness among women and traditional leaders about the mandate of the CGE, equality. Where applicable, adopt a targeted approach in terms of rural and/or informal settlements with the CGE taking up legal test to further raise awareness.	Concept paper development 3.3 Traditional courts Desk top study on best practice, international conventions etc to produce research report	Concept paper on culture and religion developed and literature reviews	Concept paper completed. Concept paper developed
4. HIV/AIDS CGE assesses in policy and	4.1 Assessment of SA policy and implementation	Concept paper on HIV/AIDS developed.	National HIV/STI study Completed;

RESEARCH continued...

Thematic area	Output	Output/Deliverables	Planned target
implementation terms the extent to which the Broad Framework for HIV/AIDS and STI Strategic Plan for South African 2007-2011 reduces vulnerability to HIV/AIDS	Literature and desktop research review on international and regional conventions, and national and provincial HIV/AIDS and STI plans and develop gender analysis and recommendations		and 4 provincial studies completed
5. D&GG The CGE devises a strategy and puts in place infrastructure and civil society networks to increasingly monitor and track compliance with the gender equality legislative framework by national, provincial and local government.	6.2 Employment equity Complete Employment Equity research project	Study finalised. Report edited.	Study completed
The CGE and its strategic civil society partners hold political parties accountable to their election manifesto promises and challenge political parties to adopt a policy of 50/50 representation of women in politics, including in leadership positions, to ensure greater representation and effective participation of women.	Monitor the 2009 National and provincial elections.	Tools developed and study completed and edited.	Preparations for the monitoring were in place, and the study would be undertaken during the next financial year because the elections are due on the 22 April 2009.

With regard to participation in Government, public sector programmes and service delivery, the Research Department contributed by making inputs into WARD process and the conference; the development of the Gender Barometer; and by sensitizing education decision-makers regarding policy gaps and challenges in respect of integrating gender in the curriculum and gender mainstreaming in national and provincial departments

The Research department has also **interacted with the civil society** in various ways, such as sensitizing Teachers' Unions regarding gender mainstreaming in education; sensitizing NGOs, CBOs and FBOs about the needs and plight of widows, elderly and people affected by HIV/AIDS, as well as the identification and removal of discriminatory practices, customs and beliefs in respect of widows, elderly, PLWHA;

Apart from the Gender and Land baseline study Project, the Research Department was able to complete all its target projects (as outlined below) that were initiated in the 2008 financial year.

RESEARCH continued...

Gender and poverty: Although work started on the first on our programs – a research project into the gendered aspects of the government's land reform program – it was not completed within this financial year. Concept papers, literature reviews and a tool to conduct a survey were drawn up. Yet as the actual research was about to begin, it was determined that there were insufficient funds to carry out the project. As a result, the project was rolled over to the next financial year. This means that the first four years of the five year strategic plan has all been rolled over. However, since the final year was set aside for monitoring, evaluation, and the construction of a new strategic plan, we are able to borrow from this time to complete program delivery. Instead of taking a full six months to monitor and evaluate, we will feed in a month at the end of each year for this purpose. **Thus there is a plan of completing the full five-year strategic plan on schedule.**

Research Department	Planned	Achieved	Not Achieved
Number of Research Reports Published	7	5	2
Number of Government Departments Monitored			
• National	6	4	2
• Provincial	54	31	23
• Municipalities	18	12	6
Number of Private Companies Monitored	55	33	22

CORPORATE SERVICES

HUMAN RESOURCES MANAGEMENT

The Human Resources Department's responsibility is to ensure that the organisation is appropriately staffed and that the environment is conducive for the CGE to achieve its mandate. The department's function includes:

- Staffing and recruitment
- Retention of staff
- Learning and development
- Employee relations
- Employee wellbeing

The CGE has 101 approved positions, of which only 80% is filled. During the financial year CGE experienced a high turnover of staff, when 10% of the staff members resigned.

The staff compliment at the commission for the year was as follows:

<i>Levels</i>	<i>Filled</i>	<i>Vacant</i>	<i>Total</i>	<i>Percentage Vacancies</i>
2 to 4	11	0	11	0.00%
5 to 7	14	3	17	17.65%
8 to 9	28	5	33	15.15%
10	10	4	14	28.57%
11 to 12	16	1	17	5.88%
13 - 15	2	7	9	77.78%
Totals	81	20	101	19.80%

HUMAN RESOURCES MANAGEMENT continued..

The department managed the process of advertising and the filling in of 14 posts across head office and provincial offices, overseeing advertising, short listing, conducting interviews and appointing the relevant candidates. Four additional temporary appointments were made to fill crucial portfolios in the interim. It was also during the course of this financial year that two staff members were promoted internally. The department further implemented numerous corrective measures as well as addressed and extended benefits to staff members in the form of medical assistance, housing and cell phone allowances. The implementation of the cost of living salary adjustment (at 10.5% plus 1% pay progression) with effect from July 2008 was also managed and implemented.

For the period under review we have seen a promotion for two (3) staff members, one of which is an employee with a disability (forming part of the designated group as per the EEA).

Promotion For The Period Under Review

	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Top Management								
Middle	2							
Professionally								
Skilled								
Semi Skilled					1			
Unskilled								
Employees with								
Total	2				1			

HUMAN RESOURCES MANAGEMENT continued..

A total of eighteen (12) employees left the Commission during the period under review. Their departure ranged from **resignations** (8), **contract of employment** coming to an end (1) fixed term contract, **dismissals** (3) based on misconduct as per the Commission's disciplinary policy and procedure and (1) dismissed because of Incapacity illhealth.

Terminations For The Period Under Review

	African	Coloured	Indian	White	African	Coloured	Indian	White
Commissioners	1							
Top Management					1			
Middle Management					2			
Professionally Qualified	3				1			
Skilled	1				2	1		
Semi Skilled Employess					1			
Unskilled								
Employees with Disabilities								
Total	4				7	1		

ANNUAL TURNOVER BY CRITICAL OCCUPATION 2008/2009				
Programme	Number of vacant posts	Number of posts filled	Total number of posts	Vacancy rate
Legal Services	4	11	14	
Research	2	12	14	
PEI	8	4	12	
Administraion & Support	5	9	14	
TOTAL	15	36	54	

TERMINATIONS FOR THE PERIOD 2008/2009 BY SALARY CATEGORY								
Occupation Bands	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Commissioner		1				1		
Top Management						2		
Middle Management						1		
Professionally Qualified		3				2	1	
Semi skilled		1				1		
Unskilled Employees								
Employees with disabilities								
TOTAL		4				7	1	

HUMAN RESOURCES MANAGEMENT continued..

ANNUAL TURNOVER BY CRITICAL OCCUPATION 2008/2009				
Programme	Number of vacant posts	Number of posts filled	Total number of posts	Vacancy rate
Legal Services	4	11	14	
Research	2	12	14	
PEI	8	4	12	
Administrtaion & Support	5	9	14	
TOTAL	15	36	54	

TERMINATIONS FOR THE PERIOD 2008/2009 BY SALARY CATEGORY								
Occupation Bands	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Commissioner		1			1			
Top Management					2			
Middle Management					1			
Professionally Qualified		3			2	1		
Semi skilled		1			1			
Unskilled Employees								
Employees with disabilities								
TOTAL		4			7	1		

REASONS STAFF ARE LEAVING 2008/2009			
Termination Type	Number	% of Total	
Death			
Resignation		13	
Expiry of contract		1	
Dismissal - Operational changes			
Dismissal - Misconduct		4	
Dismissal - incapacity			
Discharged due to illhealth		1	
Retirement			
Other			
TOTAL		19	

RECRUITMENT FOR THE PERIOD 2008/2009								
Occupational Categories	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Top Management								
Middle Management		3						
Professionally Qualified		1						
Skilled		1						
Semi skilled Employees					1			
Unskilled					1			
Employees with disabilities					1			
TOTAL		5			3			

PROMOTION FOR THE PERIOD 2007/2008								
	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Top Management								
Middle Management		1						
Professionally Qualified								
Skilled								
Semi skilled employees								
Unskilled								

HUMAN RESOURCES MANAGEMENT continued..

EMPLOYEE WITH DISABILITIES (TEMPORARY AND PERMANENT)							
	Male				Female		
	African	Coloured	Indian	White	African	Coloured	Indian White
Top Management					1		
Middle Management							
Professionally Qualified							
Skilled							
Semi skilled employees							
Unskilled							

PERFORMANCE MANAGEMENT					
Salary Band	Rate of incentive	Progress Rate per incentive	% of Total within group	Cost	Average cost per employee
NO PERFORMANCE INCENTIVE IMPLEMENTED IN THE YEAR UNDER REVIEW					0

Salary Band	Number of beneficiaries	Beneficiary Profile	% of Total within group	Cost	Average cost per employee
NO JOB EVALUATION CONDUCTED IN THE YEAR UNDER REVIEW					0

TOTAL NUMBER OF EMPLOYEES IN EACH CATEGORY 2008/2009							
Occupational Category	Male				Female		
	African	Coloured	Indian	White	African	Coloured	Indian White
Top Management					2		
Middle Management	6	1	1		7	2	
Professionally Qualified	4				4		2
Skilled	12				16		
Semi skilled employees	1				11	2	
Unskilled	1				10		

HUMAN RESOURCES MANAGEMENT continued..

A total of eighteen (12) employees left the Commission during the period under review. Their departure ranged from **resignations** (8), **contract of employment** coming to an end (1) fixed term contract, **dismissals** (3) based on misconduct as per the Commission's disciplinary policy and procedure and (1) dismissed because of Incapacity illhealth.

Terminations For The Period Under Review

	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Commissioners	1							
Top Management					1			
Middle					2			
Professionally	3				1			
Skilled	1				2	1		
Semi Skilled					1			
Unskilled								
Employees with								
Total	4				7	1		

COMMUNICATIONS

In the year under review, television, radio and print media were effectively used to promote the programmes and projects of the CGE, notably by means of media briefings and press statements.

The CGE recognises communications as an important vehicle to transmit messages of gender awareness and gender transformation to the public and to targeted audiences. To enhance the work of the CGE and to effectively deal with requests from the media for information and comments, a Communications Office was established and resourced. Key functions of this unit include media interaction and public relations.

The department aims to raise awareness on gender equality and the work of the Commission through campaigns, publications, media liaison and disseminating promotional material. It is also responsible for creating a communication-friendly environment within the Commission and between the Commission and its stakeholders.

Overview of service delivery

Media liaison: In the year under review, television, radio and print media were effectively utilised to promote the programmes and projects of the CGE through media briefings and press statements. The Communications unit coordinated approximately 217 interviews with key CGE role players, namely the Chairperson, CEO and some provincial coordinators. On the CGE's own initiative, the department prepared and issued 23 press statements on a variety of current and developing gender-related issues. In addition the CGE published 5 advertorial and 3 opinion pieces.

