



ANNUAL REPORT 2021|22

A time for stability, growth and technological skills enhancement



**mineral resources
& energy**

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA



**higher education
& training**

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA



MINING QUALIFICATIONS AUTHORITY



MINING QUALIFICATIONS AUTHORITY (MQA) ANNUAL REPORT 2021-2022

HONOURABLE MINISTERS, IT IS A PLEASURE TO PRESENT YOU WITH THE ANNUAL
REPORT OF THE MINING QUALIFICATIONS AUTHORITY
FOR THE FINANCIAL YEAR

1 APRIL 2021 TO 31 MARCH 2022



Mr Gwede Mantashe
Minister of Mineral Resources and Energy



Dr Blade Nzimande
Minister of Higher Education, Science and
Innovation



Mr David Msiza
Chairperson



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MINING QUALIFICATIONS AUTHORITY

Digging with Skills and Knowledge

VISION

A competent health and safety-oriented mining and minerals workforce.

MISSION

To ensure that the mining and minerals sector has sufficient competent people to improve health and safety, entrench employment equity and increase productivity standards.

VALUES

The MQA subscribes to the following values:



Integrity



Accountability



Continuous learning



Stakeholder orientation



Respect



Service excellence



Value for money

Promote efficient and effective governance and administration.

1

Improve skills development planning and decision-making through research.

2

Promote work-based skills development to support transformation in the mining and minerals sector.

3

STRATEGIC OBJECTIVES



Facilitate access to occupationally directed learning programmes for the unemployed.

4

Support training initiatives in mine communities.

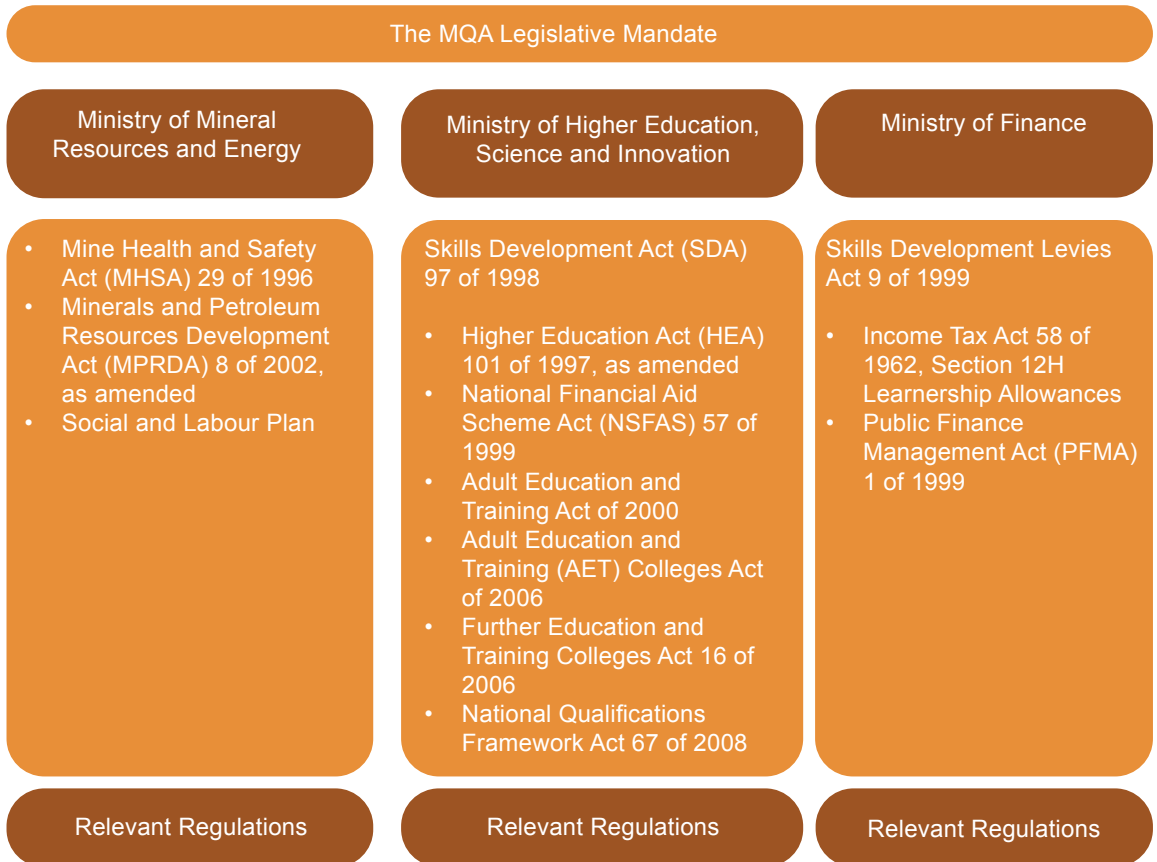
5

Ensure the delivery of quality learning programmes in the mining and minerals sector.

6

LEGISLATIVE AND OTHER MANDATES

The MQA is a Sector Education and Training Authority (SETA) that facilitates skills development under the Department of Higher Education, Science and Innovation, and supports mine health and safety under the Department of Mineral Resources and Energy (DMRE) for the mining and minerals sector. There are various pieces of legislation that govern the operations of the MQA. These are listed below:



In addition to the legislation listed above, national policy documents guide the development of skills in the sector, namely the National Skills, Development Plan (NSDP) 2020-2030, the New Growth Path, the National Skills Accord, the Decade of the Artisan, the Mining and Minerals Sector Skills Plan (SSP), the King IV Report and the Code on Corporate Governance, the Protocol on Corporate Governance in the Public Sector (2002), the Companies Act 71 of 2008 and all the MQA policies and procedures.

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ACRONYM LIST

| | | | |
|--------|--|--------|--|
| 4IR | Fourth Industrial Revolution | MEDP | Management and Executive Development Programme |
| AET | Adult Education and Training | MHSA | Mine Health and Safety Act |
| AGSA | Auditor-General South Africa | M&E | Monitoring and Evaluation |
| AMCU | Association of Mineworkers and Construction Union | MoA | Memorandum of Agreement |
| APP | Annual Performance Plan | MoU | Memorandum of Understanding |
| APR | Annual Performance Report | MPRDA | Mineral and Petroleum Resources Development Act |
| ARC | Audit and Risk Committee | MMS | Mining and Minerals Sector |
| ATR | Annual Training Reports | MQA | Mining Qualifications Authority |
| AQP | Assessment Quality Partner | NATED | National Accredited Technical Education Diploma |
| B-BBEE | Broad-based Black Economic Empowerment | NCV | National Certificate (Vocational) |
| CCMA | Commission for Conciliation, Mediation and Arbitration | NEDLAC | National Economic Development and Labour Council |
| CEO | Chief Executive Officer | NEHAWU | National Education, Health and Allied Workers' Union |
| ACEO | Acting Chief Executive Officer | NLRD | National Learner Records Database |
| CET | Community Education and Training | NSA | National Skills Authority |
| CFO | Chief Financial Officer | NSDP | National Skills Development Plan |
| COO | Chief Operating Officer | NSDS | National Skills Development Strategy |
| CoS | Centre of Specialisation | NSFAS | National Student Financial Aid Scheme |
| COSATU | Congress of South African Trade Unions | NUM | National Union of Mineworkers |
| CRM | Customer Relationship Management | NUMSA | National Union of Metalworkers of South Africa |
| CRMEO | Chief Risk Monitoring and Evaluation Officer | OFO | Organising Framework of Occupations |
| CSD | Central Supplier Database | OHS | Occupational Health and Safety |
| CET | Community Education and Training | OQSF | Occupational Qualifications Sub-Framework |
| CSIR | Council for Scientific and Industrial Research | OTC | Occupational Trades Convenor |
| DHET | Department of Higher Education and Training | QA | Quality Assurance |
| DMRE | Department of Mineral Resources and Energy | QAP | Quality Assurance Partner |
| DQP | Development Quality Partner | QDP | Quality Development Partner |
| EMCS | Executive Manager: Corporate Services | PFMA | Public Finance Management Act |
| EMSR | Executive Manager: Stakeholder Relations | PWD | People with Disabilities |
| ERP | Enterprise Resource Planning | QAP | Quality Assurance Partner |
| ERRP | Economic Reconstruction and Recovery Plan | QCTO | Quality Council for Trades and Occupations |
| EXCO | Executive Committee | | |
| FET | Further Education and Training | | |
| FINCOM | Finance Committee | | |
| FLC | Foundational Learning Competence | | |
| GDP | Gross Domestic Product | | |

ACRONYM LIST

| | | | |
|---------|---|-------|---|
| GRAP | Generally Recognised Accounting Practice | RPL | Recognition of Prior Learning |
| GSC | Governance and Strategy Committee | SAQA | South African Qualifications Authority |
| HDSA | Historically Disadvantaged South African | SARS | South African Revenue Service |
| HEA | Higher Education Act | SDA | Skills Development Act |
| HET | Higher Education and Training | SDF | Skills Development Facilitator |
| HR | Human Resources | SDP | Skills Development Providers |
| HRD | Human Resources Development | SDR | Skills Development and Research |
| HRREMCO | Human Resources and Remunerations Committee | SETA | Sector Education and Training Authority |
| HVAC | Heating, Ventilation and Air Conditioning | SLA | Service-level Agreement |
| ICT | Information and Communication Technology | SMME | Small, Micro, Medium Enterprises |
| IT | Information Technology | SSP | Sector Skills Plan |
| ITIL | Information Technology Infrastructure Library | TVET | Technical, Vocational, Education and Training |
| ITSC | Information Technology Steering Committee | UASA | United Association of South Africa |
| KZN | KwaZulu-Natal | Unisa | University of South Africa |
| | | UPS | Uninterrupted Power Supply |
| | | WSP | Workplace Skills Plans |



SECTION

1

**GENERAL
INFORMATION**

1.1. STRATEGIC OVERVIEW BY THE CHAIRPERSON



Mr David Msiza
MQA Chairperson

I am honoured, on behalf of the Board of the MQA, to present the 1 April 2021 to 31 March 2022 Annual Report to the Honourable Minister of Higher Education, Science and Innovation, Dr Blade Nzimande. I am also honoured to be appointed as the Chairperson of the MQA Board under the Department of Higher Education and Training (DHET), following the revised MQA Constitution. I thank my predecessor, Mr Mthokozisi Zondi, who was the interim chairperson of the MQA Board ensuring continuity of the Board activities. I welcome the new Board members and supporting committees representing the state, employer, labour and community representatives that were appointed in the financial year. The members of the Board carried themselves in a professional manner in their focus of addressing the national and strategic issues. I acknowledge the efforts of the various committed industry stakeholders and employees in the mining and minerals sector.

I am privileged to lead an organisation that consistently displays a good governance culture which has led to the achievement of a clean audit opinion from the Auditor-General of South Africa (AGSA) in the 2021-2022 financial year.

The achievement is attributed to the ongoing commitment by the MQA and its staff to continuously improve on their administrative processes. I thank the MQA staff members upfront for their efforts despite the challenges of the pandemic to persistently strive to obtain good results. The clean audit is no longer a distant aspiration and I remain confident that the MQA will maintain this achievement into the future. I thank the former acting Chief Executive Officer, Mr Bethuel Nemagovhani, who led the organisation towards this achievement in the financial year. I also extend a warm welcome to the new acting CEO and current MQA Chief Operations Officer, Dr Thabo Mashongoane, and wish him success during his tenure.

The MQA as a public entity is also guided by National Treasury in terms of the Public Finance Management Act (No 1 of 1999 as amended by Act 29 of 1999). The Board has exercised sufficient oversight of the core and support functions of the MQA for the period under review, and is satisfied that control measures are suitably efficient and effective to mitigate potential risks to the MQA. Furthermore, the Board and supporting committees are fully functional under the new MQA Constitution under the National Skills Development Plan (NSDP) 2020-2030 of the DHET, and supports the strategic mandate of the MQA in their respective operational and technical capacities.

The various skills development programmes implemented by the MQA are aligned to the MQA strategic objectives as identified in consultation with the MQA Board in order to address the scarce skills identified by the sector in line with MQA Sector Skills Plan.

The Board held its strategic planning sessions on 26 and 27 August 2021. The focus was to induct the new Board members to ensure good corporate governance practices are upheld, as well as to ensure the Board understands their role of strategically positioning the MQA in line with the NSDP. Extensive deliberations pertaining to the MQA's six (6) strategic objectives took place, ensuring they align to the priority areas of the NSDP.

The Board is satisfied that the MQA strategic objectives support the NSDP and will also

address the objectives of ensuring increased youth development and fit for purpose skills that will enhance productivity in transformation in the mining and minerals sector.

Highlights

During the year under review, the MQA supported by the sector, continued to ensure skills development interventions took place, notwithstanding the challenges presented by the covid-19 pandemic and the national lockdowns imposed. Occupational health and safety became a focus ensuring the sector adopts practices that will see its valuable resources, namely its employees, remain healthy in order to support the sector. This was a time for mines to also relook at its mining practices for continuous improvement and to ensure technologies are incorporated that will ensure cleaner, environmentally friendly mining practices in a more technologically progressive sector.

A number of mining companies and private training institutions linked to the MQA participated in the National Skills Conference this year on 21 September 2021, hosted by the National Skills Authority (NSA). The MQA also hosted its Annual Consultative Conference on 5 November 2021 where stakeholder awards were presented. I applaud this initiative as it goes a long way towards motivating companies to participate in skills development in the sector. I also witnessed the International Literacy Day event held on 29 January 2021. This is yet another event that contributes to Adult Education and Training (AET) support and encouragement in the sector. I encourage board members to participate in these corporate activities that promote the programmes of the MQA.

I am encouraged that 41 of the 48 targets were achieved in the Annual Performance Plan (APP) making it 85% target achievement. The MQA achieved 101% of the discretionary grant expenditure, namely R936 394 million spent from a budget of R928 787 million. This is commendable as it implies that all efforts are made to ensure the skills development machine is working. All efforts are in place to ensure maximum learner uptake into programmes.

Transformation

The mining sector is slowly responding positively to transformation, and it remains the MQA's responsibility to demonstrate to the

sector that transformation is not just a regulatory requirement but a business imperative the sector is expected to fulfil. The MQA continues to endorse the priorities outlined in the Mining Charter, and in the year under review, more and more testimonials were received from a number of qualified historically disadvantaged individuals in the sector who came out of the MQA implemented learning and training programmes.

It is also heart-warming that the MQA is placing more emphasis on portable skills training programmes that are aimed at assisting retrenched mining employees, and unemployed individuals in mining communities to gain employment. This is one means in the development of initiatives to assist in the reintegration of ex-miners into the workplace.

The MQA has, in the process of ensuring targets across the skills development sector are met, implemented several internal processes and cooperation agreements with a number of other role-players. In the Board's view, this is paramount to the continued success of the MQA.

The MQA continues to plead with and encourage employers to open their workspaces for training more learners for the work environment and attract discretionary grants. The successful disbursement of the discretionary grants allocated for the various learning programmes is greatly entrenched in the positive response by employers to take up learners.

Mandatory Grants

Skills development legislation requires that all mining companies, regardless of size, submit their Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs) as part of their commitment to skills development training. The annual mandatory deadline date for the submission WSPs and ATRs is 30 April. Employers responded positively this year and a large number of WSPs-ATRs were submitted by the deadline. This ensures the sector adopts a culture of continuous learning so an informed profile of the scarce and critical skills needs within the sector is always available.

The MQA received R328 861 million from the mandatory levy income. A total of R282 462 million was disbursed for mandatory grant payments in the last financial year, resulting in

85.9% of mandatory grants paid out. The MQA also invested in various projects that addressed the skills needs of the sector, and the results will inform the nature of interventions required to develop the sector.

Discretionary Grants

The MQA Board approved a total budget of R928 787 million discretionary projects, with R724 804 million allocated to commitments. The total spend for discretionary grants was R936 394 million. These projects are established with a focus of addressing the skills gaps identified in the Sector Skills Plan to fulfil the strategic goals of the MQA that are informed by the deliverables outlined in the NSDP. The projects include various artisan (to support the increasing need for artisan trades) and non-artisan learning programmes, the occupational health and safety skills programme, bursaries, work experience, internships as well as projects to support historically disadvantaged individuals in their career progression within the sector.