Media monitoring: The CGE has adopted a proactive approach to dealing with the media. The Communications Department continues to publicise the work of the CGE and its achievements. The unit monitors print, broadcast and online media on a daily basis.

External media monitoring is conducted by the Government Communications and Information Services (GCIS). This function is made more effective by information sourced from organisations such as Media Monitoring South Africa and MSA Telesales.

Through partnerships with community radio stations and the SABC, the months of August (Women's Month) and November/December (16 Days of Activism for No Violence against Women and Children) were dedicated to educating and raising awareness on women in legislative processes and gender-based violence.

The print media outlets utilised included the Mail & Guardian, City Press, BUA News (GCIS publication), Sunday Times, Sowetan, Daily Dispatch, Sunday Independent, Daily Sun and Sunday World.

Broadcast media coverage was secured on several radio stations, with the issuance of press statements and provision of interviews and commentaries on various subjects. Broadcast media used to reach the public included Kaya FM, Bush Radio, JoziFM, Talk Radio 702, eTV, SABC Radio and various community radio stations.

COMMUNICATIONS Continued....

Website: In the period under review, the Commission revamped its website to increase its efficacy as a valuable, interactive source of information. The website publishes an extensive list of documents, reports and general information on the Commission. The website also offers links to other human rights bodies, a number of civil society organisations and relevant local and international links. The Commission is in the process of establishing an intranet to enhance internal communication.

INFORMATION TECHNOLOGY

The new era for information and communications technologies (ICT) has begun, transforming how the CGE does business and interacts with stakeholders. There was vast transformation in the Commission's ICT infrastructure over the financial year, with an infrastructure upgrade and the CGE embarking on the development of a new website. The CGE contracted external service providers to assist in the effective maintenance of the Information Technology Infrastructure.

Major projects for the year under review include the introduction of the Windows Vista Platform, CGE mail banner initiatives, new web development including a mobi site and the launch of a web-based gender barometer tool which will be administered to government departments.

A biometrics security system has been installed at all offices of the commission. This system will minimise loss of IT equipment, control and monitor security on 24 /7 basis.

The Information Technology department continues to maintain an up-to-date infrastructure with about 96.9% uptime. Firmware and Anti-virus upgrades were performed on approximately 94 workstations, 3G data cards and Cisco switches. The department embarked on a successful procurement process to replace out of warranty workstations, with 56 Dell notebooks for officers(research, legal and education), Senior Managers and Middle managers.

Provision was made for the Commissioners to have access to Skype. The purpose for the installation of the software was to enable Commissioners to have continuous lines of communication irrespective of geographical location.

Network Infrastructure:

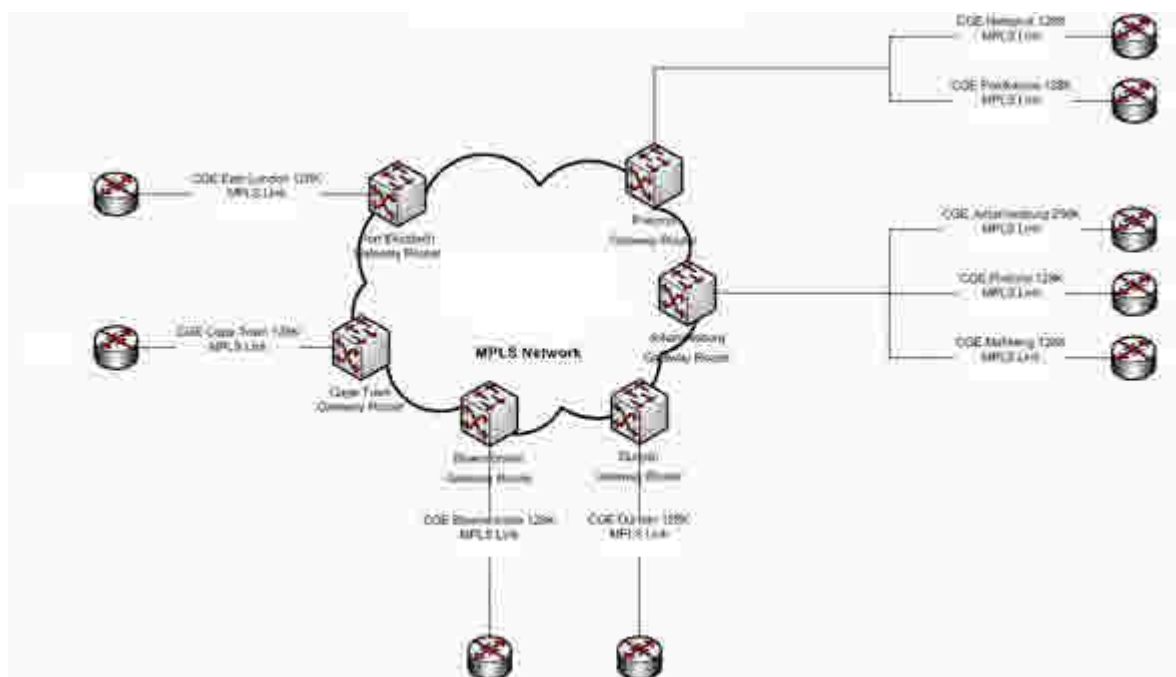
The CGE continuously maintains integrated MPLS Virtual Private Network(VPN) solution including co-location hosting and data protection services. This allows for a fully branch integrated office connectivity supporting internet access and e-mail service. Co-location hosting provides core services such as firewall and web proxy to facilitate the branch integration and improves performance. The effective data protection offers offsite storage to enable compliance and business continuity.

MPLS VPN solution consists of:

128 branch connectivity

- Dual redundant 256k head office connectivity (Totalling 512k)
- 768k local internet breakout
- 256k international internet breakout
- Router management

The CGE Current Network diagram:



CGE supports industry-leading data-vault back up, recovery, and remote access for servers. The solution enables leverage to the existing connectivity investment to better protect CGE critical data. This reduces administration cost, IT support costs and relieving the burden of backup and recovery on IT personnel. Data-vault makes use of a client-server solution to automatically filter, select and copy data from remote computers to an off-site remote data server.

Offsite data protection services include:

- 5 Email notification service
- 41 GB storage

Storage Platform Licenses			
Licences	Total	Assigned	Remaining
Server Edition Licence	5	5	0
Exchange Plug-in Licence	1	1	0
SMR Plug-in Licence	1	1	0
SQL Plug-in Licence	2	2	0

FINANCIAL MANAGEMENT

Overview Income and Expenditure for the financial year 01 April 2008 -to-31 March 2009

Income

The Commission's source of Income is primarily made out of grants received from the National Government. For the year under review, the transfers, totaling R46, 19 million were made to the Commission by the Department of Justice and Constitutional Development (DoJ). These transfers represented the budget allocations for the full fiscal year in accordance with the vote for DoJ . In addition to the grant allocations, an insignificant interest income of R89, 267 was recorded for the twelve month period.

For the prior two financial years, the allocations by the fiscus have increased mainly to cater for the nominal price changes due to inflation and did not include funding for additional programs. The extend of increase is rendered in the table below

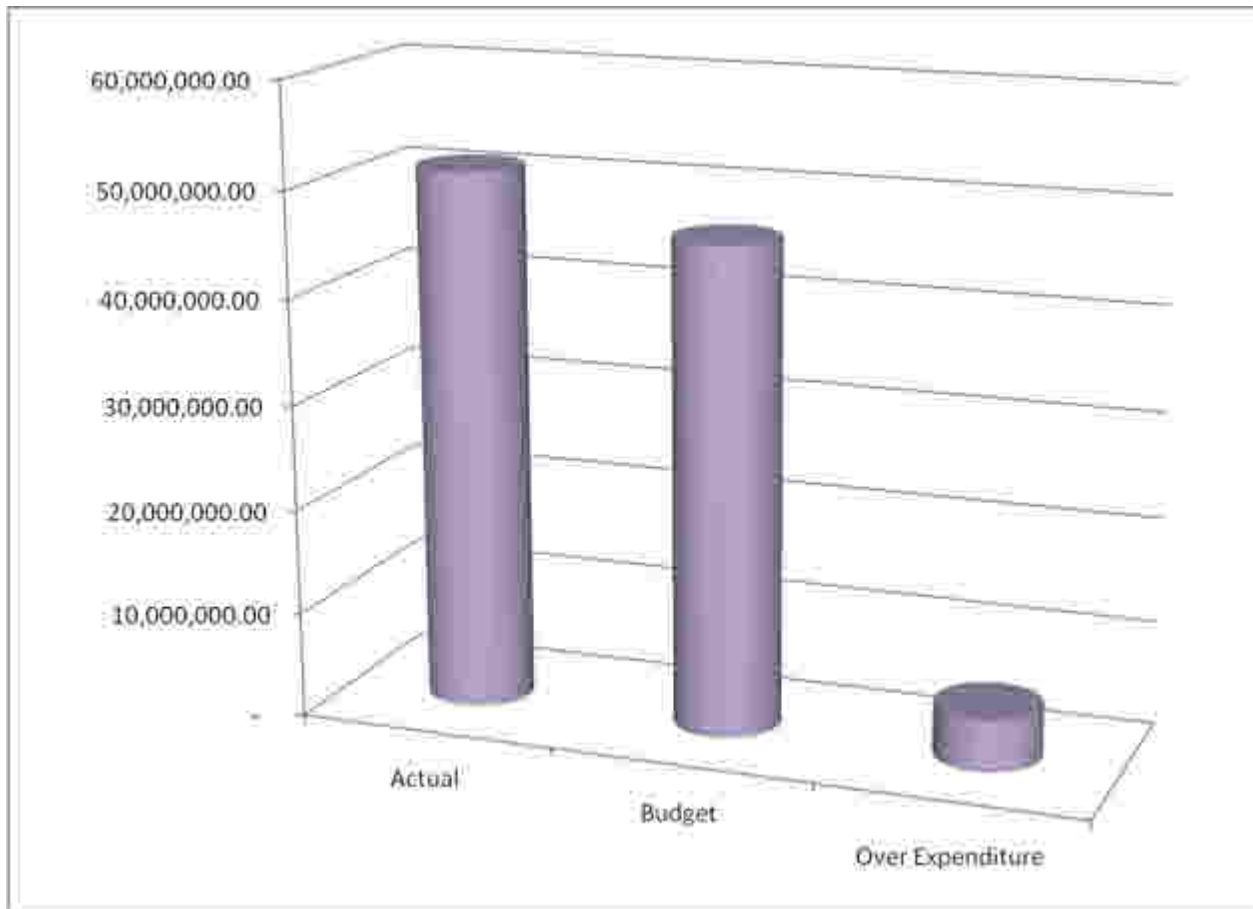
Budget Allocation growth : 2005 to 2009				
Year	2005/6	2006/7	2007/8	2008/9
Government grant in R million	R 26,600	R 37,800	R 39,700	R 46,193
% increase	-	42%	5%	16%

The income received was mainly used to service the operating expenditure of the Commission during the 12 months reporting period and is accounted for in accordance with the paragraphs that ensue in this report.

Financial Performance

During the reporting period, the Commission's results reflect a net deficit of R5,2 Million or 11% of the allocation by National Treasury and this is primarily attributed to the disclosures shown hereunder on the unauthorized and irregular expenditure.

FINANCIAL MANAGEMENT continued

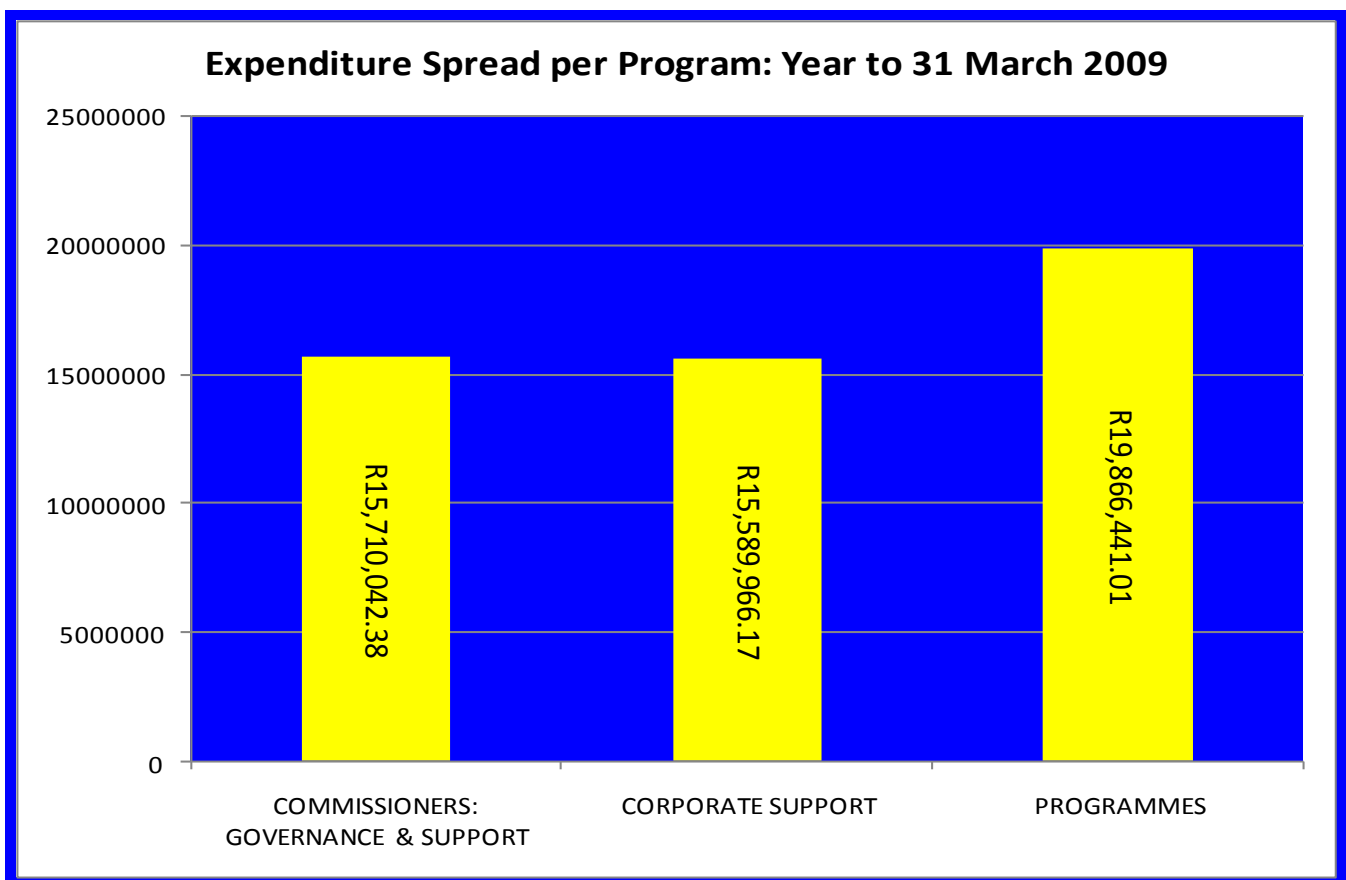


Operating Expenditure

During the year under review, the Commission has incurred and recorded expenditure to the amount of R51, 17 million, representing an over -expenditure of R5.2 million above the allocated budget.

The graph below illustrates the overall expenditure distribution amongst the main programs of the Commission.

During the reporting period, R15,7 million (or 31%) was spent on governance and support by the Commissioners, R15,6 million (or 30%) was utilized to cater for the administrative overheads by the corporate support function whilst the remaining 39% was spent on service delivery programs , the spending which stood at R19,7 million for the full financial year.

FINANCIAL MANAGEMENT *continued***Expenditure by economic Classification**

The expenditure for the year shows that 52% of the total spending, representing R26, 39 million was used to service the salary bill for staff and Commissioners.

Program	Compensation of Employees	Goods & Services	Total
Commissioners	6,948,163	8,761,878	15,710,043
Corporate Support	4,215,341	11,374,625	15,589,966
Main Program	15,227,715	4,638,726	19,866,441
Total spending	26,391,221	24,775,229	51,166,450

FINANCIAL MANAGEMENT continued

The balance of R24,8 million of the expenditure recorded was utilized for goods and services, of which the major contributors to the spending was:

1. **R2,7 million on Legal expenses** mainly as a result of legal expenses paid on the disciplinary enquiry against the Chief Executive Officer of the Commission,
2. **R4 million on Consulting fees - professional**, where R3.1 million was spend on the Organizational Diagnosis project and the remainder spend on other professional services such as Internal Audit services;
3. **R3,7 million on Travel and Accommodation** incurred for the activities of staff and Commissioners in carrying out the activities of the Commission;
4. **R2,5 million on Depreciation expense** representing provision on the wear and tear of the CGE non-current assets; and
5. **R2,4 million on Telecommunication**, being expenditure incurred by the nine provincial offices as well as head office on telephone, cellular phone and data services provided by the various telephone network operators within the Republic
6. **R2,2 million on 2,3 on Marketing expenses** being spending for the design, branding and launch of the new CGE corporate identity;
7. **Auditors remuneration and Computer expenses** each contributed **R1.1 million** to the overall expenditure.

Included in the reported costs are the following disclosures on expenditure that occurred in contravention of the Supply Chain management guidelines and the Public Finance management Act (PFMA) and related regulations.

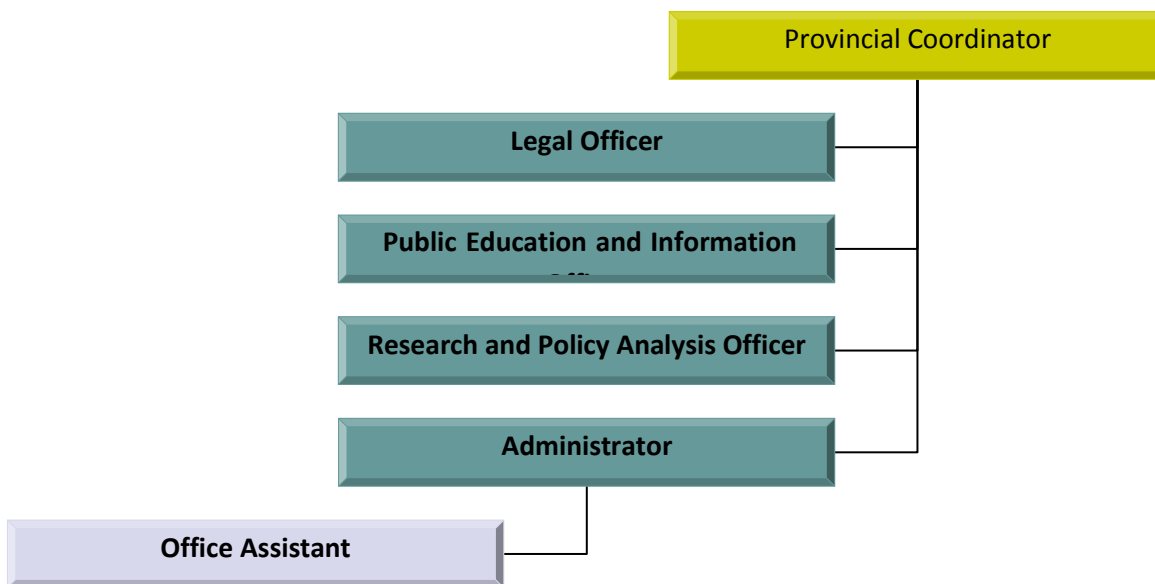
Schedule of irregular expenditure	
Amount	Incident
R 2 848.86-	ACN for Installation of the Bluetooth in the Chairpersons private car
R 695 552.70-	Axolute Investments contracted awarded in contravention of SCM rules
R1 553 513.23	Leppan Beech- Legal fees for the suspension of the CEO ; 3 Whistleblowers and Mr. David Setshedi criminal case litigated against staff
R 963,963.52	Dell- for the purchase of 68 laptops for staff and Commissioners
R1 519 469.52	Resolve Group- Chief Executive Officer's Investigation (Ms Chana Majake)
R542 139.53	Imbokodo- Chief Executive Officer's Investigation (Ms Chana Majake)
R4 387 848.00	Four Rivers contract awarded in contravention of the SCM guidelines
R299 321.23	PAL & Associates appointed to be the HR Manager in contravention of the regulations
R 214 332.63	Interim CEO cost for 2 months, the cost of which was not budgeted for
R2 216 338.97	Cut To Black CGE launch and printing of unnecessary documents the cost of which was not budgeted for.
R49 748.49	Nada Travel- Private Bookings for the Chairperson

Regard must be had that these amounts were not separately disclosed in the Annual Financial statement for the reporting period.

FINANCIAL MANAGEMENT continued

Program Expenditure

The service delivery programs of the CGE are rendered primarily through provincial offices located in major cities in the nine provinces within the Republic. The provincial offices are staffed with both administrative and professional staff trained to execute the mandate of the Commission. The typical organizational structure found in each of the provinces is as shown below;



The provinces are supported by the respective functional Heads of Department located at our Head Office in Johannesburg. The functional departments are headed by the three Senior Managers responsible for the following portfolios; Legal Services, Public Education and Information as well as Research and Policy Analysis. During the reporting period, expenditure on programs was constituted of expenditure realized by the respective provincial offices and includes a component represented by the spending from the support departments located at head office as has been mentioned above. A tabular presentation below shows expenditure spread by each of the provincial offices. The Western Cape, Eastern Cape and Kwazulu- Natal office recorded the higher amount of expenses more projects being undertaken from the two mentioned offices.