Technical Vocational Education and Training (TVET) College Support

The MQA prides itself in forging partnerships with various stakeholders that share the identical goal of facilitating accelerated skills development training in the sector. The important role of TVET colleges, in supporting the pursuit of improved artisan skills, is recognised by the MQA. Work exposure opportunities were offered to TVET college lecturers, and National Certificate Vocational (NCV) learners were placed with host employers to provide them with practical experience to advance their skills in their chosen artisan and non-artisan trades.

Artisan Development, Support for Artisan Aides
It is exciting to note that more learners are becoming enlightened about pursuing artisan trades at TVET colleges as their career option. The “Decade of the Artisan” campaign continues under the DHET. Although the target remains ambitious, the MQA continues to encourage individuals, particularly the youth, to consider artisan trades as essential skills for gainful employment.

The MQA remains committed to the objectives of artisan development and this was demonstrated by the great response from the

employers in the sector who registered their learners in artisan and non-artisan learnerships. The overwhelming number of artisan aides were supported through the recognition of prior learning (RPL) process.

Occupational Health and Safety

Safety in the workplace and amongst employees within the mining and minerals sector is of paramount importance, and the MQA remains committed to the Zero Harm policy supported in the sector. In 2020, the industry recorded 60 fatalities and this number increased to 72 in 2021. This is an unwelcome increase as one life lost is one too many. We encourage the sector to be mindful of this increase and to ensure all efforts are made to curb the loss of lives going forward.

Literacy Support for Continuous Learning

Literacy support forms a fundamental element of skills development training that ensures there are continued learning opportunities for employees in the mining and minerals sector. In the year under review, the continued engagements between the MQA and employers in the sector resulted in a positive response that led to the support for the Adult Education and Training (AET), and Foundational Learning Competency (FLC) programmes. This will ensure that all employees in the sector are afforded enough opportunities that will improve their skills levels and their growth within the mining and minerals sector.

Career Guidance and Support for Graduates

The role of career guidance in shaping the vocational choices of our young mathematics and physical science learners can never be undervalued. This underpins the MQA's commitment towards supporting the mining and minerals sector's needs for transformation through skills development interventions that also target the youth. In partnership with the DHET and other government departments, the MQA continues to support career guidance.

Due to the restrictions as a result of covid-19 and the unavailability of learners for career guidance events in the year under review, the MQA distributed materials to various institutions to ensure learners from grades 9 to 12 continued to be informed of careers

available in the sector. This is to ensure they consider pursuing mining-related qualifications at universities, universities of technology and TVET colleges.

The MQA provided work experience opportunities to undergraduate learners at tertiary institutions which is vital in ensuring learners attain their qualifications. This was made possible by the positive support shown by employers in the sector who heeded the call to offer their workplaces as learning spaces to allow graduates to improve their prospects of gaining employment within the sector, and thus contributing to the reality of a transformed mining and minerals sector.

Revenue – Administration Budget

The MQA's income continues to be stable. In the year under review, the revenue increased to R175 237 million from R115 777 million, in spite of the challenges that were experienced in the mines. The total spend on administration costs decreased from R133 051 million in the 2020-2021 financial year to R124 288 million in the 2021-2022 financial year. The budget for the year was R136 810 million.

Challenges

The pandemic as well as the struggling economic climate including mine closures resulting in retrenchments in some mines adversely affected the mining sector. This further constrained the need for employers to open their workspaces for learners in the various learning programmes. The MQA continues to engage with role-players in the sector to put measures in place that support

ongoing skills development training in the sector.

Appreciation

To the Ministries of both Higher Education and Training and Mineral Resources I extend my sincere gratitude for the support and the diligent manner in which the mandate of the MQA was executed over the past year.

I would also like to extend my gratitude to the MQA Board, the Audit and Risk Committee, the Remuneration Committee, and Internal and External Auditors. It is indeed an honour to serve as a member of the board together with committed board members.

My sincere appreciation is extended to employers, labour and community organisations for their continued support and feedback during the various stakeholder engagements. On behalf of the MQA governing board, I extend my appreciation to the MQA employees for their stellar performance and support during which the MQA's mandate was executed over the past financial year. It is this commitment to service delivery and efforts for increased improvement that will ensure the MQA continues to be a vehicle for accelerated skills development training for the mining and minerals sector.



Mr David Msiza
Chairperson of the MQA Board
31 July 2022

1.2. OPERATIONAL OVERVIEW BY THE ACTING CHIEF EXECUTIVE OFFICER



Dr Thabo Mashongoane
Acting Chief Executive Officer

As the incoming acting Chief Executive Officer of the Mining Qualifications Authority (MQA), it is both an honour and a privilege to submit the performance overview of the organisation for the period 1 April 2021 to 31 March 2022, to the various MQA stakeholders and the organisation's governing structures. I extend my sincere gratitude to Mr Bethuel Nemaqovhani who acted as the Chief Executive Officer for the financial year. Through his leadership the organisation achieved improved results in the two financial years he led the organisation, with an exceptional achievement of a clean audit outcome in this financial year.

I present hereunder the performance results of the organisation at a time when the global community at large, and South Africa in particular, are once again steadily acclimatising to routines that will hopefully bring some semblance of regularity to the world of work. This, the MQA believes, is possible through health focused interventions that include vaccines which can contribute towards restoring South Africa's health, wealth, and economy.

Nevertheless, while we cannot overlook the tragedies that characterised the past two

years whereby some of the losses impacted individuals personally, it was with a renewed sense of vigour and purpose that we, as the Mining Qualifications Authority (MQA), approached the year under review by closely adhering to the deliverables of our mandate as specified within the agreement with the Department of Higher Education and Training (DHET).

And it was due to this commitment that during the year under review, the MQA executed its responsibilities as a skills development administrator for the mining and minerals sector, by delivering quality learning programmes for the sector which resulted in the organisation achieving the positive outcome of a clean audit outcome from the Auditor-General South Africa.

As a demonstration of the principles of sound corporate governance, the MQA is anticipating further enhancement of its current executive management structure through the appointment of the Chief Executive Officer, following the organisation's accomplishment of appointing the first female Chief Financial Officer in early March 2022. It is anticipated that the appointment of the Chief Executive Officer should be finalised within the financial year.

Furthermore, the organisation reiterates this commitment as a demonstration of its adherence to the organisation's six (6) strategic objectives, which provide the cornerstone for the MQA's vision, mission, and values for a safe, healthy, and adequately skilled mining workforce.

Annual Performance Information

The steady pace of slowly reversing the economic slump that engrossed the global stage for the past two years was evident in the Mining Qualifications Authority's performance during the year under review, which is based on the targets set and agreed upon with the Department of Higher Education, Science and Innovation.

This shift in a higher performance attainment was evidenced by the organisation's ability to attain great feats in most of its core learning

programmes, as well as in initiatives that are aimed at strengthening the MQA's role as a skills development partner in the mining and minerals sector.

Therefore, during the 2021-2022 financial year the Mining Qualifications Authority achieved 41 of the 48 indicators which equates to 85% of the performance targets achieved. The following is a brief representation of some of the significant achievements attained in different skills development projects.

Occupational Health and Safety Skills Programme

The MQA's Occupational Health and Safety (OHS) skills programme continues to address the undertaking outlined by the DMRE to accelerate the training of skilled and qualified OHS representatives. This training intervention is the MQA's unswerving demonstration of the organisation's commitment towards addressing the detrimental effects of mining related fatalities that can result from unsafe working conditions in the sector.

During the 2021-2022 financial year, the MQA had set the target of training 3 000 OHS representatives. This was exceeded and a total of 3 329 employees successfully completed the training programme. Furthermore, this positive outcome was supplemented by a similar achievement in the number of mining and minerals sector employees who successfully completed their training in other health and safety programmes; a total of 989 employees were supported, against the set target of 875.

Research in the Sector

Research in the mining and minerals sector serves as the starting point which influences the quality and the type of interventions required within the sector, which will ultimately contribute significantly towards the development of a transformed sector. Each financial year, the Mining Qualifications Authority collaborates with skills development facilitators representing various mining employers to ensure the information gathered will provide the organisation with a superior source of this critical information.

This information is collected annually through research tools that comprise the workplace skills plans (WSP), the annual training reports (ATR) and the Sector Skills Plan (SSP).

During the year under review, the sector submitted a total of 787 workplace skills plans and annual training reports, exceeding the MQA's set target of 700 WSPs and ATRs.

Career Guidance Support: Work Experience Training Interventions

The career guidance activity is rapidly growing into one of the MQA's elementary avenues that provide the organisation with a unique opportunity to appeal to young learners excelling in pure mathematics and physical science, to invite them to participate in the ever-evolving, dynamic realm that characterises the mining and minerals sector. This facilitates career guidance opportunities annually to provide learners studying mathematics and physical science with information relating to careers in the mining and minerals sector.

During the year under review, the MQA head office as well as the six (6) regional offices succeeded in distributing career related materials and participating in career exhibitions to 128 institutions against a target of 90.

The MQA's work experience programme is designed to offer workplace training support to unemployed undergraduates. Out of the set target of 370, the MQA noted a total of 471 students that successfully completed their workplace experience training.

The sector demonstrated great support for a total of 410 national certificate vocational (NCV) graduates from Technical, Vocational, Education and Training (TVET) colleges who entered a work placement programme against a set of 400. A total of 216 TVET NCV graduates completed their work placement programme against the set target of 174.

Unemployed Youth Development: Bursary Funding for Employed and Unemployed Learners

The youth of South Africa are infused with the potential to propel the country to achieve innovative and transformative prospects that can position the country's economy in a positive manner.

Notwithstanding the impact of the economic downfall on South Africa which had also befallen the global sphere since 2020, the youth of South Africa often find themselves

facing seemingly insurmountable challenges, mostly typified by unemployment.

It is for this reason that the Mining Qualifications Authority continues to focus on interventions aimed at challenging the incidence of unemployment amongst the youth and within the mining communities.

During the year under review, a total of 3 276 unemployed youth in mining communities, against the set target of 2 100, entered unemployed youth development where they were adequately supported with indispensable skills. Especially worth noting is that a total of 3 505 unemployed youth, against the set target of 2 510, completed their training.

The MQA also supports the efforts of both employed and unemployed learners through its bursary scheme to pursue mining-related qualifications that will be of great benefit to the mining and minerals sector.

During the reporting year, a total of 1 130 unemployed learners against a target of 1 000, was supported through this funding initiative, while a total of 55, against the set target of 50 employed learners was awarded an MQA bursary.

Mine Community Development and Small-Scale Mining Support

The MQA is committed to supporting the elevation of mining communities from challenges associated with unemployment and poverty, a tenet which has been adopted by the organisation through its sixth strategic objective to assist mining communities to access employment opportunities.

This support is embodied through mine community development which provides training opportunities for underprivileged beneficiaries to become able participants in the economic growth of their communities.

During the 2021-2022 financial year a total of 8855 beneficiaries entered the Mine Community Development programme, against the set target of 2 350 beneficiaries. And a total of 3 515 beneficiaries, out of the set target of 1 455, successfully completed the various training initiatives that formed part of the Mine Community Development programme.

The concept of small-scale miners, which in South Africa includes junior and emerging miners, is of importance to the Mining Qualifications Authority as it comprises a pool of skilful participants who contribute to the vitality of the mining and minerals sector.

Through the Small-Scale Mining Support project, a total of 283 beneficiaries were successfully trained in small-scale mining interventions, against the set target of 150.

Learnerships, Artisan and Non-Artisan Development

Learnership programmes afford the opportunity to both employed and unemployed learners to attain a qualification that will provide them with skills to enter the mining and minerals sector.

During the year under review, there was a significant development in terms of the number of unemployed learners that were supported with learnership opportunities by the sector, despite the restrictions that were still in place due to the nationwide lockdown.

For this reason, a total of 351 against the set target of 350 employed learners completed their learnership programmes. Outstandingly, a total of 1 752 unemployed learners were enrolled on various learnership programmes against the set target of 900, and a total of 903 unemployed learners successfully completed various learnership programmes against the set target of 350.

The number of learners who completed their recognition of prior learning (RPL) for learnerships was 33, against the set target of 25. Recognition of prior learning provides learners with the opportunity to have their learning assessed, and to eventually have that learning formally acknowledged.

In terms of the artisan development, which serves as one the DHET's mainstay projects to produce a pool of 30 000 suitably qualified, skilled artisans annually by the year 2030, the MQA and the sector demonstrated their support for this drive through the Artisan Development Project.

During the 2021-2022 financial year, a total of 1 401 learners were registered on and entered various artisan programmes against the set target of 1 280; a total of 526 learners

completed their artisan training, against a set target of 400.

Meanwhile the number of learners who completed their RPL for artisan training stood at 127, against the set target of 100. The artisan aides programme also received great support from stakeholders in the sector, where a total of 327 learners completed their training against a set target of 200 during the year under review.

Management and Executive Development Programme

Various employees in the sector were also supported through the Management and Executive Development Programme (MEDP) which creates a platform that allows employees to develop management skills, and exemplifies one approach towards realising the goal of a transformed mining and minerals sector.

During the reporting year, a total of 171 employees entered the programme against the set target of 160, and a noticeable total of 130 employees successfully completed the programme against a set target of 50.

Stakeholder Capacity Building

Providing stakeholder capacity building training is instrumental in ensuring the sector has enough experts who are adept at collecting, assessing, and providing critical information pertaining to the training needs of the sector.

It is for this reason that during the year under review a total of 14 skills development facilitator (SDF) capacity building workshops were hosted against the set target of 10. Moreover, a total of 23 skills development committee (SDC) workshops were also hosted, against the set target of 20.

Support for Literacy in the Sector

The improvement of literacy levels in the mining and minerals sector is a fundamental focus for the Mining Qualifications Authority to ensure employees in the sector are equipped with the basic literacy skills that are necessary to facilitate learning.

During the 2021-2022 financial year, a total of 1 499 learners against the set target of 1 350 successfully completed their level 1 to 4 adult education and training (AET) and National

Accredited Technical Education Diploma (NATED) courses. A further total of 218 learners successfully completed their Foundational Learning Competence (FLC) training against the set target of 200.

Challenges

The various nationwide lockdown restrictions in response to the spread of covid-19 bore some negative impact on the ability of the unemployed learners to complete their qualifications funded through an MQA bursary due to the extended academic year. Without a doubt these unprecedented delays also caused some apprehension amongst the learners. However, it is anticipated that this unfortunate occurrence will be remedied by the department concerned, the DHET, in the imminent future.

The limitations imposed on the available revenue of the MQA, due to the slow economic recovery that has widely been experienced, have played a role in the reduced number of learners who can access the various MQA learning programmes. Despite this, stakeholders responded positively to the training needs of employees in the mining and minerals sector. Therefore, as the economy begins to recover, the MQA has faith that the turnaround will result in more employees accessing learning and training opportunities.

Another challenge faced by the MQA relates to the retrenchment of employees in the sector. This matter is still a pervasive occurrence within the mining and minerals sector, exacerbated by the slow progress of the country's economy. This in turn impacts negatively on the MQA's ability to successfully implement training interventions designed to upskill employees in the sector.

While the Mining Qualifications Authority remains confident that the approaching financial year will present a more positive outlook for all role-players in the mining and minerals sector, the organisation will persist in its engagements and discussions with all stakeholders to accomplish sustainable, viable solutions in response to job losses in the sector.

Appreciation

To the Honourable Minister of Higher Education, Science and Innovation, Dr Bonginkosi Blade Nzimande; the Honourable Minister of

Mineral Resources and Energy, Mr Gwede Mantashe; and the Chairperson of the MQA board, Mr David Msiza, I would like to convey my earnest gratitude for entrusting me with the responsibility to steer this accomplished organisation.

On 1 April 2021, the tenure of the new MQA board commenced. The new board, composed of a varied and representative group of accomplished women and men, with great experience in the mining and minerals sector as well as in other constituencies, has settled in its role and is undertaking its responsibilities to ensure the MQA's mandate of a competent health and safety-orientated mining and minerals workforce.

To this end, I would also like to extend my gratitude to the MQA Board for having bestowed upon me this immense task of steering the organisation to maintain its position as a firm driver of skills development and transformation for the mining and minerals sector.

I also take this opportunity like to extend my deepest gratitude to my predecessor, Mr Bethuel Nemaqovhani, who was at the helm of the organisation during the better part of the year under review, and whose progressive leadership was an immeasurable, positive contributor in the MQA's ability to maintain its solid set of achievements.

The immense contribution provided by various stakeholders in the mining and minerals sector remains at the cornerstone of the MQA's achievements during the previous financial year. These include the DHET, DMRE, the MQA Board and standing committees, as well as employers and labour organisations in the

sector. The consistent improvement of the organisation's performance is a result of the invaluable feedback received during various stakeholder engagements.

I would also like to relay my appreciation to the MQA management and staff members for maintaining the vision, mission, and objectives of the MQA, for consistently demonstrating service excellence by supporting the mining and minerals sector.

As we encounter a changed and changing world, I would like to urge all stakeholders to continue to maintain health-promoting measures to ensure the maintenance of safe workspaces and continue to adopt the positive practices that we became accustomed to during the COVID-19 pandemic period. This includes sanitising hands, wearing masks and practicing social distancing as required to keep ourselves and our loved ones safe.

Rest assured that the MQA remains committed to providing quality learning delivery and supporting the health, safety and wellness principles that characterise our mining and minerals sector. The MQA is here to support you, our stakeholders, as our esteemed partners in advancing skills development efforts of our dynamic sector.



Dr Thabo Mashongoane
Chief Executive Officer (Acting)
31 July 2022

1.3. EXECUTIVE STRUCTURE



Thabo Mashongoane
 (Acting) Chief Executive Officer
 1 March 2022 to 31 March 2022

Chief Operations Officer
 1 May 2021 to 28 February 2022



Bridgette Mathebula
 (Acting) Chief Operations Officer
 1 March 2022 to 31 March 2022

(Acting) Chief Operations Officer
 1 April 2021 to 30 April 2021



Tshepo Tsotetsi
 (Acting) Executive Manager
 Stakeholder Relations
 1 March 2022 to 31 March 2022

**(Acting) Executive Manager
 Corporate Services**
 1 April 2021 to 30 April 2021



Bethuel Nmagovhani
 Chief Risk Monitoring and
 Evaluation Officer
 14 August 2017 to 28 February 2022

(Acting) Chief Executive Officer
 1 April 2021 to 28 February 2022



Lebogang Matlala
 Chief Financial Officer
 1 March 2022 to 31 March 2022

(Acting) Chief Financial Officer
 1 August 2021 to 28 February 2022



Mashudu Mavhungu
 Executive Manager
 Corporate Services
 1 May 2021 to 31 March 2022



Zodwa Mashinini
 (Acting) Executive Manager
 Stakeholder Relations
 1 April 2021 to 28 February 2022



Sonwabile Xaba
 (Acting) Chief Risk Monitoring
 and Evaluation Officer
 1 May 2021 to 28 February 2022





SECTION

2

**CORPORATE
GOVERNANCE
INFORMATION**

2.1. CORPORATE GOVERNANCE

Corporate governance guides the processes and systems which are essential towards managing the organisational efficiency and effectiveness within the relevant prescripts. It is in line with these guidelines that the MQA ensures its policies, processes, procedures and practices are reviewed regularly for consistent compliance with relevant legal provisions. The parameters amplified in the organisational strategies, policies and procedures enable the MQA to utilise its resources in an efficient and effective manner.

In terms of Regulation 30 of National Treasury a Service Level Agreement (SLA) must be concluded annually between the MQA and the Department of Higher Education and Training. This agreement contains key performance indicators and outcomes expected by the stakeholders in line with the protocols for corporate governance in the public sector.

The Board provides strategic direction and leadership, determines goals and objectives of the MQA, and approves key policies, financial objectives, plans, goals and strategies. The MQA Constitution, the Board Charter and the Terms of References/Charters for all governance committees are aligned to the principles incorporated in the Code of Corporate Practices and Conduct as provided for in the King Code reports. The Board's governance committees play a critical oversight role that creates an enabling environment for achievement of organisational goals.

The manner in which the MQA executes its mandate within the organisation depicts a satisfactory level of maturity of its Corporate Governance framework. The MQA is therefore proud to be an organisation whose values are embedded in the principles of good corporate governance.

2.1.1. GOVERNANCE STRUCTURES

In the execution of its oversight function, the Board is assisted by five standing committees who provide strategic support:

- Audit and Risk Committee (ARC)
- Remunerations Committee (REMCO)
- Finance Committee (FINCOM)
- Governance and Strategy Committee (GSC)
- Executive Committee (EXCO)

2.1.2. BOARD STRATEGIC PLANNING SESSION

The strategic planning process forms a critical aspect within any organisation as it is aimed at ensuring impeccable delivery on its strategic objectives. It is in line with this phenomenon that the MQA Board held its strategic session on 26 and 27 August 2021 with the purpose of reviewing the strategic direction, assessing internal and external challenges, providing direction and producing the Annual Performance Plan.

The strategic planning session also enabled the Board to deliberate on various policy initiatives aimed at streamlining operational processes for efficiency and effectiveness.

2.1.3. EXECUTIVE COMMITTEE (EXCO)

The EXCO meets on a monthly basis to deliberate on reports submitted to the Board Committee as per recommendation by the EXCO members.

2.1.4. THE ACCOUNTING AUTHORITY/ BOARD

The final responsibility for the future of the company depends upon the Board as they provide guidance and direction in which the company is to be led.

Sections 50 and 51 of the Public Finance Management Act (PFMA) Act 1 of 1999 as amended by Act 29 of 1999, stipulates that the Accounting Authority must accept the fiduciary duties in writing.

2.1.5. BOARD'S RESPONSIBILITIES

The Board is responsible for:

- the strategic direction of the company and the control of the company;

- the values to which the company will adhere as formulated in its code of conduct;
- ensuring its conduct and that of Management aligns to the values and is adhered to in all aspect of its business;
- promoting the stakeholder inclusive approach of governance.

2.1.6. BOARD CHARTER

The charter is approved by the Accounting Authority and the Board ensures there is compliance with the charter.

2.1.7. REMUNERATION OF THE BOARD

- The remuneration of the Board is determined by the National Treasury rates.
- The members from the Department of Mineral Resources and Energy are not entitled to remuneration as they are employees of the state entity.
- Members of the board are also reimbursed for their travel and the rate per kilometre is determined by the South African Revenue Service (SARS).



From top left to bottom left: Mr Olehile Kgware; Mr Franz Stehring; Mr Reuben Gibb Motlou; Mr Mthokozisi Zondi; Mr Tshepo Tsotetsi; Mr Mashudu Mavhungu; Mr Bethuel Nemagovhani; Ms Maboswaneng Malaza; Ms Lebogang Matlala; Dr Kenneth Netshimbo; Ms Sanelisiwe Dlamini-Mthethwa; Dr Thabo Mashongwane; Ms Anne Atlee; Advocate Johanna Jansen Van Vuuren; Ms Bridgette Mathebula; Ms Tshepo Tlhapane; Ms Elsabé Howes

Not in photograph:



Mr David Msiza



Ms Zodwa Mashinini



Ms Sonwabile Xaba



Mr Viwe James

2.1.8. BOARD AND STANDING COMMITTEE'S ROLES AND RESPONSIBILITIES

| | NAME | FUNCTION | COMPOSITION | CHAIRPERSON | SECRETARY | MEETING |
|----|---|--|---|--------------------------|---------------------------|-----------|
| 1. | MQA Board | Accounting Authority policy, strategies and resource allocations | Chairperson of the board, five members representing Employers, six members representing Labour, one member representing State, one member representing Community | Chief Inspector of Mines | External service provider | Quarterly |
| 2. | Executive Committee (EXCO) | Board delegated tasks and management oversight | Chairperson of the board, two members representing Employers, two members representing Labour, CEO, COO, CFO, Executive Manager Corporate Services (EMCS), Chief Risk Monitoring and Evaluation (CRMEO), Executive Manager Stakeholder Relations (EMSR) | Chief Inspector of Mines | External service provider | Monthly |
| 3. | Audit and Risk Committee (ARC) | Advises on the effectiveness of financial management systems and controls in terms of the PFMA | Three external representatives, one representative per stakeholder group, representative from internal auditors, one representative from external auditors, CEO, COO, CFO, EMCS, CRMEO, EMSR | External representative | External service provider | Quarterly |
| 4. | Finance Committee (FINCOM) | Advise on budget, financial control of projects and grants, levy grant disbursement | Two representatives per stakeholder group, CEO, COO, CFO, EMCS, CRMEO, EMSR | Board member | External service provider | Quarterly |
| 5. | Governance and Strategy Committee (GSC) | Assists with development of policies, principles, criteria and guidelines that are necessary for the Governance function of the SETA. The promotion of good governance and development of the Skills Development Strategy for the Sector | Two representatives per stakeholder group | Board member | External service provider | Quarterly |
| 6. | Remunerations Committee (REMCO) | Oversees the implementation of a remuneration framework for the MQA | Three external representatives (one representative per stakeholder group), CEO, COO, EMCS, CFO, CRMEO, EMSR | External representative | External service provider | Quarterly |

2.1.9. BOARD MEMBER COMPOSITION

The MQA Board comprises representatives from the state, employers, labour and communities.

CHAIRPERSON



Mr David Msiza
CHAIRPERSON

| STATE | EMPLOYERS | LABOUR | COMMUNITY |
|--|---|---|--|
|  <p>Mr Mthokozisi Zondi DEPARTMENT OF MINERAL RESOURCES AND ENERGY</p> |  <p>Ms Elsabé Howes IMPALA PLATINUM</p> |  <p>Ms Anne Atlee NATIONAL UNION OF MINEWORKERS</p> |  <p>Dr Kenneth Netshiombo TSHWANE UNIVERSITY OF TECHNOLOGY</p> |
| |  <p>Ms Maboswaneng Malaza HARMONY</p> |  <p>Mr Franz Stehring UASA THE UNION</p> | |
| |  <p>Mr Reuben Gibb Motlou THARISA MINE</p> |  <p>Advocate Johanna Jansen Van Vuuren SOLIDARITY</p> | |
| |  <p>Ms Sanelisiwe Dlamini-Mthethwa TRONOX</p> |  <p>Mr Olehile Kgware NATIONAL UNION OF MINEWORKERS</p> | |
| |  <p>Ms Sheridan Rogers PETRA DIAMONDS</p> |  <p>Ms Tshupo Tlhapane NATIONAL UNION OF MINEWORKERS</p> | |
| |  <p>Vacant</p> |  <p>Mr Viwe James NATIONAL UNION OF METAL WORKERS OF SOUTH AFRICA</p> | |

The cover features a large, light gray diamond shape centered on an orange background. Inside the diamond is a photograph of two graduation caps (mortarboards) silhouetted against a sunset sky with orange and purple hues. The word "SECTION" is written in white, bold, sans-serif capital letters across the top of the diamond. A large, orange number "3" is superimposed over the center of the diamond, partially overlapping the graduation caps.

SECTION

3

**PERFORMANCE
INFORMATION**

3.1. STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION FOR THE YEAR ENDED 31 MARCH 2022

As the Acting Chief Executive Officer (CEO) of the MQA, I confirm that to the best of my knowledge and belief:

- all information and amounts disclosed in the Annual Report are consistent with the Annual Financial Statements audited by the Auditor-General;
- the Annual Report is complete, accurate and is free from any omissions;
- the Annual Report has been prepared in accordance with the guidelines as issued by National Treasury;
- the Annual Financial Statements (Section 9) have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) that are the standards applicable to the public entity;
- I accept that as the Accounting Authority I am responsible for the preparation of the Annual Financial Statements and the MQA performance information, as well as for the judgements made on this information; and
- as the Accounting Authority, I am also responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

The MQA Annual Financial Statements (pages 99 to 150) and the performance information (pages 24 to 53) approved by the MQA Board for the year ended 31 March 2022, have been examined by the external auditors to express an independent opinion and their report is presented on page 95 of this report.

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the MQA for the financial year ended 31 March 2022.



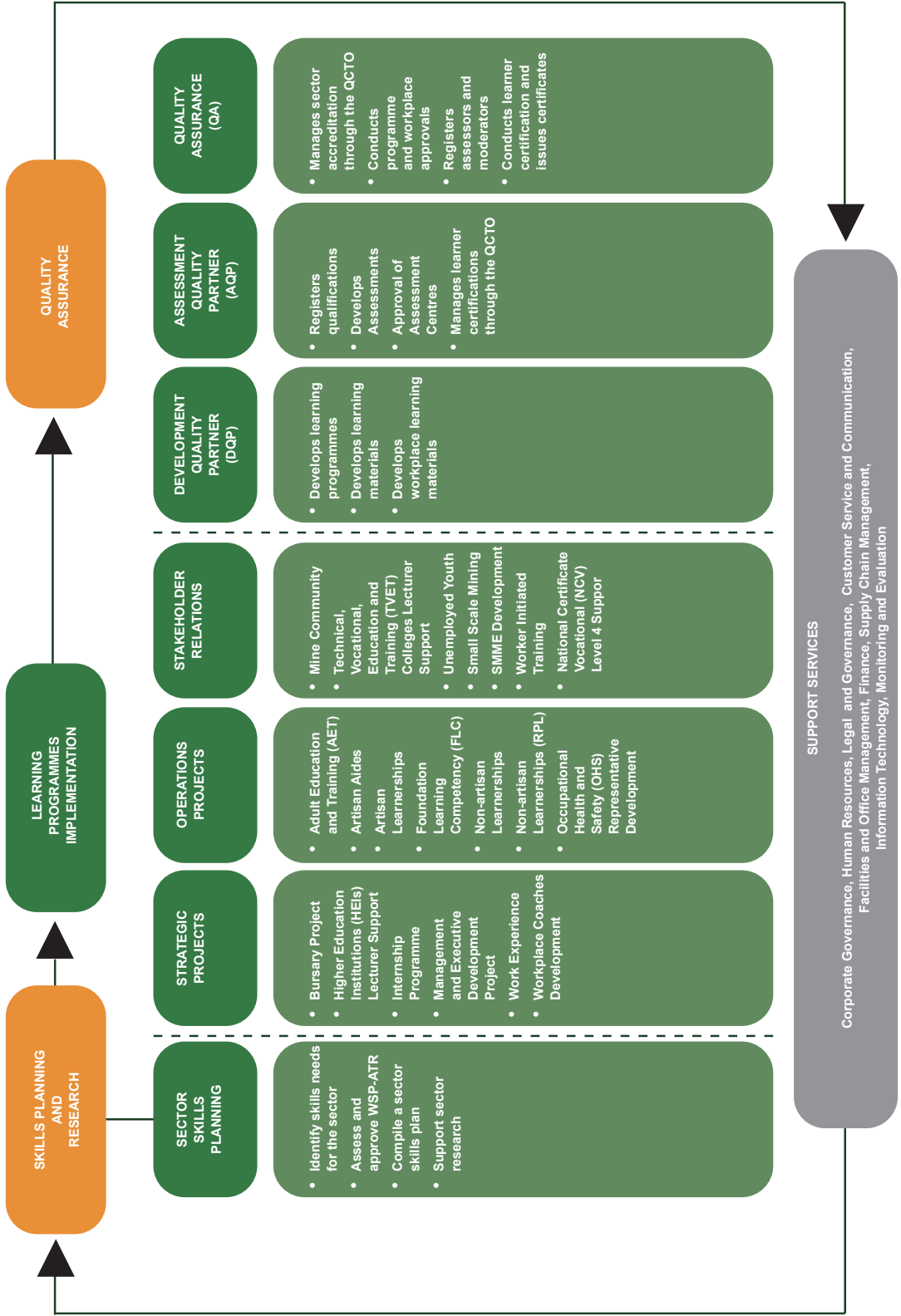
Dr Thabo Mashongoane
Acting Chief Executive Officer
31 July 2022



Mr David Msiza
Chairperson
31 July 2022

3.2. MQA VALUE CHAIN

The MQA follows a simple yet effective value chain approach to skills development in the mining and minerals sector.