FINANCIAL MANAGEMENT continued

Provincial Expenditure by location	
EASTERN CAPE	1,981,799
FREE STATE	1,642,241
GAUTENG	1,647,782
KWAZULU NATAL	1,836,064
LIMPOPO	1,441,208
MPUMALANGA	1,641,793
NORTH WEST	1,267,341
NORTHERN CAPE	1,306,136
WESTERN CAPE	2,692,491
Total spend	15,456,854

Provincial Expenditure by economic classification	
Goods & Services	4,121,638
Compensation Of Employees	11,335,216
Total Spend	15,456,854

The program expenditure contribution by the departments located in head office stood at R4.4 million compared to the R15.5 million combined contribution by the nine provincial offices.

Head Office	
LEGAL	1,871,540
PUBLIC	
EDUCATION &	1,041,767
RESEARCH & Polic	1,496,281
Total Spend	4,409,587

Head Office Program Support Economic Classification	
Goods & Services	563,032
Compensation Of Employees	3,846,555
Total Spend	4,409,587

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE COMMISSION FOR GENDER EQUALITY FOR THE YEAR ENDED 31 MARCH 2009**REPORT ON THE FINANCIAL STATEMENTS****Introduction**

1. I was engaged to audit the accompanying financial statements of the Commission for Gender Equality (the Commission) which comprise the statement of financial position as at 31 March 2009 and the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 67 to 80.

The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1 to the financial statements, and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) and the Commission on Gender Equality Act, 1996 (Act No. 39 of 1996) (CGE Act) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and section 9(3) of the CGE Act, my responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with the International Standards on Auditing (ISA) and General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008. Because of the matters described in the Basis for disclaimer of opinion paragraphs, however, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for disclaimer of opinion**Provision for leave pay and bonuses**

4. I was not provided with sufficient audit evidence to perform the necessary audit procedures to obtain reasonable assurance that provision for leave pay, amounting to R1 035 636 for the year ended 31 March 2009 and R881 837 for the year ended 31 March 2008 is fairly presented.
5. There were also no alternative satisfactory audit procedures that I could perform to obtain reasonable assurance that the provision for leave pay and bonuses are properly recorded for the years ended 31 March 2009 and 31 March 2008 due to restrictions imposed by the Commission and their records not permitting the application of alternative procedures.

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

6. Consequently, I was unable to satisfy myself as to the completeness, existence, valuation and rights and obligations of the provision for leave pay and bonuses as disclosed in note 8 to the financial statement for the 2007/08 and 2008/09 financial years.

Property, plant, equipment and intangible assets

7. In terms of the South African Statement of Generally Accepted Accounting Practice (GAAP), IAS 16.51 - property, plant and equipment (AC 123), the residual value and the useful life of an asset shall be reviewed at each financial year end. Except for certain computer equipment, the Commission did not review the residual value of assets and the useful life during the current or previous financial periods. I was not able to perform alternative audit procedures to give assurance as to the extent of the error, due to restrictions imposed by the Commission.
8. During the current period the useful lives of certain items of computer equipment was changed from 3 to 5 years. In terms of South African Statement of Generally Accepted Accounting Practice (GAAP), IAS 8.5 - accounting policies, changes in accounting estimates and errors, the change should be accounted for as a change in estimate and adjustments accounted for prospectively. The adjustment was done retrospectively. As a result property, plant and equipment must be decreased by R1 262 128, and operating expenditure increased by R1 262 128.
9. During the year ended 31 March 2009, an error was discovered in the financial statements of the entity that affect the previous and current financial year. The entity incorrectly calculated the depreciation, which is contrary the South African Statement of Generally Accepted Accounting Practice (GAAP) - property, plant and equipment (AC 123), IAS 16.48. If the depreciation had been calculated correctly, depreciation for the current year would have been increased by R1 419 575 (2007/08: decreased by R1 587 611) and property, plant and equipment would have decreased for the current year by R1 419 575 (2007/08: increased by R1 587 611).
10. In terms of South African Statement of Generally Accepted Accounting Practice (GAAP), IAS 16 - Property, Plant and Equipment (AC 123) the initial recognition of assets is cost price. Had the statement been correctly applied property, plant and equipment would have increased by R204 679 and retained income decreased with the same amount.
11. Certain items of property, plant and equipment were disposed of during the year. The transaction was not reflected in the accounting records as required by the South African Statement of Generally Accepted Accounting Practice (GAAP), IAS 16.67 - Property, Plant and Equipment (AC 123). Property, plant and equipment must be decreased by R321 637 and operating expenditure increased with the same amount.
12. A limitation of scope was identified for the following items:
- the physical existence of certain items of property, plant and equipment purchased during the year amounting to R878 957 could not be confirmed;
 - supporting documents to verify additions to property, plant and equipment amounting to R2 396 204; and
 - the opening balance for property, plant, equipment and intangible assets amounting to R8 325 866 and R 787 783 respectively, could still not be verified.

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

13. In terms of the South African Statement of Generally Accepted Accounting Practice (GAAP), IAS 17.20 (AC 105) – Leases, states that at the commencement of the lease term, lessees shall recognise finance leases as assets at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Had the statement been correctly applied, property, plant and equipment and operating expenditure (2007/08: retained earnings) would have increased with an amount I can not determine, due to restrictions imposed by the Commission and their records not permitting the application of alternative procedures.
14. As disclosed in note 15 to the financial statements, the corresponding figures for property, plant and equipment were restated by R2 098 198 as result of an error discovered during the current financial year. I was not provided with sufficient audit evidence to satisfactorily perform the necessary audit procedures to obtain reasonable assurance that the adjustments relating to the prior year are fairly presented. There were also no alternative satisfactory audit procedures that I could perform to obtain reasonable assurance that the correction of the prior period errors is properly recorded due to restrictions imposed by the Commission and their records did not permit the application of alternative procedures.
15. Consequently, I was unable to satisfy myself as to the existence, completeness, valuation and rights and obligations of property, plant and equipment and intangible assets amounting to R6 162 736 (2007/08: R6 227 669) and R391 878 (2007/08: R787 784) respectively, as disclosed in note 3 and 4 to the financial statements.

Retained income

16. I was not provided with sufficient audit evidence to perform the necessary audit procedures to obtain reasonable assurance that the reversal of the revaluation reserve to retained income amounting to R4 049 454 disclosed in note 16, is fairly presented. There were also no alternative audit procedures that I could perform to obtain reasonable assurance that the reserve is properly recorded due to restrictions imposed by the Commission and their records not permitting the application of alternative procedures.
17. The errors, omissions and limitations identified during the previous audit on the financial statements for the year ended 31 March 2008 were not corrected.
18. Consequently, I did not obtain sufficient appropriate audit evidence to satisfy myself as to the existence, valuation, completeness and rights and obligations of retained income.

Trade payables

19. The Commission did not prepare monthly creditors reconciliations, resulting in unrecorded liabilities identified. As a result trade payables and operating expenditure must be increased with R2 211 732.
20. There were also no alternative audit procedures that I could perform to obtain reasonable assurance that trade payables is complete due to restrictions imposed by the Commission and their records not permitting the application of alternative procedures.

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

21. As disclosed in note 15 to the financial statements, the corresponding figures for trade payables was restated by R1 150 532 as result of an error discovered during the current financial year. I was not provided with sufficient audit evidence to satisfactorily perform the necessary audit procedures to obtain reasonable assurance that the adjustment relating to the prior year are fairly presented. There were also no alternative satisfactory audit procedures that I could perform to obtain reasonable assurance that the correction of the prior period errors is properly recorded due to restrictions imposed by the Commission and their records did not permit the application of alternative procedures.
22. I was not provided with sufficient audit evidence to satisfactorily perform the necessary audit procedures to obtain reasonable assurance that trade payables of R4 551 353 for the year ended 31 March 2008 are fairly presented. There were also no alternative satisfactory audit procedures that I could perform to obtain reasonable assurance that trade payables is properly recorded for the year ended 31 March 2008 due to restrictions imposed by the Commission and their records not permitting the application of alternative procedures.
23. Consequently, I was unable to satisfy myself as to the valuation, completeness, existence and rights and obligations of trade payables amounting to R4 995 155 (2007/08: R4 551 353) as disclosed in note 9 to the financial statements.

Contingencies

24. I was not provided with sufficient audit evidence to perform the necessary audit procedures to verify existence, valuation and rights and obligations of the contingency amounting to R300 000 as disclosed in note 13 to the financial statements. There were also no alternative audit procedures that I could perform to obtain reasonable assurance that the contingency is fairly stated, due to restrictions imposed by the Commission and their records did not permit the application of alternative procedures
25. In terms of South African Statement of Generally Accepted Accounting Practice (GAAP), ISA 37 provisions, contingent liabilities and contingent assets (AC130), a best estimated amount should be determined. The contingency amounting to R10 million is not correctly valued, as the amount disclosed in note 13 is the potential claim and not the amount as per the settlement agreement. As a result contingencies are overstated with an estimated amount of R9 million.
26. Contingencies' amounting to R814 193 was not included in disclosure note 13 to the financial statements. Furthermore, there were also no alternative audit procedures that I could perform to obtain reasonable assurance that the contingencies disclosed are complete due to restrictions imposed by the Commission and their records not permitting the application of alternative procedures.
27. Consequently, I was unable to satisfy myself as to the completeness, accuracy, valuation, and rights and obligations relating to the disclosure of contingencies as disclosed in note 13 to the financial statements.

Finance leases

28. In terms of the South African Statement of Generally Accepted Accounting Practice (GAAP), IAS 17.20 (AC 105) – Leases, states that at the commencement of the lease term, lessees shall recognise finance leases as assets and liabilities in their statements of financial position at amounts equal to the fair value

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

29. I noted that the finance lease liability for the prior year as indicated in note 7 to the financial statements for the year ended 31 March 2009 was understated by R288 449. Property, plant and equipment are understated by R147 844 and retained earnings are overstated by R140 604.
30. Consequently, I was unable to satisfy myself as to the completeness, accuracy and rights and obligations of the finance lease obligation amounting to R185 568 (2007/08: R411 578) as disclosed in note 7 to the financial statements.

Trade and other receivables

31. In terms of the South African Statement of Generally Accepted Accounting Practice (GAAP), IAS 36.9 (AC128) impairment of assets - requires that assets be assessed for impairment at each reporting date and this has not been applied. I have determined that an amount of R271 022 included in trade and other receivables in Note 5 to the financial statements is not likely to be recovered. Accordingly debtors are overstated by that amount and the expense for the period is understated by same amount.
32. Various debtors amounting to R337 444 were not created. Had it been done trade and other receivables would have increased with R337 444 and operating expenditure decreased with the same amount.
33. Consequently, I was unable to satisfy myself as to the completeness, valuation of trade and other receivables amounting to R276 253 as disclosed in note 5 to the financial statements.