3.3. THE MINING CHARTER DECLARATION, COMMITMENTS AND SCORECARD

During the 2021–2022 financial year, the MQA implemented various projects and initiatives in support of the broad-based socio-economic empowerment charter known as the Mining Charter.

The Mining Charter sets out the following objectives to:

- a) promote equitable access to the nation's mineral resources to all the people of South Africa;
- b) substantially and meaningfully expand opportunities for historically disadvantaged South Africans (HDSAs) to enter the mining and minerals industry and to benefit from exploration of the nation's mineral resources;
- c) utilise and expand the existing skills base for the empowerment of HDSAs and to serve the community;
- d) promote employment and advance the social and economic welfare of mine communities and major labour sending areas;
- e) promote beneficiation of South Africa's mineral commodities; and
- f) promote sustainable development and growth of the mining industry.

In addition, the Mining Charter has the following elements:

- a) ownership;
- b) procurement and enterprise development;
- c) beneficiation;
- d) employment equity;
- e) human resource development;
- f) mine community development;
- g) housing and living conditions;
- h) sustainable development and growth of the mining industry; and
- i) reporting (monitoring and evaluation).

The MQA's support for the Mining Charter objectives and elements during the reporting period included:

BENEFICIATION SUPPORT

The MQA continued to support the training of learners in the diamond processing and jewellery manufacturing disciplines and funded

a total of 1 403 learners entering and 370 learners completing programmes in these disciplines in the year under review. A total of 687 learners who entered are learners with disability. A total of 153 learners who completed are learners with disability. Since 2010, a total of 8 464 learners have been trained.

HUMAN RESOURCE DEVELOPMENT

The MQA provided 14 virtual capacity building workshops to provide capacity to Skills Development Facilitators (SDFs), 23 workshops were conducted to support Skills Development Committee (SDC) members. Participants to these workshops are made up of past and current SDFs from within the sector as well as members from organised labour groups.

The participants are kept informed of the WSP-ATR process, including MQA and government requirements to encourage participation in the process. The workshops also create awareness around human resource best practices, skills development and the need for a harmonious relationship between employers and labour. This was achieved through partnership with the support of the MQA regional offices and the overwhelming support from the sector.

MINE COMMUNITY DEVELOPMENT SUPPORT

The MQA supported various mining communities and labour sending areas, focusing mainly on ex-miners, retrenched and soon to be retrenched workers, with skills development initiatives. These programmes were not restricted to mining skills but also included training in portable skills such as plant /poultry /livestock production, SME Operator-Shelf Filler, new venture creation, mixed farming systems, SMME development, clothing manufacturing, crop farming, surface mining, domestic installation, solar water heating, electrical, carpentry, and painting. A total of R87 million was disbursed for mine community support. In addition, 283 community learners were supported with small scale mining skills. Due to covid-19 restrictions there were no career

guidance activities conducted in rural mining communities to highlight career opportunities in the mining and minerals sector, but rather career guidance material was distributed to a total of 128 schools and institutions.

HISTORICALLY DISADVANTAGED SOUTH AFRICA (HDSA) SUPPORT

The MQA continued supporting 20 HDSA lecturers at universities. A total of 130 HDSAs were supported and completed their management development programmes. The MQA also funded 1 130 undergraduate bursaries in disciplines related to the mining and minerals sector. These bursaries are targeted at previously disadvantaged learners in rural communities. The MQA increased its

Broad-based Black Economic Empowerment (B-BBEE) level 1 to 4 spend to 100% of service providers and vendors providing services to the SETA.

A number of other projects and initiatives in the MQA Strategic Plan supported the Mining Charter. These included programmes and projects in artisan development, core learnerships, skills development, maths and science, work experience, internships, adult education and training (AET), recognition of prior learning (RPL), occupational health and safety (OHS) and other health and safety programmes (Trackless Mobile Machine Operations and Underground Hardrock V5). These initiatives support objectives and elements such as employment equity and human resource development.



MQA Staff at an event to celebrate a clean audit outcome

3.4. ANNUAL PERFORMANCE REPORT FOR THE PERIOD 1 APRIL 2021 TO 31 MARCH 2022

Performance against targets agreed with the department of higher education and training

Disclaimer: Refer to the signed Annual Performance Report (APR) for Performance Information

Service Level Agreement Performance

| Number of Targets Agreed Upon | Number of Targets Not Met | Number of Targets Achieved |
|-------------------------------|---------------------------|----------------------------|
| 47 | 8 | 39 |
| 100% | 17% | 83% |

Summary of Annual Performance Plan Achievement

| Number of Targets Agreed Upon | Number of Targets Not Met | Number of Targets Achieved |
|-------------------------------|---------------------------|----------------------------|
| 48 | 8 | 41 |
| 100% | 15% | 85% |

TOTAL OVERALL ORGANISATION PERFORMANCE: 84%

Summary of Discretionary Grants Budget Achievement

| Annual Budget | Total Expenditure | Percentage Expenditure |
|------------------|-------------------|------------------------|
| R928 787 million | R936 394 million | 101% |

The MQA identified four (4) programmes in line with its six (6) strategic objectives, supported by the ten (10) NSDP outcomes which are crucial to the achievement of its skills development mandate, as well as its operational efficiency:

| Programme | | Strategic Objective | | NSDP Outcome | |
|-------------|------------------------------|---|---|--------------------------------------|---|
| PROGRAMME 1 | Administration | STRATEGIC OBJECTIVE 1 | Promote efficient and effective governance and administration | NSDP OUTCOME 9 | Effective corporate governance maintained |
| PROGRAMME 2 | Skills Planning and Research | STRATEGIC OBJECTIVE 2 | Improve skills development planning and decision-making through research | NSDP OUTCOME 1 | Identify and increase production of occupations in high demand |
| PROGRAMME 3 | Learning Programmes | STRATEGIC OBJECTIVE 3: STRATEGIC OBJECTIVE 4: STRATEGIC OBJECTIVE 5 | Promote work-based skills development to support transformation in the mining and mineral sector Facilitate access to occupationally directed learning programmes for the unemployed Support training initiatives in mine communities | NSDP OUTCOME 2, 3, 4, 6, 7, 8 and 10 | Linking education and the workplace Improving the level of skills in the South African workforce Increase access to occupationally directed programmes Skills development support for entrepreneurship and cooperative development Encourage and support worker-initiated training Support career development services Number of rural development projects initiated |
| PROGRAMME 4 | Quality Assurance | STRATEGIC OBJECTIVE 6 | Ensure the delivery of quality and impactful learning programmes in the mining and minerals sector | NSDP OUTCOME 4 and 5 | Increase access to occupationally directed programmes Support the growth of the public college system |

PROGRAMME 1: ADMINISTRATION

Strategic Objective 1: Promote efficient and effective governance and administration

Strategic Objective 6: Ensure the delivery of quality and impactful learning programmes in the mining and minerals sector

Facilitate training for stakeholders, communities and entrepreneurs

| Ref. No. | NSDP Outcome | Programme Performance Indicator | Actual Achievement 2020-2021 | Planned Target 2021-2022 | Actual Achievement 2021-2022 | Deviation from Planned Target to Actual Achievement for 2021-2022 | Dashboard | Comments on Deviation |
|----------|------------------------|--|---|--|---|---|-----------|--|
| 1.1 | NSDP Outcome 9 | Unqualified audit outcome with no material findings | Unqualified audit outcome with findings | Unqualified audit outcome with no material findings | Unqualified audit outcome with no material findings | 0% | | Target met. |
| 1.2 | NSDP Outcome 9 | Achievement of an 80% utilisation of BBBEE level 1-4 suppliers (of goods and services) | 92% | 90% | 100% | 10% | | Target exceeded due to increased use of level 1-4 BBBEE suppliers. |
| 1.3 | NSDP Outcome 9 | One customer satisfaction survey conducted biennially and 75% customer satisfaction | N/A | One of customer satisfaction survey conducted biennially and 75% customer satisfaction | One customer satisfaction survey conducted biennially and 75% customer satisfaction | 0% | | Target met. |
| 1.4 | NSDP 2, 3, 6, 7 and 10 | Percentage of MQA projects monitored (previously number of projects) | 100% | 100% | 100% | 0% | | Target met. |
| 1.5 | NSDP 2, 3, 6, 7 and 10 | Number of MQA projects evaluated per annum (value for money analysis conducted) | 3 | 3 | 3 | 0% | | Target met. |
| 1.6 | NSDP Outcome 9 | Implement an HR change management strategy | 100% | 10% strategy development | 100% | 90% | | Target exceeded. The change management strategy is 100% complete and approved. |

PROGRAMME 2: RESEARCH

Strategic Objective 2: Improve skills development planning and decision-making through research

Facilitate training for stakeholders, communities and entrepreneurs

| Ref. No. | NSDP Outcome | Programme Performance Indicator | Actual Achievement 2020-2021 | Planned Target 2021-2022 | Actual Achievement 2021-2022 | Deviation from Planned Target to Actual Achievement for 2021-2022 | Dashboard | Comments on Deviation |
|----------|----------------------|---|------------------------------|--------------------------|------------------------------|---|-----------|---|
| 2.1 | NSDP Outcome 1 | Number of workplace skills plans (WSPs) and annual training reports (ATRs) evaluated to access mandatory grants per annum | 824 | 700 | 787 | 87 | | Target exceeded. This is due to effective communication with stakeholders coupled with effective and timely technical support enabling more stakeholders to submit. |
| 2.2 | NSDP Outcome 1 | Number of sector research outputs completed per annum | 2 | 6 | 3 | -3 | | Target not met. The service providers were appointed in Quarter 4 to conduct research which will be concluded in 2022-2023 financial year. |
| 2.3 | NSDP Outcome 1 and 3 | Number of MoAs signed with targeted public and private sector organisations | 0 | 3 | 3 | 3 | | Target met. |
| 2.4 | NSDP Outcome 1 and 3 | Number of skills development facilitator capacity building workshops per annum | 16 | 10 | 14 | 4 | | Target exceeded due to virtual workshops that allowed for multiple workshops to be held within a short space of time. |
| 2.5 | NSDP Outcome 1 and 3 | Number of skills development committee member capacity building workshops per annum | 17 | 20 | 23 | 3 | | Target exceeded. The number of requests received exceeded the target for the year. |

PROGRAMME 3: LEARNING PROGRAMMES
Strategic Objective 3: Promote work-based skills development to support transformation in the mining and mineral sector

Facilitate opening of workplace based learning opportunities and access to occupationally directed programmees

Facilitate training for stakeholders, communities and entrepreneurs

Support industry collaboration with public college system

| Ref. No. | NSDP Outcome | Programme Performance Indicator | Actual Achievement 2020-2021 | Planned Target 2021-2022 | Actual Achievement 2021-2022 | Deviation from Planned Target to Actual Achievement for 2021-2022 | Dashboard | Comments on Deviation |
|----------|-------------------------|--|------------------------------|--------------------------|------------------------------|---|-----------|--|
| 3.1a | NSDP Outcome 2, 3 and 4 | Number of learners that enter an artisan programme per annum | 842 | 1 280 | 1 401 | 121 | | Target exceeded. This is due to over allocations to companies and the availability of funds. |
| 3.1b | NSDP Outcome 2, 3 and 4 | Number of learners that complete an artisan programme per annum | 652 | 400 | 526 | 126 | | Target exceeded. This is due to learners from previous years only completing programmes in the year under review (sufficient pipeline). |
| 3.1c | NSDP Outcome 2, 3 and 4 | Number of learners that complete artisan recognition of prior learning | 32 | 100 | 127 | 27 | | Target exceeded. This was due to the availability of a budget. Additional learners were targeted for funding and this resulted in the increased number of learners reported. |
| 3.1d | NSDP Outcome 2, 3 and 4 | Number of learners that complete an artisan aides programme per annum | 171 | 200 | 327 | 127 | | Target exceeded. This was due to the availability of a budget. Additional learners were targeted for funding and this resulted in the increased number of learners reported. |
| 3.2a | NSDP Outcome 2, 3 and 4 | Number of employees entering learnerships per annum | 516 | 800 | 510 | -290 | | Target not met. This is due to poor or decreased uptake of employed learners by the sector. |
| 3.2b | NSDP Outcome 2, 3 and 4 | Number of employees completing learnerships per annum | 350 | 350 | 351 | 1 | | Target exceeded. This is due to learners from previous years only completing programmes in the year under review (sufficient pipeline). |
| 3.2c | NSDP Outcome 2, 3 and 4 | Number of unemployed entering learnerships per annum | 539 | 900 | 1 752 | 852 | | Target exceeded. This is due to over allocations to companies and the availability of funds. |
| 3.2d | NSDP Outcome 2, 3 and 4 | Number of unemployed completing learnerships per annum | 516 | 350 | 903 | 553 | | Target exceeded. This is due to learners from previous years only completing programmes in the year under review (sufficient pipeline). |

PROGRAMME 3: LEARNING PROGRAMMES
Strategic Objective 3: Promote work-based skills development to support transformation in the mining and mineral sector

Facilitate opening of workplace based learning opportunities and access to occupationally directed programmees

Facilitate training for stakeholders, communities and entrepreneurs

Support industry collaboration with public college system

| Ref. No. | NSDP Outcome | Programme Performance Indicator | Actual Achievement 2020-2021 | Planned Target 2021-2022 | Actual Achievement 2021-2022 | Deviation from Planned Target to Actual Achievement for 2021-2022 | Dashboard | Comments on Deviation |
|----------|-------------------------|---|------------------------------|--------------------------|------------------------------|---|-----------|--|
| 3.2e | NSDP Outcome 2, 3 and 4 | Number of employed completing RPL for learnerships | 24 | 25 | 33 | 8 | | Target exceeded. This was due to the availability of a budget. Additional learners were targeted for funding and this resulted in the increased number of learners reported. |
| 3.3a | NSDP Outcome 2, 3 and 4 | Number of employees that successfully complete the occupational health and safety representatives' skills programme per annum | 2 877 | 3 000 | 3 329 | 329 | | Target exceeded. This is due to over allocations to companies and the availability of funds. |
| 3.3b | NSDP Outcome 2, 3 and 4 | Number of employees supported to complete other health and safety programmes per annum | 247 | 875 | 989 | 114 | | Target exceeded. This is due to over allocations to companies and the availability of funds. |
| 3.4 | NSDP Outcome 2, 3 and 4 | Number of learners that successfully complete AET and NATED courses | 1 250 | 1 350 | 1 499 | 149 | | Target exceeded. This is due to over allocations to companies and the availability of funds. |
| 3.5 | NSDP Outcome 2, 3 and 4 | Number of learners that successfully complete FLC | 116 | 200 | 218 | 18 | | Target exceeded. This is due to over allocations to companies and the availability of funds. |
| 3.6 | NSDP Outcome 2, 3 and 4 | Number of graduates that enter an internship programme per annum | 463 | 900 | 818 | -82 | | Target not met. Employers did not utilise their full allocated grants. |
| 3.7a | NSDP Outcome 2, 3 and 4 | Number of undergraduates that enter a workplace experience programme per annum | 468 | 550 | 550 | 0 | | Target met. |
| 3.7b | NSDP Outcome 2, 3 and 4 | Number of undergraduates that complete a workplace experience programme per annum | 411 | 370 | 471 | 101 | | Target exceeded. Due to learners from previous years only completing programmes in the year under review (sufficient pipeline) |
| 3.8a | NSDP Outcome 2, 3 and 4 | Number of HDSA MMS employees that enter a management development programme per annum | 131 | 160 | 171 | 11 | | Target exceeded. This is due to over allocations to companies and the availability of funds. |

PROGRAMME 3: LEARNING PROGRAMMES

Strategic Objective 3: Promote work-based skills development to support transformation in the mining and mineral sector

Facilitate opening of workplace based learning opportunities and access to occupationally directed programmees

Facilitate training for stakeholders, communities and entrepreneurs

Support industry collaboration with public college system

| Ref. No. | NSDP Outcome | Programme Performance Indicator | Actual Achievement 2020-2021 | Planned Target 2021-2022 | Actual Achievement 2021-2022 | Deviation from Planned Target to Actual Achievement for 2021-2022 | Dashboard | Comments on Deviation |
|----------|-------------------------|---|------------------------------|--------------------------|------------------------------|---|-----------|---|
| 3.8b | NSDP Outcome 2, 3 and 4 | Number of HDSA mining and mineral sector employees that complete a management development programme per annum | 77 | 50 | 130 | 80 | | Target exceeded. This is due to learners from previous years only completing programmes in the year under review (sufficient pipeline) |
| 3.9 | NSDP Outcome 2, 3 and 4 | Number of HDSA HET lecturer that enter into a lecturer development programme per annum | 11 | 30 | 20 | -10 | | Target not met. Only few universities applied for the grants on the project despite the applications window being open throughout the year. |
| 3.10 | NSDP Outcome 2, 3 and 4 | Number of HDSA mining and mineral sector learners that enter candidacy programme per annum | N/A | 50 | 26 | -24 | | Target not met, some employers returned grants allocated to them. |
| 3.11 | NSDP Outcome 2, 3 and 4 | Number of coaches placed within workplaces to support employers with on-the job mentoring and coaching activities per annum | N/A | 100 | 100 | 0 | | Target met. |
| 3.12a | NSDP Outcome 3 | Number of unemployed learners awarded a bursary per annum | 653 | 1 000 | 1 130 | 130 | | Target exceeded. This is due to over allocations to companies and the availability of funds. |
| 3.12b | NSDP Outcome 3 | Number of unemployed learners completing a bursary per annum | 242 | 700 | 362 | -338 | | Target not met. Most of the learners that were earmarked for completion were not successful in their studies. |

PROGRAMME 3: LEARNING PROGRAMMES

Strategic Objective 3: Promote work-based skills development to support transformation in the mining and mineral sector

Facilitate opening of workplace based learning opportunities and access to occupationally directed programmees

Facilitate training for stakeholders, communities and entrepreneurs

Support industry collaboration with public college system

| Ref. No. | NSDP Outcome | Programme Performance Indicator | Actual Achievement 2020-2021 | Planned Target 2021-2022 | Actual Achievement 2021-2022 | Deviation from Planned Target to Actual Achievement for 2021-2022 | Dashboard | Comments on Deviation |
|----------|-------------------------|--|------------------------------|--------------------------|------------------------------|---|-----------|---|
| 3.13 | NSDP Outcome 3 | Number of employed learners awarded a bursary per annum | 38 | 50 | 55 | 5 | | Target exceeded. Due to availability of budget and the high number of applications received. |
| 3.14a | NSDP Outcome 2, 3 and 4 | Number of mine community beneficiaries entered into a training programme per annum | 1 438 | 2 350 | 8 855 | 6 505 | | Target exceeded. This is as a result of surplus funding allocated to the programme. |
| 3.14b | NSDP Outcome 2, 3 and 4 | Number of mine community beneficiaries complete a training programme per annum | 1 030 | 1 455 | 3 515 | 2 060 | | Target exceeded. Some companies' learners allocated in the prior year concluded training in current year. |

PROGRAMME 3: LEARNING PROGRAMMES

Strategic Objective 3: Promote work-based skills development to support transformation in the mining and mineral sector

Facilitate opening of workplace based learning opportunities and access to occupationally directed programmees

Facilitate training for stakeholders, communities and entrepreneurs

Support industry collaboration with public college system

| Ref. No. | NSDP Outcome | Programme Performance Indicator | Actual Achievement 2020-2021 | Planned Target 2021-2022 | Actual Achievement 2021-2022 | Deviation from Planned Target to Actual Achievement for 2021-2022 | Dashboard | Comments on Deviation |
|----------|-------------------------|---|------------------------------|--|------------------------------|---|-----------|---|
| 3.15a | NSDP Outcome 2, 3 and 4 | Number of unemployed youth in mining communities and labour sending areas that enter training programmes per annum | 2 166 | 2 100 | 3 276 | 1 176 | | Target exceeded. This is as a result of surplus funding allocated to the programme. |
| 3.15b | NSDP Outcome 2, 3 and 4 | Number of unemployed youth in mining communities and labour sending areas that complete training programmes per annum | 1 182 | 2 510 | 3 505 | 995 | | Target exceeded due to sufficient pipelines of learners that were registered in the programme and completing in the current year. |
| 3.16 | NSDP Outcome 2, 3 and 4 | Number of beneficiaries trained in small-scale mining per annum | 100 | 150 | 283 | 133 | | Target exceeded due to sufficient pipelines of learners that were registered in the programme and completing in the current year. |
| 3.17 | NSDP Outcome 8 and 10 | Number of career guidance material distributed at events/ institutions/ schools per annum | 105 | 90 career guidance material deliveries recorded at events/ institutions/ schools | 128 | 38 | | Target exceeded due to high demand of career guidance material. |

PROGRAMME 3: LEARNING PROGRAMMES

Strategic Objective 3: Promote work-based skills development to support transformation in the mining and mineral sector

Facilitate opening of workplace based learning opportunities and access to occupationally directed programmees

Facilitate training for stakeholders, communities and entrepreneurs

Support industry collaboration with public college system

| Ref. No. | NSDP Outcome | Programme Performance Indicator | Actual Achievement 2020-2021 | Planned Target 2021-2022 | Actual Achievement 2021-2022 | Deviation from Planned Target to Actual Achievement for 2021-2022 | Dashboard | Comments on Deviation |
|----------|-------------------------|---|------------------------------|--------------------------|------------------------------|---|-----------|---|
| 3.18a | NSDP Outcome 2, 3 and 4 | Number of TVET NCV graduates that enter a work placement programme per annum | 187 | 400 | 410 | 10 | | Target exceeded. This is due to over allocations to companies and the availability of funds. |
| 3.18b | NSDP Outcome 2, 3 and 4 | Number of TVET NCV graduates that complete a work placement programme per annum | 73 | 174 | 216 | 42 | | Target exceeded due to sufficient pipelines of learners that were registered in the programme and completing in the current year. |
| 3.19 | NSDP Outcome 2, 3 and 4 | Number of TVET lectures supported per annum | 44 | 30 | 0 | -30 | | Target not met, this is due to the delay in scoping the projects. Allocations were finalised in Quarter 4. |
| 3.20 | NSDP Outcome 3 | Annual International Literacy Day hosted | N/A | 1 event | 1 | 0 | | Target met. |

PROGRAMME 4: QUALITY ASSURANCE, MONITORING AND EVALUATION

Strategic Objective 6: Ensure the delivery of quality and impactful learning programmes in the mining and minerals sector

| Ref. No. | NSDP Outcome | Programme Performance Indicator | Actual Achievement 2020-2021 | Planned Target 2021-2022 | Actual Achievement 2021-2022 | Deviation from Planned Target to Actual Achievement for 2021-2022 | Dashboard | Comments on Deviation |
|----------|----------------------|---|------------------------------|--------------------------|------------------------------|---|-----------|--|
| 4.1 | NSDP Outcome 4 and 5 | Number of training providers quality assured including those identified and approved for workplace approval each year | 124 | 180 | 212 | 32 | | Target exceeded. This is due to virtual audits that allowed for more accreditation audits to be conducted in a short period of time. |
| 4.2 | NSDP Outcome 4 | Number of reviewed or developed learning programmes, assessment tools or learning packs | 79 | 100 | 138 | 38 | | Target exceeded. This is due to skills programmes specifically mobile machinery that had to be reviewed to meet sector requirements. |
| 4.3 | NSDP Outcome 4 and 5 | Number of HDSA SMMEs supported as training providers in the mining and minerals sector per annum. | 8 | 5 | 5 | 0 | | Target met. |

3.5. SKILLS DEVELOPMENT AND RESEARCH (SDR)

This report captures the state of the SDR unit in terms of performance, and the implementation in relation to Programme 2 of the MQA Annual Performance Plan: Improve skills development planning and decision-making through research. It is the responsibility of the unit to manage the implementation of research and administer sectoral data by meeting the following expectations:

- quality research – qualitative and quantitative;
- trends analysis within the labour market;
- advice on skills shortages in the sector;
- information of national/regional needs and emerging areas;
- facilitate the disbursement of mandatory grants by the regulated timeframe; and
- ensure quality of data received.

Below is a reflection of the programmes – and annual performance in relation thereto – the MQA committed itself to for the 2021-2022 financial year.

3.5.1. ANNUAL PERFORMANCE UPDATE

Registration of Mining and Minerals Sector Companies with the MQA:

| Inter-SETA Transfers | |
|--|--|
| To allow companies to move from one SETA to another to ensure that companies are classified with the correct/preferred SETA. | There were 3 Inter-SETA transfers received during the period of reporting: |
| | SETA Transferring to |
| | SETA Transferring from |
| | MQA |
| | Wholesale and Retail SETA |
| | CETA |
| | TETA |

3.5.2. DEVELOPMENT AND CAPACITY BUILDING OF SDFs

The project aims to build capacity for all the mining and minerals sector skills development facilitators (SDFs). Below is the achievement as at 31 March 2021:

| Indicator | Annual Target | Achievement | Update |
|-----------|---------------|-------------|---|
| SDF | 5 workshops | 14 | Fourteen (14) SDF workshops were conducted in September 2021 and February 2022. |

3.5.3. REVIEW THE SUBMISSION OF WORKPLACE SKILLS PLANS, ANNUAL TRAINING REPORTS AND SECTOR SKILLS PLAN

The WSP-ATR system went live on Friday, 4 March 2022. The MQA received 827 WSP-ATR for the year 2021-2022 against a target of 750. Provincial and size breakdown of submissions are as follows:

| Province | Large | Medium | Small | Grand Total |
|---------------|-------|--------|-------|-------------|
| Eastern Cape | 3 | 2 | 10 | 15 |
| Free State | 9 | 6 | 8 | 23 |
| Gauteng | 94 | 94 | 182 | 370 |
| KwaZulu-Natal | 10 | 7 | 20 | 37 |
| Limpopo | 17 | 11 | 27 | 55 |
| Mpumalanga | 58 | 32 | 32 | 122 |
| North West | 41 | 26 | 31 | 98 |
| Northern Cape | 15 | 18 | 20 | 53 |
| Western Cape | 8 | 9 | 37 | 54 |
| GRAND TOTAL | 255 | 205 | 367 | 827 |

2021 Evaluation and approval progress is below:

| Target | Received to Date |
|--------------|------------------|
| 750 | 827 |
| Approved | 740 |
| Not approved | 87 |

2021 WSP-ATR Dispute:

The MQA received 1 WSP-ATR dispute. The dispute was resolved amicably.

3.5.4. MANDATORY GRANT PAYMENTS

The mandatory grant payments for 2021-2022 were as follows:

| Budget 2021-2022 | Payment 2021-2022 |
|------------------|-------------------|
| R312 159 000,00 | R282 462 000,00 |

*Some small organisations are exempted from paying levies based on revenue generated thus may not attract mandatory grants.

3.5.5. THE ORGANISING FRAMEWORK FOR OCCUPATION (OFO) CODES FOR THE MINING AND MINERALS SECTOR

The purpose of the project is to update the mining and mineral sector specific OFO codes to ensure they are in alignment and inform the DHET national list of OFO codes.

| OFO Codes Update | Progress to Date |
|--|---|
| The DHET allows SETAs to submit OFO code change requests throughout the year. This process is ongoing. | The MQA had workshops to update the OFO codes and these were submitted to DHET on 30 September 2021. The updates were approved and version 2021 OFO Codes was released on 15 December 2021. The new version has been incorporated onto the 2022 WSP-ATR template. |

3.5.6. REVIEW THE RESEARCH RELATED TO SKILLS DEVELOPMENT IN THE MINING AND MINERALS SECTOR (MMS)

| No | Short Project Title | Research Objective | Research Partner | Timeframes | Progress/Status |
|----|--|---|------------------|--------------------------|---|
| 1 | SSP Annual Update 2021-2022 | Develop SSP annual update as per Department of Higher Education (DHET) requirements for submission on 31 August 2022. This is aimed at providing insight into key factors influencing the MMS which could impact the dynamics of skills supply and demand in the sector. | Research team | May 2021 – August 2021 | Final SSP submitted and approved by the DHET. |
| 2 | WSP-ATR 2020 submissions and 11 year trends analysis reports | To provide updated trends and analysis of MMS in terms of geographic location, size and composition of companies. This is also intended to analyse trends in training offered over an 11-year period of WSP-ATR submissions. | Research team | August 2021 – March 2022 | The projects were completed. |
| 3 | Hard-to-fill occupations versus the training interventions | This project is aimed at analysing the relationship between the scarce and critical skills and training interventions that are implemented in the MMS. | Research partner | April 2021 – March 2022 | Service providers were appointed in quarter 4 to conduct research which will be concluded in 2022-2023. |
| 4 | Assessment of the effectiveness of the partnership between Community Education and Training Centres (CETs) and the MQA | <p>The research is aimed at unpacking the following:</p> <ul style="list-style-type: none"> • What is the scope and aim of CETs from the DHET perspective? • What is the nature (purpose, goals, and principles) and scope underpinning this partnership in the MQA? • Identifying the intention of the NSDP in expanding skills development through CETs and how the MQA is implementing this vision. • What are the strengths and weaknesses of these partnerships? • What works, what does not work and why? • What role can the MQA play in assisting the CETs? • Based on the key findings, develop a model for effective and efficient partnership, a model that will lead to improvement of synergy between the MQA and CETs. | Research partner | April 2021 – March 2022 | Service providers were appointed in quarter 4 to conduct research which will be concluded in 2022-2023. |

| No | Short Project Title | Research Objective | Research Partner | Timeframes | Progress/Status |
|----|---|--|------------------|-----------------------------|---|
| 5 | Exploring the state of managerial progression of Historically Disadvantaged South Africans (African, Indian and Coloured) employees in the MMS | <p>The research is aimed at unpacking the following:</p> <ul style="list-style-type: none"> • In the past 5 years, how much change has occurred to promote Black employees into managerial positions? • Ascertain the contributing factors that lead to occupational progression. • Establish the reasons why progression of Black employees is moving gradually. • Determine the sector's readiness towards achieving the Mining Charter, 2018's transformational targets. • Provide specific recommendations that are necessary to improve entry and career advancement of black people with interventions . | Research partner | September 2021 – March 2022 | Service providers were appointed in quarter 4 to conduct research which will be concluded in 2022-2023. |
| 6 | Exploring the factors that are impeding attainment of equity targets with respect to people with disabilities within the mining and minerals sector | <p>The research is aimed at unpacking the following:</p> <ul style="list-style-type: none"> • What is the nature of the employment profile with respect to provincial, sub-sectoral, racial, gender, age and occupational distribution of people living with a disability (pwd)? • What are the factors shaping the medical boarding of employees in MMS? • What training interventions are put in place for employees that are medically boarded in the MMS to enable employment of people with disabilities in the MMS? • Provide specific recommendations necessary to improve the absorption of people with disabilities in the labour market within the MMS. • Provide specific recommendations necessary to improve the absorption of medically boarded employees in the MMS. | Research partner | September 2021 – March 2022 | Service providers were appointed in quarter 4 to conduct research which will be concluded in 2022-2023. |

3.5.7 THE COST BREAKDOWN OF THE 2021-2022 APPROVED RESEARCH PROJECTS

| DG-RESEARCH FINANCIAL SUMMARY FOR 2021-2022 FINANCIAL YEAR | |
|--|---------------|
| Commitments | R1 578 645.00 |

3.6. LEARNING PROGRAMMES: STRATEGIC PROJECTS

The Learning Programmes: Strategic Projects unit administered seven (7) strategic projects during the year under review. These projects are:

1. Bursaries (for unemployed and employed learners);
2. Work experience (including vacation work);
3. Internship programmes;
4. Management and Executive Development Programmes Support;
5. Higher Education Institutions Lecturer Support;
6. Workplace Coaches; and
7. Candidacy programme.