Irregular expenditure

34. Section 40(3)(b)(i) of the PFMA requires that the annual report and financial statements must include particulars of any irregular expenditure that occurred during the financial year. I identified irregular expenditure amounting R14 868 719 for the year ended 31 March 2009 which was not disclosed in the financial statements.
35. The Commission has omitted disclosure of material irregular expenditure detailed below:
- The Commissioners received unauthorised acting allowances amounting to R47 928.
 - Unauthorised travel and subsistence expenditure amounting to R271 022 was incurred by the chairperson of Commission.
 - Travel requisitions were not completed prior to trips being taken amounting to R784 876.
 - Amounts paid to a supplier amounting to R4 998 472 as it cannot be verified whether the correct tender procedures were followed.
 - Amounts paid to a supplier amounting to R2 266 339 paid as no tender process was followed.

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

- No quotations were obtained for operating expenditure amounting to an estimate of R1 626 008.
- No quotations were obtained for the acquisitions of fixed asset amounting to R1 182 636. Included in this amount is a once off purchase amounting to R735 552 for which no tender process was followed.
- Fixed asset acquisitions amounting to R541 009 were not approved by the CEO.
- Payments estimated to amount to R2 396 203 were made to purchase assets for which no invoices were obtained.
- Petty Cash monies were deposited into an employee's personal bank account amounting to R18 702.
- Finance lease payments for the current and previous financial year. The amount can not be determined, due to restrictions imposed by the Commission and their records not permitting the application of alternative procedures.

36. Except for the unauthorised travel and subsistence, I was not provided with information to indicate that management has taken any criminal or disciplinary steps as a consequence of such irregular expenditure.

Fruitless and wasteful expenditure

37. Section 40(3)(b)(i) of the PFMA requires that the annual report and financial statements must include particulars of any fruitless and wasteful expenditure that occurred during the financial year. I identified fruitless and wasteful expenditure amounting to R300 937 for the year ended 31 March 2009 which was not disclosed in the financial statements. The fruitless and wasteful expenditure resulted from penalties and interest relating to EMP201 returns submitted late by the Commission.

Finance cost

38. I was not provided with sufficient audit evidence to satisfactorily perform the necessary audit procedures to obtain reasonable assurance that the interest as a result of the time value of payments amounting to R157 169 as disclosed in note 11 to the financial statements are fairly stated. There were also no alternative satisfactory audit procedures that I could perform to obtain reasonable assurance that finance costs is properly recorded for the year ended 31 March 2008 due to restrictions imposed by the Commission and their records not permitting the application of alternative procedures.

39. Consequently, I was unable to satisfy myself as to the accuracy of finance costs amounting R329 475 as disclosed in note 11 to the financial statement.

Operating expenditure

40. the South African Statement of Generally Accepted Accounting Practice (GAAP), IAS 37.11 (AC 130) - Provisions contingent liabilities and contingent assets - Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoice or formally agreed with the supplier. Expenditure amounting to R1 106 328 for the year ended 31 March 2009 was not recorded.

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

41. An estimated misstatement of expenses amounting to R239 187 was identified being invoices for the 2008 financial period that were only accounted for in the current year. Accordingly expenses for the current year are overstated by same amount and opening retained income is understated by R239 187.
42. I noted that external auditor's remuneration amounting to R707 918 was overstated by the incorrect classification of internal audit fees, agency and consultancy fees.
43. I was not provided with sufficient audit evidence to satisfactorily perform the necessary audit procedures to obtain reasonable assurance that certain operating expenditure amounting to R6 816 606 for the year ended 31 March 2009. There were also no alternative satisfactory audit procedures that I could perform to obtain reasonable assurance that the operating expenditure is properly recorded due to restrictions imposed by the Commission and their records not permitting the application of alternative procedures.
44. Comparative information for expenses on the financial statements differs from the amounts reported in the 2008 financial statements by R2 610 235. I was not provided with sufficient audit evidence to satisfactorily perform the necessary audit procedures to obtain reasonable assurance that the reclassification of comparatives is fairly presented.

Employee cost (included in operating expenditure)

45. the South African Statement of Generally Accepted Accounting Practice (GAAP), IAS 37.11 (AC 130) - Provisions contingent liabilities and contingent assets - Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoice or formally agreed with the supplier, including amounts due to employees. Employee related expenditure amounting to R549 085 for the year ended 31 March 2009 was not recorded.
46. Comparative information for employee cost on the financial statements differs from the amounts reported in the 2008 financial statements by R1 683 178. I was not provided with sufficient audit evidence to satisfactorily perform the necessary audit procedures to obtain reasonable assurance that the reclassification of comparatives is fairly presented.
47. According to the International Accounting Standard (IAS) 19.46 – Employee Benefits the Commission has to disclose the amount recognised as an expense for defined contribution plans. The Commission did not disclose any information regarding the defined contribution plan expense as post-employment benefits for employees in the annual financial statements. The total amount of R2 350 303 was paid over to the Pension Fund for the financial year ending 31 March 2009 as the expense incurred for the Commission's defined contribution plan. The amounts, nature, extend and description of plan needs to be disclosed in the Annual Financial Statements ending 31 March 2009.
48. Further, I was not provided with sufficient audit evidence to perform the necessary audit procedures to obtain reasonable assurance that employee costs amounting to R2 037 503 is fairly presented. There were also no alternative satisfactory audit procedures that we could perform to obtain

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

reasonable assurance that employee costs are properly recorded due to restrictions imposed by the Commission and their records not permitting the application of alternative procedures. This amount relates to the following:

• Medical and housing subsidies	R549 467
• Employee allowances and travel and subsistence	R988 659
• Basic salary	R406 234
• Other	R 93 143

49. Consequently, I was unable to satisfy myself as to the occurrence, completeness, cut off, accuracy and classification of operating expenditure amounting to R51 166 452 (2007/08: R49 494 856) for the year ended 31 March 2009.

Reclassification of comparatives

50. I was not provided with sufficient audit evidence to satisfactorily perform the necessary audit procedures to obtain reasonable assurance that the reclassified comparative amounts relating to revaluation reserve amounting to R4 049 054, disclosed in note 16 to the financial statements, are been fairly presented. There were also no alternative satisfactory audit procedures that I could perform to obtain reasonable assurance that the reclassification is properly recorded due to restrictions imposed by the Commission and their records did not permit the application of alternative procedures.

51. Consequently, I was unable to satisfy myself as to the existence, completeness, classification, rights and obligations and valuation of the reclassified amount.

Revenue

52. In common with similar organisations, it is not feasible for the Commission to institute accounting controls over cash collections from donations prior to initial entry of the collections in the accounting records. Accordingly, it was impracticable for me to extend my examination beyond the receipts actually recorded.

Cash and cash equivalents

53. GRAP 1.42, Presentation of financial statements, assets and liabilities, revenue and expenses shall not be offset unless required or permitted by a standard of GRAP. I noted that the comparative for cash and cash equivalents has been presented as a net amount of the current liability of R2 324 302 and a current asset of R6 656 042.

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

Related parties and key management

54. In terms of Generally Accepted Accounting Practice, IAS 24.16 – Related Parties requires disclosure of related parties and key management personnel. However, no disclosure was made in the annual financial statements for the years ended 31 March 2009 and no sufficient appropriate audit evidence was provided for 31 March 2008.

55. There were also no alternative satisfactory audit procedures that I could perform to determine the amount to be disclosed for related parties and key management due to restrictions imposed by the Commission and their records did not permit the application of alternative procedures.

Commitments

56. The PFMA 55(2)(b)(iv) requires the disclosure of commitments made by the State on its behalf. No disclosure was made in terms of future commitments in the annual financial statements for the years ended 31 March 2009 and 31 March 2008. There were also no alternative satisfactory audit procedures that I could perform to determine the amount to be disclosed for commitments due to restrictions imposed by the Commission and their records did not permit the application of alternative procedures.

Disclaimer of opinion

57. Because of the significance of the matters described in the Basis for disclaimer of opinion paragraphs, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

Emphasis of matters

58. I draw attention to the following matters on which I do not express a disclaimer of opinion:

Basis of accounting

59. The Commission's policy is to prepare financial statements on the basis of accounting determined by the National Treasury as set out in accounting policy note 1.1 to the financial statements.

Other matters

60. I draw attention to the following matters that relates to my responsibilities in the audit of the financial statements.

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

Material inconsistencies in other information included in the annual report

61. I have not obtained information supporting the other information included in the annual report and as a result am not able to confirm the accuracy, completeness and existence of reported information and to identify any material inconsistencies with the financial statements.

Non-compliance with applicable legislation

62. Treasury Regulations (TR)

- Payments were not in all instances made within 30 days as payments exceed the payment terms of 30 days as detailed in TR 8.2.

63. Public Finance Management Act (PFMA)

- Late submission of financial statements - The annual financial statements were submitted three months after due date. This is in violation of section 40(1)(c)(i) of the PFMA
- Lack of budget preparation and monitoring framework - During the audit it was noted that the Commission did not submit reports as required by the PFMA section 40(4)(a)-(c)
- In specified instances procurement was not done by way of quotations or through a bidding process within the threshold values as determined by the National Treasury as required by TR16A6.1.

Unaudited supplementary schedules

64. The supplementary information set out on page 80 to 81 does not form part of the financial statements and is presented as additional information. I have not audited this information and accordingly I do not express an opinion thereon.

Governance framework

65. The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and are reflected in the internal control deficiencies and key governance responsibilities addressed below:

Internal control deficiencies

66. Section 38(1)(a)(i) of the PFMA states that the accounting officer must ensure that the Commission has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes that gave rise to the deficiencies in the system of internal control, which led to the disclaimer of opinion. The root causes are categorised according to the five components of an effective system of internal control. (The number listed per component can be followed with the legend below the table.) In some instances deficiencies exist in more than one internal control component.