The table below reflects programmes, including targets and qualitative achievements which the MQA committed to rolling out during the period under review:

| Project Name | Annual Targets | Quantitative Achievements | % Achievements |
|---|----------------|---------------------------|----------------|
| Number of graduates who enter an internship programme per annum | 900 | 818 | 91% |
| Number of undergraduates who enter a workplace experience programme per annum | 550 | 550 | 100% |
| Number of undergraduates who complete a workplace experience programme per annum | 370 | 471 | 127% |
| Number of HDSA MMS employees who enter a management development programme per annum | 160 | 171 | 107% |
| Number of HDSA MMS employees who complete a management development programme per annum | 50 | 130 | 260% |
| Number of HDSA Higher Education and Training (HET) lecturers who enter a lecturer development programme per annum | 30 | 20 | 67% |
| Number of unemployed learners awarded a bursary per annum | 1 000 | 1 130 | 113% |
| Number of unemployed learners completing a bursary per annum | 700 | 362 | 52% |
| Number of employed learners awarded a bursary per annum | 50 | 55 | 110% |
| Number of HDSA MMS learners who entered a candidacy programme per annum | 50 | 26 | 52% |
| Number of coaches placed within workplaces to support employers with on-the-job mentoring and coaching activities per annum | 100 | 100 | 100% |

3.6.1. BURSARIES PROJECT

The Bursary Support Project forms part of the MQA learner support strategy which is in line with the Mining Charter and the objectives of the National Skills Development Plan. The project mainly supports students who are pursuing careers within the mining and minerals sector.

BURSARY INTAKE AND ACHIEVEMENTS

- During the financial year under review, the set annual target of 1 000 unemployed bursars intake was exceeded. A total of 1 130 unemployed bursars from universities, universities of technology and TVET colleges benefited from the MQA Bursary Scheme.
- A total of 362 unemployed bursars who completed their qualification.
- A total of 55 employed bursars also benefited from the MQA Bursary Scheme.
- The MQA Bursary unit has entered into a memorandum of agreement with some of the higher learning institutions to streamline payment processes to institutions and avoid the random transfer of funds to learners.

3.6.2. WORK EXPERIENCE

The MQA supports learners in obtaining their university of technology qualifications by enabling them to gain the required practical work experience component of this regulated training. University learners were also assisted with vacation work placement. During the reporting year, a total of 550 out of a set annual target of 550 students were placed within mining companies for workplace experiential training.

For the year under review, 417 learners completed their work experience programmes.

3.6.3 INTERNSHIPS

The project provides structured work experience for young unemployed graduates from higher education institutions to complement the scarce and/or critical skills qualifications required by the mining and minerals sector. During the reporting period, 818 graduates out of a target of 900 were placed at different mining companies to gain work experience.

3.6.4. MANAGEMENT DEVELOPMENT PROJECT

The aim of the project is to facilitate the development of mining and minerals sector employees in the area of supervision or management to support the transformation targets of the sector. A total of 171 out of a target of 160 learners were supported to study towards management and executive development programmes in the year under review.

3.6.5. HIGHER EDUCATION INSTITUTIONS LECTURER SUPPORT

This programme focused on assisting the four (4) universities achieve employment equity and transformation by supporting the development of historically disadvantaged lectures. During the year under review a total of 20 lecturers were supported in the mining-related departments of the participating universities.

The following universities participated:

| University | No of Lecturers |
|----------------------------|-----------------|
| University of Johannesburg | 7 |
| University of Pretoria | 3 |
| University of Cape Town | 7 |
| University of South Africa | 3 |
| TOTAL | 20 |

3.6.6. WORKPLACE COACHES

The project is aimed at providing employers with additional coaches which will assist with the training of learners who are registered on various MQA funded projects. These coaches are individuals that previously worked in the sector for number of years. They are now retired or out of employment and are being brought back to the sector to transfer knowledge and skills to the new entrants. During the reporting period, 100 coaches were engaged with a number of employers.

3.6.7. CANDIDACY PROGRAMME

The project is aimed at providing structured work experience for unemployed and employed graduates from higher education institutions who would like to attain the Government Certificate of Competency, Mine Surveyor Certificate and Mine Managers Certificate. During the reporting period, 26 graduates out of a target of 50 were funded at different mining companies.

3.7. LEARNING PROGRAMMES: OPERATIONS PROJECTS

The Learning Programmes Operations Unit implemented eight (8) projects in the year under review as follows:

3.7.1. ARTISAN DEVELOPMENT

The artisan programmes offered by the MQA seeks to address the core and hard-to-fill artisan skills needs in the mining and minerals sector. The artisan programme includes artisan aide development offered either through skills programmes or as qualifications and is aimed at providing opportunities to employees in the sector who have vast experience but lack formal qualifications.

The MQA participates in the DHET Pilot Project for Centres of Specialisation (CoS) which is aimed at strengthening the functioning of TVET colleges as Centres of Excellence.

ACHIEVEMENTS IN THE CoS PROJECT

A total of 92 learners are currently actively enrolled in various artisan programmes. The learners completed their training under difficult circumstances due to the covid-19 pandemic, but they are ready and in the process of undergoing trade testing.

LEARNERS REGISTERED IN THE CoS PROJECT BY THE MQA

| Skills Development Provider | Lead Employer/Employer | Apprentices Approved |
|--|---|----------------------|
| Ekurhuleni East College | Ergo Business Development Academy | 14 |
| Orbit TVET College | Hernic Ferrochrome (Pty) Ltd | 3 |
| South East Mopani Southeast TVET College | Palabora Copper (Pty) Ltd | 5 |
| Gert Sibande TVET College | Seriti Coal (Pty) Ltd | 7 |
| Majuba TVET College | Slater Coal (Pty) Ltd | 8 |
| Orbit TVET College | Tharisa Minerals | 9 |
| Ekurhuleni East TVET College | Trollope Mining Services (2000) (Pty) Ltd | 3 |
| Ekurhuleni East TVET College | VH Exploration and Fabrication NPC | 40 |
| Orbit TVET College | Western Chrome Mines | 3 |
| TOTAL NUMBER OF LEARNERS | | 92 |

Note: The MQA has reviewed the funding arrangement for the CoS project and now allows for TVET colleges to apply directly for funding as host employers from the MQA as long as the learners will be placed with suitable workplace approved companies for work integrated learning.

3.7.2. NON-ARTISAN DEVELOPMENT (LEARNERSHIPS)

The Non-Artisan Learnership programmes are offered by the MQA to address the core and critical skills needs in the mining and minerals sector.

3.7.3. NON-ARTISAN RECOGNITION OF PRIOR LEARNING

The Recognition of Prior Learning programme seeks to recognise employees in the industry who have experience within those core and critical skills areas but do not have qualifications.

3.7.4. ADULT EDUCATION AND TRAINING DEVELOPMENT

This programme addresses the low level of youth and adult language and numeracy skills to enable access to further training and development in intermediate and advance skills within the mining industry. The MQA is moving towards the provision of digital skills at the AET level within the sector.

3.7.5. OCCUPATIONAL HEALTH AND SAFETY REPRESENTATIVE DEVELOPMENT

The objective of the OHS project is to train employees, including health and safety representatives, in the mining and minerals sector in critical occupational health and safety skills programmes. This is done to assist the sector to comply with the requirements of the Mine Health and Safety Act.

3.7.6. OTHER MQA REGISTERED SKILL PROGRAMMES

The objective of this intervention is to train employees in the mining and minerals sector in other critical skills programmes related to the mitigation of accidents and fatalities within the sector.

3.7.7. SUPPORT FOR COVID-19 TRAINING FOR EMPLOYEES IN THE SECTOR

This is worker-initiated training in line with the outcomes of the National Skills Development Plan. The training involves covid-19 awareness and management to employees in the sector. The covid-19 project is a special project in response to a directive to all SETAs from the Department of Higher Education and Training and Nedlac. The outline of all covid-19 training programmes to be implemented by employers was structured to cover the following:

- mitigation and management programme;
- behaviour change programme;
- risk assessment and review;
- monitoring and reporting process.

The intervention was only targeted at employees of mining and minerals sector companies, including those who provide services incidental to mining.

In the year of 2021-2022, 14 companies participated in the covid-19 training programme. A total of 2 219 employees attended training and grants were paid by the end of the financial year are outlined in the table below:

| | Company Name | No of Learners Trained |
|----|---------------------------------|------------------------|
| 1 | 4 Arrows Mining and Engineering | 50 |
| 2 | Ash Resources | 26 |
| 3 | Assmang Black Rock | 657 |
| 4 | CAMP African Precious Metals | 180 |
| 5 | Exxaro Belfast | 31 |
| 6 | Glencore Coal | 599 |
| 7 | Keaton | 23 |
| 8 | Lafarge Industries | 20 |
| 9 | Lafarge Mining | 20 |
| 10 | Tharisa | 45 |
| 11 | Tronox KZN | 195 |
| 12 | Tronox Mineral Sands | 195 |
| 13 | Wescoal Mining | 74 |
| 14 | Sibanye Beatrix | 104 |
| | TOTAL | 2 219 |

3.7.8. FOUNDATIONAL LEARNING COMPETENCE

The Foundational Learning Competency (FLC) programme is designed to address the low level of skills for learners who require fundamental (numeracy and literacy) skills to exit NQF Level 3 and 4 New Modular Based QCTO Occupational Qualifications.

3.7.9. PARTICIPATION IN THE WORLD SKILLS SOUTH AFRICA INITIATIVE

The MQA has signed a memorandum of understanding with the DHET World Skills Directorate with the aim of ensuring the SETA and the sector collaborates with the DHET in terms of participating in the World Skills Initiative.

3.7.10. ACHIEVEMENT AGAINST THE ANNUAL PERFORMANCE PLAN TARGETS (LEARNERS FUNDED BY THE MQA)

These are depicted in the table below:

| Project | Indicator | Baseline | APP Target for the Year | Achievement | Variance |
|----------------------------------|--|----------|-------------------------|-------------|----------|
| Artisan Development | Number of learners who enter an artisan programme per annum | 842 | 1 280 | 1 401 | 121 |
| | Number of learners who complete an artisan programme per annum | 652 | 400 | 526 | 126 |
| | Number of learners who complete artisan recognition of prior learning | 32 | 100 | 127 | 27 |
| | Number of learners who complete an artisan aides programme per annum | 171 | 200 | 327 | 127 |
| Non-Artisan Learnerships | Number of employees entering a learnership per annum | 516 | 800 | 510 | -290 |
| | Number of employees completing a learnership per annum | 350 | 350 | 351 | 1 |
| | Number of unemployed learners entering a learnership per annum | 539 | 900 | 1 752 | 852 |
| | Number of unemployed learners completing a learnership per annum | 516 | 350 | 903 | 553 |
| | Number of employed learners completing RPL for learnerships | 24 | 25 | 33 | 8 |
| Occupational Health and Safety | Number of employees who successfully complete the Occupational Health and Safety Representatives' skills programme per annum | 2 877 | 3 000 | 3 329 | 329 |
| | Number of employees supported to complete other MQA registered skills programmes per annum | 247 | 875 | 989 | 114 |
| Adult Education and Training | Number of learners who successfully complete AET and Nated courses | 1 250 | 1 350 | 1 499 | 149 |
| Foundational Learning Competence | Number of learners who successfully complete FLC | 116 | 200 | 218 | 18 |

All the targets for funded learners for the financial year under review were met except the indicator on the number of employees who enter learnerships. This was due to poor appetite by sector employers to take on learners and their focus on unemployed learners to meet the social and labour plans targets. These numbers will form the baseline and basis of targets for the next financial year.

3.7.11. ACHIEVEMENTS AGAINST THE SERVICE LEVEL AGREEMENTS WITH DHET TARGETS (LEARNERS FUNDED BY THE SECTOR)

These are depicted in the table below:

| Project | Project | Baseline | SLA Target 2021/2022 | Achievement | Variance |
|-------------------------------|---|----------|----------------------|-------------|----------|
| Non-artisan learnerships | Employed learners enrolled in learnerships | 577 | 800 | 801 | 1 |
| | Employed learners who completed learnerships | 593 | 350 | 491 | 141 |
| | Unemployed learners enrolled in learnerships | 813 | 900 | 1 756 | 856 |
| | Unemployed learners who completed learnerships | 693 | 350 | 903 | 553 |
| Artisan development | Learners enrolled in artisan qualifications | 1 453 | 1 280 | 1 527 | 247 |
| | Learners who completed artisan qualifications | 1 294 | 400 | 1 303 | 903 |
| Adult education and training | Learners enrolled in adult education and training | 1 269 | 1 350 | 2 398 | 1 048 |
| | Learners who completed adult education and training | 1 224 | 1 350 | 1 685 | 334 |
| Skills programmes | Unemployed learners entering skills programmes | 2 766 | 2 000 | 6 519 | 4 519 |
| | Unemployed learners who completed skills programmes | 4 281 | 2 000 | 7 925 | 5 925 |
| | Workers entering skills programmes | 12 939 | 20 000 | 25 567 | 5 567 |
| | Workers who completed skills programmes | 21 130 | 23 875 | 31 223 | 7348 |
| Recognition of prior learning | Number of learners enrolled in RPL/ARPL | 65 | 25 | 173 | 148 |
| | Number of learners who completed in RPL/ARPL | 64 | 100 | 160 | 60 |

All SLA targets were met in the financial year under review. These numbers will form the baseline and basis of targets for the next financial year.

There was good performance in the current financial year, notwithstanding the conditions under which they were achieved in the covid-19 pandemic environment. Challenges were, however, encountered in the implementation of the projects during the financial year, including but not limited to:

- Returns of allocations for funding learners by a number of mining companies citing the covid-19 pandemic, organisational restructuring, retrenchments, budget constraints, etc.
- Slow uptake of learners by participating companies. The MQA has improved on the allocations of grants to the sector to allow employers to recruit, select and place learners on time.

3.8. QUALITY ASSURANCE

The Quality Assurance unit has been delegated as a Quality Partner for the Quality Council for Trades and Occupations (QCTO) to ensure quality assurance on accreditation and learning programmes within the mining and minerals sector is aligned in terms of the Occupational Qualifications Sub-Framework policy, and regulated occupations in terms of Mine Health and Safety Act.

Therefore, the primary roles and responsibilities, deliverables and targets are:

- Review or develop learning programmes for registration as occupational qualifications and support on learning materials development as a Development Quality Partner (DQP) body.
- Conduct development for assessment tool banks and assessment centre criteria for designated occupational qualifications in terms of the national standard as an Assessment Quality Partner (AQP) body.
- Perform SETA mandate on identifying and approval of workplace including conduct accreditation audits for skills development providers, and workplace approval including registration of assessors and moderators as a Quality Assurance Partner (QAP) body.
- Conduct quality assurance on learner achievements for certifications including uploading into the National Learner Records Database (NLRD).
- Implementation of SETA strategic projects including national initiatives for the mining and minerals sector.

3.8.1. DEVELOPMENT QUALITY PARTNER (DQP) FUNCTIONS

The MQA as a Qualifications Development Partner (QDP) in terms of the Quality Council for Trades and Occupations (QCTO) has a delegated function to review or develop learning programmes for registration on the Occupational Qualifications Sub-Framework (OQSF) and learning materials in accordance with national standard.

Further, it has a mandate to review or develop regulated learning programmes or learning materials as per the mining and minerals sector demand with collaboration and support of relevant stakeholders.

During the period of the financial year there was a total of 138 learning programmes or materials reviewed or developed for occupational qualification, part-qualifications, or skills programmes including learnerships as follows:

- 39 new/revised learning programmes
- 99 new learning material packs for occupational qualifications

3.8.2. ASSESSMENT QUALITY PARTNER (AQP) FUNCTIONS

The MQA as an Assessment Quality Partner (AQP) has roles and responsibilities in terms of the Quality Council for Trades and Occupations (QCTO) delegated functions for specified occupational qualifications registered on the Occupational Qualifications Sub-Framework (OQSF). This is to ensure development of assessment tool banks and assessment centre criteria for designated occupational qualifications or part-qualifications in terms of national standard.

The MQA has a total of 43 occupational qualifications, including 18 part-qualifications as registered on the OQSF, 25 of which have been submitted for approval and 13 are still to be developed. During the period under review 7 assessment tools were submitted, 6 were under development and 2 qualifications were ready for the sector.

3.8.3. QUALITY ASSURANCE PARTNER (QAP) FUNCTIONS

The MQA, through its Quality Assurance (QA) unit, conducts integrated accreditation audits to skills development providers (SDPs) and workplaces for occupational qualifications, part-qualifications, learnerships and/or skills programmes as a delegated Quality Assurance Partner (QAP) body of the QCTO for the mining and minerals sector. This includes audits on registration of assessors and moderators.

For this function to be conducted, it requires collaboration with all stakeholders through an appointed and dedicated audit team, including subject matter experts or technical experts within the sector.

However, for the period under review the sector and unit were affected by covid-19 and it thus became necessary to amend trade test centres

and SDPs whose accreditations expired in 2021-2022, as directed or guided by QCTO memos. Therefore, the MQA developed and approved interim guidelines and procedures for the conduct of virtual quality assurance accreditation audits, follow-up or monitoring of the workplace for the period under review.

MQA has 216 training providers on primary and secondary accreditations whilst 352 are approved workplaces for learner placements on various learning programmes as at the end of the financial year.

Through the approved interim guidelines and procedures for the conduct of virtual audits, the MQA achieved 212 performances on accreditations and workplace approvals during the financial year of 2021- 2022. The achievement breakdown is as follows:

- 112 workplace approvals;
- 72 new scope extensions and compliance audits including 5 HDSA training providers who were supported and benefited on discretionary grants; and
- 20 audits could be not recommended for approval thus the MQA endorsed 30 SDPs for accreditation extensions that lapsed under the lockdown period.

During the period under review 1 018 applications were received with 845 approved and processed. A total of 306 were newly registered as assessors, 160 were moderators, 47 assessors were granted scope extension, 114 assessors moved from one provider to another on various learning programmes, and 208 applicants have not yet registered due to pending information.

3.8.4. LEARNER COMPLETION AND CERTIFICATIONS

The MQA continues with responsibilities for the quality assurance of learner achievements (completions) including uploading into the

National Learner Records Database (NLRD) and issuing of certificates for historically registered qualification and skills programmes for the mining and minerals sector.

The primary roles and responsibilities are as follows:

- Establish and maintain a database for the recording of learner achievements.
- Provide support for the certification of learners and accredited providers.
- Certify learners for skills programmes or qualifications achieved.

The MQA adhered to and maintained the National Learner Records Data (NLRD) including uploading learner achievements in terms of the South African Qualifications Authority (SAQA) standard. Therefore, green status in both league tables were achieved.

There was a total of 40 621 learner completions on various learning programmes within the sector as at the end of the 2021-2022 financial year. The table below shows the breakdown of various learner completions on various learning programmes:

| Types | Learner Completions | Printed/Issued Certificated |
|--|---------------------|-----------------------------|
| Skills programmes statement of attainments | 38 576 | 37 526 |
| Non-artisan learnership qualifications | 1 540 | 1 540 |
| *Artisan qualification completions | 1 505 | 1 428 |

**Artisan Trades certifications are issued by QCTO through the National Artisan Moderation Body, whilst MQA continued with the trade test serial number allocations for only 12 of the 18 trade test centres and its associated administration within the mining and minerals sector.*

3.8.5. SUPPORT NATIONAL INITIATIVES FOR STANDARDISED LEARNING

The MQA participated in the DHET Centre of Specialisation Pilot Project as the lead SETA for Millwright and offers further support for the boilermaker, diesel mechanic and electrician trades, including ensuring a safe learning environment and programmes on approved workplaces for practical experience, and linking learners to employers allocated with grants for the project.

The MQA periodically conducts monitoring on quality learning delivery supported by designated Occupational Trades Convenors (OTCs) for trade.

During the period under review only 45 learners were linked to 10 employers (workplaces) who were approved and allocated with grants to support learners on 5 TVET college campuses approved as centres of specialisation.

The table below shows the breakdown of supported trades and TVET colleges linked with employers and learners on CoS:

| TVET College | Province | Name of Trades | Number of Supporting Employers |
|---------------------------|---------------|----------------|--------------------------------|
| Gert Sibande TVET College | Mpumalanga | Millwright | 2 |
| Ekurhuleni TVET College | Gauteng | Boilermaker | 2 |
| Majuba TVET College | KwaZulu-Natal | Boilermaker | 1 |
| Orbit TVET College | North West | Diesel Mech | 3 |
| Mfolozi TVET College | KwaZulu-Natal | Millwright | 2 |



SECTION

4

STAKEHOLDER RELATIONS

The Stakeholder Relations function within the MQA is entrusted with managing the following discretionary grant responsibilities:

- Mine Community Development Programme;
- Ex-Miner Development Programme;
- Youth Development (Unemployed) Programme;
- Small Business Support Programme;
- Small-Scale Mining Programme;
- TVET College Support Programme; and
- Worker-Initiated Training Programme aimed at trade unions in the mining and minerals sector.

Furthermore, it ensures the MQA has a national footprint through the six (6) established regional offices delegated to carry out the responsibilities listed below:

- support the Skills Development Research unit in the WSP-ATR submission process;
- conduct the skills development capacity workshop to capacitate the stakeholders' skills development committees in executing their responsibilities effectively;
- document and participate in MQA's skills development initiatives and report these to relevant Human Resource Development (HRD) forums in the nine provinces;
- devise stakeholder management plans and inform the various stakeholders on the work of the MQA;
- represent the MQA in various provincial events, thus profile the work of the organisation;
- support stakeholders in ensuring their issues related to the business of the MQA are speedily resolved;
- assist TVET colleges with accreditation for work skills programmes; and
- participate in career guidance sessions both in the schooling and TVET education systems.

The MQA's regional offices are located in the following provinces:

The MQA's regional offices are located in the following provinces:

| | Regional Office | Location |
|----|------------------------------|--|
| 1. | Mpumalanga and KwaZulu-Natal | Nkangala TVET College |
| 2. | Northern and Western Cape | Kathu Northern Cape Rural TVET College |
| 3. | Eastern Cape | King Sabatha Dalindyebo TVET College |
| 4. | Limpopo | Sekhukhune TVET College |
| 5. | North West | Old Shopping Complex, Mookinooi |
| 6. | Free State | Goldfields TVET College |

4.1 WSP-ATR SUPPORT

The regional offices continued to offer support to employers on the WSP-ATR submissions.

4.2 SKILLS DEVELOPMENT COMMITTEE (SDC) CAPACITY BUILDING WORKSHOPS

The SDC capacity building workshops are attended by SDFs (primary and secondary), HRD staff, and representatives from organised and non-organised labour, as well as mine management responsible for HRD. During this reporting period an excess of 23 SDC workshops were held by regional offices.

4.3 PARTICIPATION AND PARTNERSHIPS

The regional offices participated in a number of initiatives which included the provincial skills development forums, inter-SETA forums and TVET college councils, amongst others.

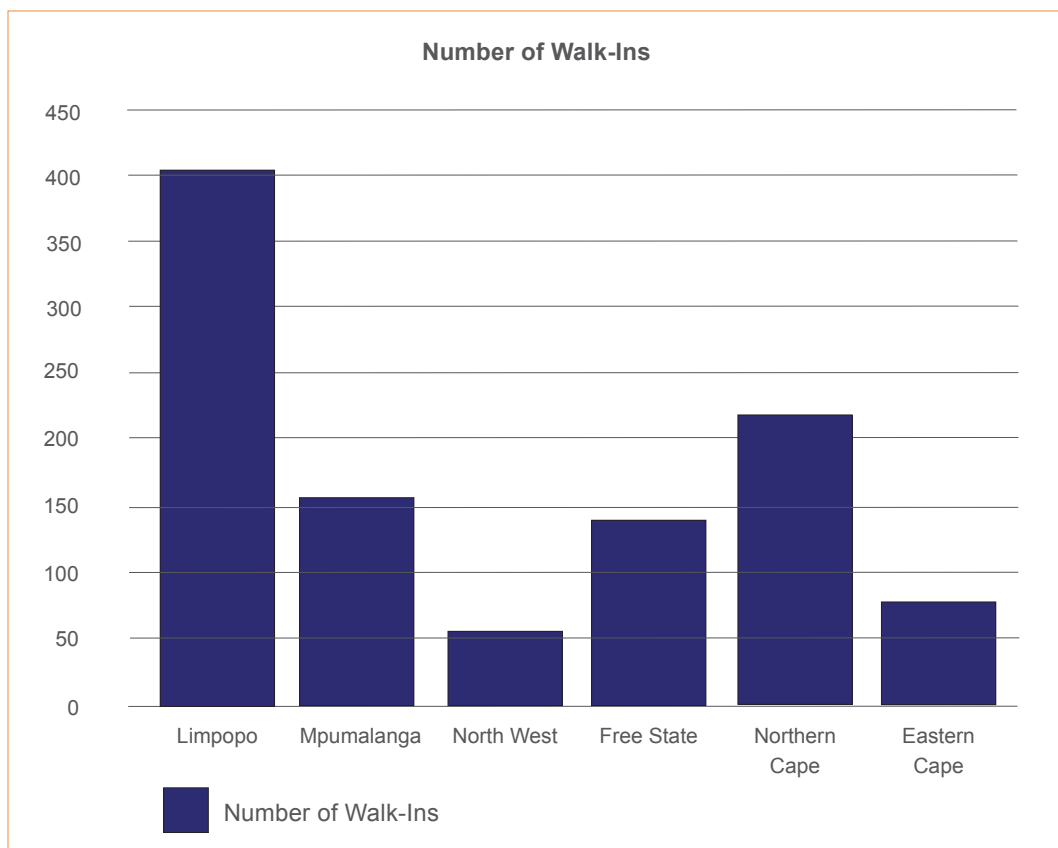
The common factors of these forums are:

- artisan development programmes by the DHET;
- career exhibitions by the Department of Education (DoE);
- progress reports by TVET colleges (urban and rural);
- SETA's progress reports (inter-SETA); and
- presentation by provincial departments.

4.3.1 REGIONAL OFFICES' ACHIEVEMENTS

The regional offices received various requests via emails and walks-ins to the offices. A total of 1 079 walks-ins were recorded in the regional offices for the 2021-2022 financial year. The enquiries vary from accreditation information, bursary opportunities, certificates (collections and applications), and queries in relation to learning programme agreements as well as payment of grants. The recorded walk-ins increased in the 2021-2022 financial year when compared to the walk-ins recorded in the previous year. This was due to the easing of the covid-19 regulations in the year under review.

| Number of Walk-Ins Throughout the MQA Regional Offices | | | | | | Total |
|--|--------------|------------|---------|------------|---------------|-------------|
| North West | Eastern Cape | Free State | Limpopo | Mpumalanga | Northern Cape | All Regions |
| 60 | 80 | 146 | 404 | 167 | 222 | 1 079 |



4.3.2 TVET AND CET SUPPORT

During the reporting period the MQA entered into partnerships with 30 TVET colleges. The primary aim for the MQA to enter into these partnerships was to provide support to the TVET colleges in the following areas:

- management and governance;
- quality of teaching and learning;
- responsiveness to local market; and
- student support services.

These interventions, it is hoped, would assist the TVET colleges to become institutions of choice and to gain recognition from the industry in providing training that meets occupational needs, preferably in those areas where scarce and/or critical skills have been identified.

The following is a list of TVET and CET colleges the MQA partnered with in the year under review:

| No | TVET College | Province |
|-----|--------------------------------------|---------------|
| 1. | King Sabatha Dalindyebo TVET College | Eastern Cape |
| 2. | Lovedale TVET College | |
| 3. | King Hintsa TVET College | |
| 4. | Maluti TVET College | Free State |
| 5. | Goldfields TVET College | |
| 6. | Motheo TVET College | |
| 7. | South West Gauteng College | Gauteng |
| 8. | Ekurhuleni East TVET College | |
| 9. | Ekurhuleni West TVET College | |
| 10. | Majuba TVET College | KwaZulu-Natal |
| 11. | Coastal KZN TVET College | |
| 12. | Ingwe TVET College | |
| 13. | Umfoloji TVET College | |
| 14. | Elangeni TVET College | |
| 15. | Sekhukhune TVET College | Limpopo |
| 16. | Vhembe TVET College | |
| 17. | Mopani SE TVET College | |
| 18. | Capricorn TVET College | |
| 19. | Waterberg TVET College | |
| 20. | Letaba TVET College | Mpumalanga |
| 21. | Gert Sibande TVET College | |
| 22. | Nkangala TVET College | |
| 23. | Vuselela TVET College | Northern Cape |
| 24. | Northern Cape Urban TVET College | |
| 25. | Northern Cape Rural TVET College | |
| 26. | College of Cape Town | Western Cape |
| 27. | False Bay TVET College | |
| 28. | Northlink TVET College | |
| 29. | West Coast College | North West |
| 30. | Orbit TVET College | |

| Community Colleges | |
|--------------------|--|
| 1. | Eastern Cape Community Education and Training College |
| 2. | Free State Community Education and Training College |
| 3. | North West Community Education and Training College |
| 4. | KwaZulu-Natal Community Education and Training College |
| 5. | Gauteng Community Education and Training College |
| 6. | Northern Cape Community Education and Training College |
| 7. | Mpumalanga Community Education and Training College |
| 8. | Limpopo Community Education and Training College |

TVET/CET College Support: Interventions Implemented in the 2021-2022 Financial Year
Below are the milestones achieved in the 2021-2022 financial year:

- I. **Forty-eight (48)** TVET college lecturers were awarded bursaries to further their studies. These interventions aim to improve the quality of teaching and learning at the TVET colleges.
- II. **Seventeen (17)** lecturers were selected for exposure to industry through skills programmes.
- III. **Forty-five (45)** lecturers were funded for assessor and moderator courses in order to improve the quality of teaching and learning.
- IV. **Ten (10)** TVET colleges were allocated funding to place learners for work experience programmes for them to obtain their qualifications.
- V. **Four (4)** CET colleges were allocated funding to train 403 learners on AET programmes.
- VI. **TVET support NCV level 4 graduates:**
This project is aimed at supporting TVET NCV level 4 graduates with required work experience in order to meet the artisan trade test requirements. Learners are issued with artisan certificates upon successful completion of a trade test. During the period under review, a total of 410 learners were registered out of a target of 400, and a total of 216 learners completed the programme and were issued with artisan certificates against a target of 174.