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

Par. no.	Basis for disclaimer of opinion	CE	RA	CA	IC	M
4 - 6	Provisions	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
7 -15	Property, Plant and equipment	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
16-18	Retained income	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
19 -23	Trade payables	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
24 -27	Contingencies	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
28 -30	Finance leases	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
31 -33	Trade and other receivables	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
34 -36	Irregular expenditure	1 to 7	1 To 5	1 to 7	1 to 3	1 to 3
37	Fruitless and wasteful expenditure	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
38-39	Finance costs	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
40 -49	Operating expenditure	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
50 -51	Reclassification of comparatives	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
52	Revenue	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
53	Cash and cash equivalents	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
54 -55	Related parties and key management	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3
56	Commitments	1 to 7	1 to 5	1 to 7	1 to 3	1 to 3

Legend	
CE = Control environment	
The organisational structure does not address areas of responsibility and lines of reporting to support effective control over financial reporting.	1
Management and staff are not assigned appropriate levels of authority and responsibility to facilitate control over financial reporting.	2
Human resource policies do not facilitate effective recruitment and training, disciplining and supervision of personnel.	3
Integrity and ethical values have not been developed and are not understood to set the standard for financial reporting.	4
The accounting officer/accounting authority does not exercise oversight responsibility over financial reporting and internal control.	5
Management's philosophy and operating style do not promote effective control over financial reporting.	6
The entity does not have individuals competent in financial reporting and related matters.	7
RA = Risk assessment	
Management has not specified financial reporting objectives to enable the identification of risks to reliable financial reporting.	1
The entity does not identify risks to the achievement of financial reporting objectives.	2
The entity does not analyse the likelihood and impact of the risks identified.	3
The entity does not determine a risk strategy/action plan to manage identified risks.	4
The potential for material misstatement due to fraud is not considered.	5
CA = Control activities	
There is inadequate segregation of duties to prevent fraudulent data and asset misappropriation.	1
General information technology controls have not been designed to maintain the integrity of the information system and the security of the data.	2
Manual or automated controls are not designed to ensure that the transactions have occurred, are authorised, and are completely and accurately processed.	3
Actions are not taken to address risks to the achievement of financial reporting objectives.	4
Control activities are not selected and developed to mitigate risks over financial reporting.	5
Policies and procedures related to financial reporting are not established and communicated.	6
Realistic targets are not set for financial performance measures, which are in turn not linked to an effective reward system.	7
IC = Information and communication	
Pertinent information is not identified and captured in a form and time frame to support financial reporting.	1
Information required to implement internal control is not available to personnel to enable internal control responsibilities.	2
Communications do not enable and support the understanding and execution of internal control processes and responsibilities by personnel.	3
M = Monitoring	
Ongoing monitoring and supervision are not undertaken to enable an assessment of the effectiveness of internal control over financial reporting.	1
Neither reviews by internal audit or the audit committee nor self-assessments are evident.	2
Internal control deficiencies are not identified and communicated in a timely manner to allow for corrective action to be taken.	3

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

Key governance responsibilities

67. The PFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.		✓
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.		✓
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.		✓
Timeliness of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines section 40 of the PFMA.		✓
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.		✓
Development and compliance with risk management, effective internal control and governance practices			
6.	Audit committee		✓
	The Commission had an audit committee in operation throughout the financial year.		✓
	The audit committee operates in accordance with approved, written terms of reference.		✓
	The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10		✓
7.	Internal audit		✓
	The Commission had an internal audit function in operation throughout the financial year.		✓
	The internal audit function operates in terms of an approved internal audit plan.		✓
	The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2		✓
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.		✓
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.		✓
10.	The information systems were appropriate to facilitate the preparation of the financial statements.		✓
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 3.2		✓
12.	Powers and duties have been assigned, as set out in section 44 of the PFMA		✓
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.		✓
14.	SCOPA resolutions have been substantially implemented.	N/A	
Issues relating to the reporting of performance information			
15.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.		✓
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.		✓
17.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the entity against its mandate, predetermined objectives, outputs, indicators and targets as per Treasury Regulation 29.1		✓
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.		✓

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

Investigations

68. An investigation is being conducted by the Auditor General South Africa (AGSA) and the Office of the Public Protector into possible financial misconduct, irregularities and contravention of laws and regulations. The investigation was still ongoing at the reporting date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**Report on performance information**

69. I have not reviewed the performance information as set out on pages 11 to 44 as the information was not presented at the time of the audit.

The accounting officer's responsibility for the performance information

70. The accounting officer has additional responsibilities as required by section 40(3)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the Commission.

The Auditor-General's responsibility

71. I conducted my engagement in accordance with section 13 of the PAA read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008.
72. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.
73. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the audit findings reported below.

Audit findings (performance information)**Non-compliance with regulatory requirements****No strategic plan**

74. The accounting officer of the Commission did not prepare a strategic plan that is consistent with the period covered by the medium-term expenditure framework for approval by the relevant executive authority, as required by Treasury Regulation 5.1.1.

Lack of effective, efficient and transparent systems and internal controls regarding performance management

75. The accounting officer did not ensure that the Commission has and maintains an effective, efficient and transparent system and internal controls regarding performance management, which describe and represent how the Commission's processes of performance planning, monitoring, measurement, review and reporting will be conducted, organised and managed, as required in terms of section 38(1)(a)(i) and (b) of the PFMA.

REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA continued....

No quarterly reporting on performance information

76. No quarterly reports on the progress in achieving measurable objectives and targets were prepared by the different programme managers and as a whole for the Commission to facilitate effective performance monitoring, evaluation and corrective action, as required by Treasury Regulation 5.3.1.

Performance information not received in time

77. I was not able to complete an evaluation of the quality of the reported performance information as set out on pages 16 to 50 of the annual report, since the information was not received in time.

APPRECIATION

78. The assistance rendered by the staff of the Commission during the audit is sincerely appreciated.

Auditor-General

Pretoria

1 April 2010



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

General Information

Country of incorporation Nature of business and principal activity	The principle activity of the Commission is the monitoring and promoting of gender equality and contributing to the elimination of all forms of gender discrimination.
Commissioner	Dr Y Abrahams Ms NP Gasa Ms J Hicks Dr A Keet Ms M Kenosi Rev S Khumalo Adv B Khutsoane Ms N Loyilane Dr T Maitse Ms R Shabodien Mr M Shozi
Registered Office	No 2 Kotze Street Women's Jail, Braamfontein, 2017
Business Address	No 2 Kotze Street Women's Jail, Braamfontein, 2017
Postal Address	P.O.Box 3217 Braamfontein Gauteng 2017

Commissioners' Responsibilities and Approval

The accounting authority is required by the Public Finance Management Act 1 of 1999, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the commission as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice including any interpretations of such statements issued by the Accounting Practice Board, with the prescribed GRAP issued by the Accounting Standards Board replacing the equivalent SA GAAP Statement as follows:

Standards of GRAP

GRAP 1: Presentation of financial statements
GRAP 2: Cash flow statements
GRAP 3: Accounting policies, changes in accounting estimates and errors

Replaced Statement of SA GAAP

AC 101: Presentation of financial statements
AC 118: Cash flow statements
AC 103: Accounting policies, changes in estimates and errors

The financial statements are based upon policies consistently applied and supported by reasonable and prudent judgement and estimates.


The accounting authority acknowledge that they are ultimately responsible for the system of internal financial control established by the Commission and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the accounting authority sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Commission and all employees are required to maintain the highest ethical standards in ensuring the Commission's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Commission is on identifying, assessing, managing and monitoring all known forms of risk across the Commission. While operating risk cannot be fully eliminated, the Commission endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The accounting authority have reviewed the Commission's cash flow forecast for the year to 31 March 2010 and, in the light of this review and the current financial position, they are satisfied that the Commission has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the Commission's annual financial statements. The annual financial statements have been examined by the Commission's external auditors and their report is presented on page 3.

The annual financial statements set out on pages 4 to 21, which have been prepared on the going concern basis, were approved by the board of commissioners on 31 August 2009 and were signed on its behalf by:



Ms Keketso Maema
 On Behalf of Acting Chief Executive Officers



Mr Mfanozelwe Shozi
 Deputy Chairperson.

Statement of Financial Position

Figures in Rand	Note(s)	2009	2008
Assets			
Non-Current Assets			
Property, plant and equipment	3	6,162,736	6,227,669
Intangible assets	4	391,878	787,784
		6,554,614	7,015,453
Current Assets			
Trade and other receivables	5	276,253	549,917
Cash and cash equivalents	6	276,955	4,331,739
		553,208	4,881,656
Total Assets		7,107,822	11,897,109
Net Assets and Liabilities			
Net Assets			
Accumulated surplus		529,850	5,743,510
Liabilities			
Non-Current Liabilities			
Finance lease obligation	7	-	185,564
Current Liabilities			
Finance lease obligation	7	185,568	226,014
Trade and other payables	9	4,995,155	4,551,353
Provisions	8	1,397,249	1,190,668
		6,577,972	5,968,035
Total Liabilities		6,577,972	6,153,599
Total Net Assets and Liabilities		7,107,822	11,897,109

Statement of Financial Performance

Figures in Rand	Note(s)	2009	2008
Government grants		46,193,000	39,745,000
Donor funding		-	522,058
Operating expenses		(51,166,452)	(49,494,856)
Operating surplus / (deficit)		(4,973,452)	(9,227,798)
Investment revenue	10	89,267	814,212
Finance costs	11	(329,475)	(183,892)
Net surplus / (deficit) for the period		(5,213,660)	(8,597,478)

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total equity
Balance at 01 April 2007	14,340,988	14,340,988
Changes in equity		
Deficit for the year	(8,597,478)	(8,597,478)
Total changes	(8,597,478)	(8,597,478)
Balance at 01 April 2008	5,743,510	5,743,510
Loss for the year	(5,213,660)	(5,213,660)
Total changes	(5,213,660)	(5,213,660)
Balance at 31 March 2009	529,850	529,850

Cash Flow Statement

Figures in Rand	Note(s)	2009	2008
Cash flows from operating activities			
Cash receipts		46,193,000	41,081,269
Cash paid to suppliers and employees		(47,719,420)	(50,971,531)
Cash used in operations	12	(1,526,420)	(9,890,262)
Interest income		89,267	814,212
Finance costs		(157,169)	(1,512)
Net cash from operating activities		(1,594,322)	(9,077,562)
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(2,062,146)	(1,691,252)
Purchase of other intangible assets	4	-	(84,886)
Net cash from investing activities		(2,062,146)	(1,776,138)
Cash flows from financing activities			
Finance lease payments		(398,316)	481,768
Total cash movement for the year		(4,054,784)	(10,371,932)
Cash at the beginning of the year		4,331,739	14,703,671
Total cash at end of the year	6	276,955	4,331,739

Accounting Policies

1. Basis of presentation

The annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice including any interpretations of such statements issued by the Accounting Practice Board, with the prescribed GRAP issued by the Accounting Standards Board replacing the equivalent SA GAAP Statement as follows:

Standards of GRAP

GRAP 1: Presentation of financial statements
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GRAP 3: Accounting policies, changes in accounting estimates and errors

Replaced Statement of SA GAAP

AC 101: Presentation of financial statements
AC 118: Cash flow statements
AC 103: Accounting policies, changes in estimates and errors

The financial statements are based upon policies consistently applied and supported by reasonable and prudent judgement and estimates.

The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

1.1 Significant judgements

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 8 - Provisions.

Allowance for doubtful debts

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

1.2 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 associated with the item will flow to the commission; and
- the cost of the item can be measured reliably.

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

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment.

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

Item

Furniture and fixtures
Motor vehicles
Office equipment
IT equipment

Average useful life

5 years
4 years
5 years
3 - 5 years

The residual value and the useful life of each asset are reviewed at each financial period-end.

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

Accounting Policies

1.2 Property, plant and equipment (continued)

shall be depreciated separately.

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

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.3 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

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

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

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

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

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

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

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

Item	Useful life
Computer software	3 - 5 years

1.4 Financial instruments

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable 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 computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within operating expenses. When a trade receivable is uncollectible, it is written off

Accounting Policies

1.4 Financial instruments (continued)

against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the income statement.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade 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 comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.5 Leases

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

Finance leases – lessee

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

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

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

1.6 Impairment of assets

The commission assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the commission estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the commission also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

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

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination.

Accounting Policies

1.6 Impairment of assets (continued)

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit and
- then, to the other assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.7 Employee benefits

Short-term employee benefits

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

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.8 Government grants

Government grants are recognised when there is reasonable assurance that:

- the commission will comply with the conditions attaching to them; and
- the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Grants related to income are presented as a credit in the income statement (separately).

1.9 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the Annual Financial Statements

Figures in Rand	2009	2008
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2. New standards and interpretations

2.1 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the commission's accounting periods beginning on or after 01 April 2009:

IAS 1 (AC 101) (Revised) Presentation of Financial Statements

The main revisions to IAS 1 (AC 101):

- Require the presentation of non-owner changes in equity either in a single statement of comprehensive income or in an income statement and statement of comprehensive income.
- Require the presentation of a balance sheet at the beginning of the earliest comparative period whenever a retrospective adjustment is made. This requirement includes related notes.
- Require the disclosure of income tax and reclassification adjustments relating to each component of other comprehensive income. The disclosures may be presented on the face of the statement of comprehensive income or in the notes.
- Allow dividend presentations to be made either in the statement of changes in equity or in the notes only.
- Have changed the titles to some of the financial statement components, where the 'balance sheet' becomes the 'statement of financial position' and the 'cash flow statement' becomes the 'statement of cash flows.' These new titles will be used in International Financial Reporting Standards, but are not mandatory for use in financial statements.

The effective date of the standard is for years beginning on or after 01 January 2009.

The commission does not envisage the adoption of the standard until such time as it becomes applicable to the commission's operations.

It is unlikely that the standard will have a material impact on the commission's annual financial statements.

IAS 23 (AC 114) (Revised) Borrowing Costs

The revision requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs has been removed.

The effective date of the standard is for years beginning on or after 01 January 2009.

The commission does not envisage the adoption of the standard until such time as it becomes applicable to the commission's operations.

It is unlikely that the standard will have a material impact on the commission's annual financial statements.

Amendments to IFRS 7 (AC 144) Financial Instruments: Disclosures

The amendment relates to changes in the Implementation Guidance of the Standard. 'Total interest income' was removed as a component of finance costs from paragraph IG13. This was to remove inconsistency with the requirement of IAS 1 (AC 101) Presentation of Financial Statements which precludes the offsetting of income and expenses.

The effective date of the amendment is for years beginning on or after 01 January 2009.

The commission does not envisage the adoption of the standard until such time as it becomes applicable to the commission's operations.

The commission is unable to reliably estimate the impact of the amendment on the annual financial statements.

Amendments to IAS 1 (AC 101) Presentation of Financial Statements

The amendment is to clarify that financial instruments classified as held for trading in accordance with IAS 39 (AC 133) Financial Instruments: Recognition and Measurement are not always required to be presented as current assets/liabilities.

The effective date of the amendment is for years beginning on or after 01 January 2009.

Notes to the Annual Financial Statements

Figures in Rand	2009	2008
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2. New standards and interpretations (continued)

The commission does not envisage the adoption of the standard until such time as it becomes applicable to the commission's operations.

It is unlikely that the amendment will have a material impact on the commission's annual financial statements.

Amendments to IAS 8 (AC 103) Accounting Policies Changes in Accounting Estimates and Errors

The amendment clarified that Implementation Guidance related to any Standard is only mandatory when it is identified as an integral part of the Standard.

The effective date of the amendment is for years beginning on or after 01 January 2009.

The commission does not envisage the adoption of the standard until such time as it becomes applicable to the commission's operations.

It is unlikely that the amendment will have a material impact on the commission's annual financial statements.

Amendments to IAS 10 (AC 107) Events after the Reporting Period

The amendment clarified that if dividends are declared (appropriately authorised and no longer at the discretion of the entity) after the reporting period but before the financial statements are authorised for issue, the dividends may not be recognised as a liability as no obligation exists at the reporting date. Thus clarifying that in such cases a liability cannot be raised even if there is a constructive obligation.

The effective date of the amendment is for years beginning on or after 01 January 2009.

The commission does not envisage the adoption of the standard until such time as it becomes applicable to the commission's operations.

It is unlikely that the amendment will have a material impact on the commission's annual financial statements.

Amendments to IAS 16 (AC 123) Property, Plant and Equipment

The term 'net selling price' has been replaced with 'fair value less cost to sell' in the definition of recoverable amount.

The effective date of the amendment is for years beginning on or after 01 January 2009.

The commission does not envisage the adoption of the standard until such time as it becomes applicable to the commission's operations.

It is unlikely that the amendment will have a material impact on the commission's annual financial statements.

Amendments to IAS 7 (AC 118) Statement of Cash Flows

Cash payments to manufacture or acquire property, plant and equipment that entities routinely sell and which they have previously held for rentals to others, and cash receipts from rental and sale of such assets are to be included within operating activities.

The effective date of the amendment is for years beginning on or after 01 January 2009.

The commission does not envisage the adoption of the standard until such time as it becomes applicable to the commission's operations.

It is unlikely that the amendment will have a material impact on the commission's annual financial statements.

Amendments to IAS 20 (AC 134) Accounting for Government Grants and Disclosure of Government Assistance

The amendment requires that the benefit of loans from Government with a below market rate of interest be accounted for as a government grant, measured as the difference between the initial carrying amount of the loan determined in accordance with IAS 39 (AC 133) Financial Instruments: Recognition and Measurement and the proceeds received.

Notes to the Annual Financial Statements

Figures in Rand	2009	2008
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2. New standards and interpretations (continued)

The terminology in the Standard was also amended to bring it in line with other Standards and Interpretations.

The effective date of the amendment is for years beginning on or after 01 January 2009.

The commission does not envisage the adoption of the standard until such time as it becomes applicable to the commission's operations.

It is unlikely that the amendment will have a material impact on the commission's annual financial statements.

Amendments to IAS 38 (AC 129) Intangible Assets

The amendments clarify the circumstances in which an entity can recognise a prepayment asset for advertising or promotional expenditure. Recognition of an asset would be permitted up to the point at which the entity has the right to access the goods purchased or up to the point of receipt of services.

In addition, wording perceived as prohibiting the use of the unit of production method if it results in a lower amount of accumulated amortisation than under the straight line method has been removed. Entities may use the unit of production method when the resulting amortisation charge reflects the expected pattern of consumption of the expected future economic benefits embodied in an intangible asset.

The effective date of the amendment is for years beginning on or after 01 January 2009.

The commission does not envisage the adoption of the standard until such time as it becomes applicable to the commission's operations.

It is unlikely that the amendment will have a material impact on the commission's annual financial statements.

Amendments to IAS 39 (AC 133) Financial Instruments: Recognition and Measurement

IAS 39 (AC 133) prohibits the classification of financial instruments into or out of the fair value through profit or loss category after initial recognition. The amendments set out a number of changes in circumstances that are not considered to be reclassifications for this purpose.

The amendments have also removed references to the designation of hedging instruments at the segment level.

The amendments further clarify that the revised effective interest rate calculated when fair value hedge accounting ceases, in accordance with paragraph 92 IAS 39 (AC 133) should be used for the remeasurement of the hedged item when paragraph AG8 of IAS 39 (AC 133) is applicable.

The effective date of the amendment is for years beginning on or after 01 January 2009.

The commission does not envisage the adoption of the standard until such time as it becomes applicable to the commission's operations.

It is unlikely that the amendment will have a material impact on the commission's annual financial statements.

Amendment to IAS 39 (AC 133) and IFRS 7 (AC 144): Reclassification of Financial Assets

The amendment permits an entity to reclassify certain financial assets out of the fair value through profit or loss category if certain stringent conditions are met. It also permits an entity to transfer from the available for sale category to loans and receivables under certain circumstances. Additional disclosures are required in the event of any of these reclassifications.

The effective date of the amendment is for years beginning on or after 01 July 2009.

The commission does not envisage the adoption of the standard until such time as it becomes applicable to the commission's operations.

It is unlikely that the amendment will have a material impact on the commission's annual financial statements.

Notes to the Annual Financial Statements

Figures in Rand 2009 2008

3. Property, plant and equipment

	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Furniture and fixtures	4,029,328	(2,458,818)	1,570,510	3,366,381	(1,754,176)	1,612,205
Motor vehicles	1,765,080	(1,541,324)	223,756	1,765,080	(1,072,440)	692,640
Office equipment	1,669,770	(892,949)	776,821	1,593,048	(720,615)	872,433
IT equipment	9,542,663	(6,060,790)	3,481,873	8,220,186	(5,485,558)	2,734,628
Leased assets	1,029,934	(920,158)	109,776	1,029,934	(714,171)	315,763
Total	18,036,775	(11,874,039)	6,162,736	15,974,629	(9,746,960)	6,227,669

Reconciliation of property, plant and equipment - 2009

	Opening Balance	Additions	Depreciation	Total
Furniture and fixtures	1,612,205	662,948	(704,643)	1,570,510
Motor vehicles	692,640	-	(468,884)	223,756
Office equipment	872,433	76,722	(172,334)	776,821
IT equipment	2,734,628	1,322,476	(575,231)	3,481,873
Leased assets	315,763	-	(205,987)	109,776
	6,227,669	2,062,146	(2,127,079)	6,162,736

Reconciliation of property, plant and equipment - 2008

	Opening Balance	Additions	Depreciation	Total
Furniture and fixtures	2,236,890	421,570	(1,046,255)	1,612,205
Motor vehicles	1,475,431	-	(782,791)	692,640
Office equipment	653,947	459,008	(240,522)	872,433
IT equipment	4,109,721	810,674	(2,185,767)	2,734,628
Leased assets	521,750	-	(205,987)	315,763
	8,997,739	1,691,252	(4,461,322)	6,227,669

Assets subject to finance lease (Net carrying amount)

Leased assets	109,776	315,763
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4. Intangible assets

	2009			2008		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	1,187,836	(795,958)	391,878	1,187,836	(400,052)	787,784

Reconciliation of intangible assets - 2009

	Opening balance	Amortisation	Total
Computer software	787,784	(395,906)	391,878

Reconciliation of intangible assets - 2008

Notes to the Annual Financial Statements

Figures in Rand	2009	2008		
4. Intangible assets (continued)				
	Opening Balance	Additions	Amortisation	Total
Computer software	1,072,312	84,886	(369,414)	787,784
5. Trade and other receivables				
Trade receivables			366,423	549,917
Provision for doubtful debts			(90,170)	-
			276,253	549,917
6. Cash and cash equivalents				
Cash and cash equivalents consist of:				
Cash on hand			15,609	15,109
Bank balances			261,346	4,316,630
			276,955	4,331,739
7. Finance lease obligation				
Present value of minimum lease payments due				
- within one year			185,568	226,014
- in second to fifth year inclusive			-	185,564
			185,568	411,578
Non-current liabilities			-	185,564
Current liabilities			185,568	226,014
			185,568	411,578

It is the policy of the commission to lease certain equipment under finance leases.

The average lease term was 3-5 years.

Interest rates are linked to prime at the contract date.

8. Provisions

Reconciliation of provisions - 2009

	Opening Balance	Additions	Utilised during the year	Total
Provision for leave pay and bonuses	1,190,668	1,397,249	(1,190,668)	1,397,249

Reconciliation of provisions - 2008

	Opening Balance	Additions	Utilised during the year	Total
Provision for leave pay and bonuses	808,689	1,190,668	(808,689)	1,190,668

Notes to the Annual Financial Statements

Figures in Rand	2009	2008
9. Trade and other payables		
Trade payables	3,787,647	3,822,716
SARS	1,207,508	728,637
	4,995,155	4,551,353
10. Investment revenue		
Interest revenue		
Sundry income	89,267	814,212
11. Finance costs		
Finance leases	172,306	182,380
Interest as a result of carrying payables at fair value	157,169	1,512
	329,475	183,892
12. Cash used in operations		
Loss before taxation	(5,213,660)	(8,597,478)
Adjustments for:		
Depreciation and amortisation	2,522,986	4,829,224
Interest received	(89,267)	(814,212)
Finance costs	329,474	(138,626)
Movements in provisions	206,581	381,979
Prior period error	-	(2,932,798)
Changes in working capital:		
Trade and other receivables	273,664	(467,440)
Trade and other payables	443,802	(2,319,816)
Increase/decrease in donor funding	-	168,905
	(1,526,420)	(9,890,262)
13. Contingencies		
<p>The Chief Executive Officer of the Commission was suspended since 21 April 2008 and the matter has not been resolved to date. At the time of reporting, there existed no prospects of conclusion but an indication of a protracted legal battle between the parties. Having considered, recent precedent arising from cases of this nature in the market as well as the surrounding circumstances, it is considered reasonable to expect a potential claim to the amount of R10 million.</p> <p>Payments to the South African Revenue Services (SARS) for PAYE had been made late during the year. SARS has to date, not claimed any interest or penalties, but there may be a possible claim relating to the late payment. The possible amount of these is uncertain.</p> <p>The Commission entered into a memorandum of understanding (MOU) with the Human Rights Commission and the Office of the Public Protector to be jointly and severally liable in a program funded by the European Union named Civil Society Advocacy Programme (CSAP). During the subsistence of this programme, expenses were incurred for services rendered by third parties and have not been paid. The outstanding balance amounts to R847,000, and in accordance with the MOU, at balance sheet date, the parties are individually indebted to the third party to the third or an equivalent of R300,000 taking into account costs potentially incidental.</p>		
14. Senior management remuneration		
<p>Please refer to annexure A to the annual financial statements for the emoluments of commissioners and executive management.</p>		

Notes to the Annual Financial Statements

Figures in Rand	2009	2008
15. Prior period errors		
<p>Depreciation for the year ended 31 March 2008 was incorrectly calculated. An accrual relating to the Department of Public Works was incorrectly raised during the year ended 31 March 2008. Finance lease obligation was incorrectly stated for the year ended 31 March 2008.</p> <p>The correction of the errors results in adjustments as follows:</p>		
Balance sheet		
Property, plant and equipment	-	(2,098,198)
Trade and other payables	-	1,150,532
Finance lease obligation	-	149,740
Accumulated surplus	-	(1,150,532)
Income statement		
Depreciation expense	-	2,098,198
Finance costs	-	(149,740)

16. Comparative figures

Certain comparative figures have been reclassified.

The effects of the reclassification are as follows:

Balance sheet		
Revaluation reserve	-	4,049,454
Accumulated surplus	-	(4,049,454)

17. Risk management

Liquidity risk

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

Interest rate risk

The commission's interest rate risk arises from finance leases. Borrowings issued at variable rates expose the group to cash flow interest rate risk.

As at 31 March 2009, if the interest rate on variable rate assets and liabilities of the company held at amortised cost had increased or decreased by 100 basis points on prime lending rate of 13.5%, with all other variables held constant, the impact in the surplus or deficit would have been as follows:

Interest rate sensitivity analysis

Financial instrument	Impact on surplus / (deficit)
Increase by 100 basis points	(2,165)
Decrease by 100 basis points	2,165

Credit risk

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

Credit risk arises on cash and cash equivalents and trade receivables. The risk on the cash and cash equivalents is managed through dealing with well established financial institutions and the Commission for Gender Equality. Financial assets exposed to credit risk at year end were as follows:

Notes to the Annual Financial Statements

Figures in Rand	2009	2008
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18. Going concern

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

19. Events after reporting period

The President of the Republic of South Africa, by proclamation in the Government Gazette no. 32367 of 01 July 2009, has transferred the Administration, Powers, and Functions of the CGE Act from the Department of Justice and Constitutional Development (DoJ) to the newly created Ministry on Women, Children and People with Disabilities. The proclamation was pronounced on 01 July 2009 and effectively shifts the vote and accountability to the Parliament from the DoJ to the new Department with immediate effect upon promulgation.

Commission for Gender Equality

Annual Financial Statements for the year ended 31 March 2009

Detailed Income statement

Figures in Rand	Note(s)	2009	2008
Revenue			
Government grant		46,193,000	39,745,000
Other income			
Donor funding		-	522,058
Interest received	10	89,267	814,212
		89,267	1,336,270
Expenses (Refer to page 81)			
		(51,166,452)	(49,494,856)
Operating loss			
Finance costs	11	(329,475)	(183,892)
		(5,213,660)	(8,597,478)
Loss for the year			

Detailed Income statement

Figures in Rand	Note(s)	2009	2008
Operating expenses			
Advertising		(269,812)	(406,905)
Auditors remuneration		(1,104,685)	(803,935)
Bad debts		(90,170)	-
Bank charges		(45,011)	(110,007)
Cleaning		(104,302)	(65,660)
Computer expenses		(1,077,959)	(399,533)
Consulting fees professional		(4,036,761)	(1,884,057)
Consumables		(428)	(34,367)
Depreciation, amortisation and impairments		(2,522,986)	(4,829,224)
Employee costs		(26,391,221)	(25,264,774)
Entertainment		(136,737)	(125,995)
Fines and penalties		(300)	-
Flowers		(45,979)	(63,573)
Insurance		(150,482)	(136,130)
Lease rentals on operating lease		(515,143)	(813,721)
Legal expenses		(2,728,898)	(49,984)
Marketing expenses		(2,266,339)	-
Minor assets		(4,440)	(11,510)
Motor vehicle expenses		(203,607)	(277,394)
Other operating expenses		(357,874)	(403,420)
Parking rental		(170,204)	(155,941)
Personnel agencies fees		(314,389)	(212,192)
Postage		(6,365)	(4,168)
Printing and stationery		(691,681)	(1,428,902)
Promotions		(50,560)	(913,291)
Repairs and maintenance		(55,018)	(311,922)
Research and development costs		(72,272)	(84,457)
Resources material		(1,740)	(667,941)
Security		(51,560)	(12,974)
Staff welfare		(301,161)	(542,374)
Subscriptions		(75,147)	(43,759)
Telephone and fax		(2,445,753)	(2,177,918)
Training		(115,339)	(785,847)
Transport and freight		(221,578)	(234,167)
Travel - local		(3,547,099)	(4,290,825)
Utilities		-	(6,527)
Workshop		(993,452)	(1,941,462)
		(51,166,452)	(49,494,856)

ACRONYMS AND ABBREVIATIONS

used in this report

ACDP	African Christian Democratic Party
AIDS	acquired immuno-deficiency syndrome
ANC	African National Congress
ANCRA	Association for Community and Rural Advancement
ASA	Advertising Standards Authority of South Africa
BEE	Black Economic Empowerment
CBO	community-based organisation
CCMA	Commission for Conciliation, Mediation and Arbitration
CFO	Chief Financial Officer
CGE	Commission on Gender Equality
COO	Chief Operations Officer
Cosatu	Congress of South African Trade Unions
CSAP	Civil Society Advocacy Programme
CSW	United Nations Commission on the Status of Women
DA	Democratic Alliance
Denosa	Democratic Nursing Organisation of South Africa
DoE	Department of Education
DOJ	Department of Justice
DVA	Domestic Violence Act
ERC	Equality Review Committee
Fabcos	The Foundation for African Business and Consumer Services
Famsa	Family and Marriage Society of South Africa
FBO	faith-based organisation
GBV	gender-based violence
GCIS	Government Communication and Information System
GETT	Gender Equity Task Team
GFP	Gender Focal Point
HOD	head of department
HR	human resources
ID	Independent Democrats
IDP	Integrated Development Plan
IRC	Information and Resource Centre
IT	information technology

JMC	Joint Monitoring Committee
KZN	KwaZulu-Natal
LAB	Legal Aid Board
Naptosa	National Professional Teachers of South Africa
Natu	National Teachers' Trade Union
Nehawu	National Education Health and Allied Workers Union
NGO	non-governmental organisation
NPA	National Prosecuting Authority
NVAW	Network on Violence Against Women
OPP	Office of the Public Protector
OSW	Office on the Status of Women
PEI	public education and information programme
PanSALB	Pan South African Language Board
Pepuda	Promotion of Equality and Prevention of Unfair Discrimination Act
PEU	Professional Educators Union
PFMA	Public Finance Management Act, 1999
PGM	Provincial Gender Machinery
PPASA	Planned Parenthood Association of South Africa
PWMSA	Progressive Women's Movement of South Africa
SABC	South African Broadcasting Corporation
SACC	South African Council of Churches
SADC	Southern African Development Community
Sadtu	South African Democratic Teachers' Union
SAHRC	South African Human Rights Commission
Salga	South African Local Government Association
SAOU	SA Onderwysersunie/SA Teachers' Union
Sapa	South African Press Association
SAQA	South African Qualifications Authority
Sawid	South African Women in Dialogue
SCA	Supreme Court of Appeal
UN	United Nations
WARD	Women in Agriculture and Rural Development