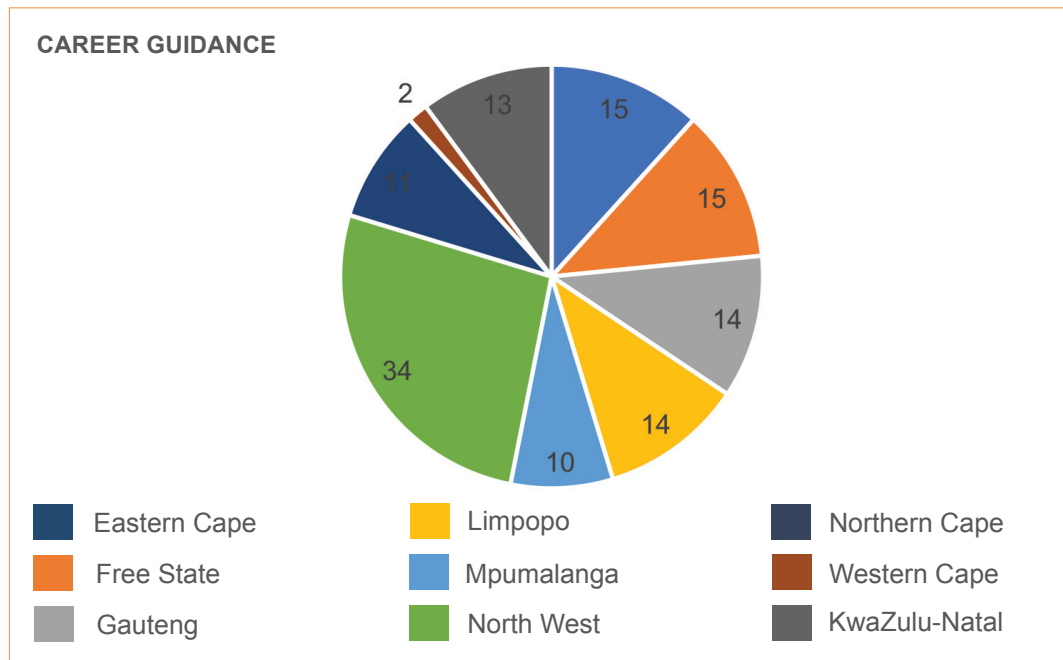
4.3.3 CAREER EXHIBITIONS

The MQA distributed career guidance materials in 128 institutions including schools and information centres due to covid-19 restrictions, and participated in career guidance exhibitions when restrictions were lifted. The purpose of sharing information and engaging with learners is to share information on:

- subject choices;
- the importance of maths and science;
- bursary opportunities; and
- artisan and non-artisan career advice, amongst others.

Below is a split of the career guidance material distributed and exhibitions per province:

| Province | Number of Events Conducted |
|---------------|----------------------------|
| Eastern Cape | 15 |
| Free State | 15 |
| Gauteng | 14 |
| Limpopo | 14 |
| Mpumalanga | 10 |
| North West | 34 |
| Northern Cape | 11 |
| Western Cape | 2 |
| KwaZulu-Natal | 13 |
| TOTAL | 128 |



4.4 MINE COMMUNITY DEVELOPMENT PROGRAMME

The Mine Community Development Programme is a strategic programme that aims to respond to the skills needs within rural and mining communities nationwide. This is achieved through the Mine Community Portable Skills Training and Small-Scale Mining Programmes.

For the 2021-2022 financial year the MQA disbursed an amount of R87 250 246,90 for the implementation of various learning programmes as part of the Mine Community Development Programme Intervention, 8 855 learners were enrolled on these programmes over a target of 2 350, and 3 515 learners completed various learning programmes over a target of 1 455. These programmes were implemented in a number of provinces and are aimed at skilling targeted beneficiaries.

The over achievement occurred as a result of the additional allocation for beneficiaries from mining communities and labour sending areas including retrenched and ex-mine workers. This

allocation included funding for start-up kits for those who intended to start their own business after the training intervention. This additional funding was approved to assist communities in dealing with the effects of covid-19 and to curb the unemployment rate.

4.5 YOUTH DEVELOPMENT PROGRAMME

The aim of this intervention is to facilitate and support the training of unemployed youth in entrepreneurial skills and various other skills that will assist them to gain employment and render communities sustainable.

In the year under review R53 112 834,99 was disbursed to various organisations for the implementation of youth development programmes, 3 276 learners were enrolled in these programmes over a target of 2 100, and 3 505 learners completed various learning programmes over a target of 2 510. These programmes were implemented in a number of provinces and are aimed at skilling targeted beneficiaries.

Once the training of the beneficiaries has been concluded, the programmes have indicated a clear exit strategy to place beneficiaries in jobs as well as to skill them in enterprise development. The overachievement was due to an allocation for training of an additional 1 017 unemployed youth in mining communities and labour sending areas. This allocation included funding for start-up kits for those who intended to start their own business after the training intervention. This additional funding was approved to assist communities in dealing with the effects of covid-19 and to curb the unemployment rate.

4.6 SMALL BUSINESS SUPPORT

In the year under review, the MQA approved a project to assist small, micro and medium-sized entities (SMMEs) operating in the mining and mineral sector with skills development interventions intended to assist them in growing or sustaining their businesses. Five (5) small businesses benefited from this intervention.

4.7 SMALL-SCALE MINING

The purpose of Mine Community Project is to “support rural development projects: support community (retrenched, ex-mine workers, unemployed youth and women living in mining communities and labour sending areas) and sector training initiatives. In the 2021-2022 financial year, 283 completions were reported, 47 learners were still undergoing training with Mintek at the end of the financial year and were

expected to complete the training in the first quarter of 2022-2023. This achievement is in excess of the target of 150 beneficiaries.

4.8 WORKER-INITIATED TRAINING

The MQA implemented a new project aimed at trade union members and officials as beneficiaries. The aim of the training interventions proposed in this programme are designed to encourage and support trade unions’ worker-initiated training in the disciplines aligned to the mining and minerals sector. There are five trade unions in the mining and minerals sector but only four of them took up the opportunity to train their members and officials. They include NUM, Solidarity, UASA and NUMSA who trained their members in a range of training interventions including:

- labour law training intervention;
- Microsoft Office suite training intervention;
- 4IR skills for employees;
- non-pivotal: employment equity and skills development;
- non-pivotal: health and safety;
- non-pivotal: the future of work in the mining industry, strengthening worker knowledge and skills transfer; and
- application of labour legislation to real and simulated cases.

5. REGIONAL EVENTS

5.1. INTERNATIONAL LITERACY DAY

International Literacy Day (ILD) is an annual event celebrated globally during the month of September. On this day the importance of literacy amongst communities, societies and individuals is highlighted. Furthermore, the ILD event is used as a tool to encourage the marginalised communities to equip themselves with skills to create a better life within the mining environment. Education has long been recognised as imperative for the individual, as well as for social and national development.

The MQA recognises the significance of this day and has been celebrating in partnership with mining houses and the organised labour in previous years. In the reporting period, the International Literacy Day (ILD) was celebrated on Saturday, 29 January 2022 in partnership with Harmony, Impala Platinum, and Samancor Eastern Chrome.

The success of the event was due to the support received from both external and internal stakeholders. Internally, the Task Team comprised staff members from various MQA business units. The event was given coverage on the MQA social media platforms.



SECTION

5

**CORPORATE
SERVICES**

The Corporate Services department plays a key role within the MQA by providing strategic leadership and oversight on roles that include corporate governance, legal services, contract management, marketing and communication, and human resources as well as facilities and office management services.

It is through these functions that Corporate Services supports the MQA Board and its committees, management, employees and stakeholders in the process of fulfilling its legislative mandate whilst ensuring effective engagement with all relevant stakeholders.

5.1. HUMAN RESOURCES

5.1.1. BACKGROUND

Human Resources (HR) is a strategic function of the organisation and contributes immensely to the creation, enforcement and inculcation of a high-performance culture. The employee lifecycle from entry to exit is managed by

Human Resources. The Human Resources unit offers services to the MQA guided by six strategic objectives namely workforce planning, organisational development, employee remuneration and retention, governance, human resources administration and employee relations.

5.1.2. HUMAN RESOURCES STRATEGIC OBJECTIVES

During the period under review, most of the HR activities were negatively impacted by the lockdown stemming from the outbreak of covid-19.

The report focuses on the HR activities carried out during the reporting period in relation to the outlined HR strategy of workforce planning, organisational development, employee remuneration and retention, governance, human resources administration and employee relations.



5.1.3. HUMAN RESOURCES PERFORMANCE AGAINST PLANNED STRATEGIC OBJECTIVES

Below is an account of the unit's performance for the year under review:

| Deliverables | Planned Activity | Comment |
|--------------------------------|--|---|
| Workforce planning | Filling of vacant executive management positions. Ensure a 10% vacancy rate. | During the reporting period, three executive management positions namely Chief Operating Officer (COO), Executive Manager: Corporate Service (EMCS), and Chief Financial Officer (CFO) were successfully filled. The process to recruit for the Chief Executive Officer (CEO) also started and is anticipated to conclude in the next financial year. A total of 47 appointments were made and it includes twelve (12) permanent, seven (7) fixed-term and twenty-eight (28) temporary positions. |
| Organisational development | Improve performance management contracts | The performance management system has improved from the previous years. Key performance areas were aligned to the strategic objectives of the MQA. All top management performance contracts were reviewed and approved by the Board. |
| | Change management process to implement recommendations for Efficiency Study report | A change management process which is aimed at the implementation of the efficiency study recommendations commenced during the period under review and will continue through to the next financial year. |
| | Learning and development | R1,198 million was spent on assisting employees to further their studies through learning and development programmes with the training budget. |
| Governance | Ensure that HR policies and procedures are in line with legislation | Twelve (12) HR policies were reviewed and approved. |
| Human Resources administration | Management of Human Resources budget | All Human Resources activities were budgeted for at R86 373 205, 08. Full details of the budget spend is available in the financial statements. |
| Employee relations | Wage negotiations | A two-year wage agreement that was agreed upon with the Union, was successfully implemented to effect annual increases for the period under review. |
| | Employee wellness | The MQA believes that a happy employee is a productive employee. As enabler, employees were provided with the support they need in all aspects of their lives through a meaningful employee assistance programme. |

5.1.4. PERSONNEL COST PER OCCUPATIONAL LEVEL (INCLUDES PERMANENT, FIXED-TERM, TEMPORARY STAFF AND INTERNS)

| Occupational Level | Personnel Expenditure (R'000) | % of Personnel Exp. to Total Personnel Cost (R'000) | No. of Employees | Average Personnel Cost per Employee (R'000) |
|--------------------------|-------------------------------|---|------------------|---|
| Top management | R7 850 424,13 | 7,77% | 4 | R1 962 606,03 |
| Senior management | R19 398 973,95 | 19,20% | 12 | R1 616 581,16 |
| Professionally qualified | R28 608 978,42 | 28,31% | 25 | R1 144 359,14 |
| Skilled technical | R41 727 655,27 | 41,30% | 108 | R386 367,18 |
| Semi-skilled | R1 816 690,93 | 1,80% | 8 | R227 086,37 |
| Unskilled | R1 636 916,75 | 1,62% | 8 | R204 614,59 |
| TOTAL | R101 039 639,45 | 100,00% | 165 | R612 361,45 |

5.1.5. PERFORMANCE REWARDS (INCLUDES PERMANENT, FIXED-TERM AND TEMPORARY EMPLOYEES)

| Occupational Level | Performance Rewards | Personnel Expenditure (R'000) | % of Performance Rewards to Total Personnel Cost (R'000) |
|--------------------------|-----------------------|-------------------------------|--|
| Top management | R310 388,58 | R7 850 424,13 | 0,31% |
| Senior management | R2 407 494,29 | R19 398 973,95 | 2,38% |
| Professionally qualified | R3 049 955,06 | R28 608 978,42 | 3,02% |
| Skilled technical | R4 354 837,44 | R41 727 655,27 | 4,31% |
| Semi-skilled | R205 071,13 | R1 816 690,93 | 0,20% |
| Unskilled | R165 971,74 | R1 636 916,75 | 0,16% |
| TOTAL | R10 493 718,24 | R101 039 639,45 | 10,39% |

5.1.6. TRAINING AND DEVELOPMENT

| Programme/Activity/Objective | Personnel Expenditure (R'000) | Training Expenditure (R'000) | Training Expenditure as a % of Personnel Cost | No. of Employees Trained | Average Training Cost per Employee |
|------------------------------|-------------------------------|------------------------------|---|--------------------------|------------------------------------|
| Training and development | R101 039 639,45 | R280 651,65 | 0,28% | 126 | R2 227,39 |
| Study assistance | R101 039 639,45 | R917 100,18 | 0,91% | 37 | R24 786,49 |
| TOTAL | R101 039 639,45 | R1 197 751,83 | 1,19% | 163 | |

5.1.7. EMPLOYMENT VACANCIES PERMANENT ROLES

| Occupational Level | Approved Posts | No. of Employees | No. of Vacancies | % Vacancies |
|-------------------------------|----------------|------------------|------------------|-------------|
| Top management | 5 | 4 | 1 | 20% |
| Senior management | 17 | 12 | 5 | 29% |
| Professionally qualified | 33 | 24 | 9 | 27% |
| Skilled technical and interns | 86 | 63 | 23 | 27% |
| Semi-skilled | 8 | 8 | 0 | 0% |
| Unskilled | 8 | 8 | 0 | 0% |
| TOTAL | 157 | 119 | 38 | 24% |

5.1.8. EMPLOYMENT CHANGES: PERMANENT

| Occupational Level | Employment at Beginning of Period | Appointments | Terminations | Employment at End of the Period |
|--------------------------|-----------------------------------|--------------|--------------|---------------------------------|
| Top management | 1 | 3 | 0 | 4 |
| Senior management | 13 | 0 | 1 | 12 |
| Professionally qualified | 23 | 1 | 0 | 24 |
| Skilled technical | 60 | 4 | 1 | 63 |
| Semi-skilled | 7 | 1 | 0 | 8 |
| Unskilled | 5 | 3 | 0 | 8 |
| TOTAL | 109 | 12 | 2 | 119 |

5.1.9. REASONS FOR STAFF LEAVING: ALL STAFF

| Reason for Staff Leaving | Number of Employees | Percentage |
|--------------------------|---------------------|-------------|
| Death | 0 | 0% |
| Resignation | 3 | 30,00% |
| Dismissal | 0 | 0,00% |
| Retirement | 0 | 0,00% |
| Ill health | 0 | 0,00% |
| Expiry of contract | 7 | 70,00% |
| TOTAL | 10 | 100% |

5.1.10. LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

| Nature of Disciplinary Action | Number of Disciplinary Actions |
|-------------------------------|--------------------------------|
| Verbal warning | 7 |
| Written warning | 0 |
| Final written warning | 0 |
| Dismissal | 0 |

5.1.11. EMPLOYMENT EQUITY STATUS AND EMPLOYMENT EQUITY TARGET AT 31 MARCH 2022

| Occupational Levels | MALE | | | | | | | |
|--------------------------|-----------|-----------|----------|----------|----------|----------|----------|----------|
| | AFRICAN | | COLOURED | | INDIAN | | WHITE | |
| | Current | Target | Current | Target | Current | Target | Current | Target |
| Top management | 3 | 4 | 0 | 1 | 0 | 0 | 0 | 0 |
| Senior management | 5 | 7 | 0 | 2 | 0 | 0 | 0 | 0 |
| Professionally qualified | 9 | 12 | 0 | 1 | 1 | 1 | 0 | 2 |
| Skilled technical | 15 | 25 | 1 | 1 | 1 | 1 | 0 | 1 |
| Semi-skilled | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unskilled | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 36 | 52 | 1 | 5 | 2 | 2 | 0 | 3 |

| Occupational Levels | FEMALE | | | | | | | |
|--------------------------|-----------|-----------|----------|----------|----------|----------|----------|----------|
| | AFRICAN | | COLOURED | | INDIAN | | WHITE | |
| | Current | Target | Current | Target | Current | Target | Current | Target |
| Top management | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Senior management | 5 | 7 | 2 | 1 | 0 | 1 | 0 | 1 |
| Professionally qualified | 11 | 13 | 0 | 2 | 1 | 1 | 3 | 3 |
| Skilled technical | 35 | 45 | 1 | 2 | 0 | 2 | 0 | 2 |
| Semi-skilled | 5 | 5 | 1 | 0 | 0 | 0 | 0 | 0 |
| Unskilled | 6 | 6 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 63 | 77 | 4 | 6 | 1 | 4 | 3 | 6 |

| Occupational Levels | Employees with Disabilities | | | |
|--------------------------|-----------------------------|----------|----------|----------|
| | Male | | Female | |
| | Current | Target | Current | Target |
| Top management | 0 | 0 | 0 | 0 |
| Senior management | 0 | 0 | 0 | 0 |
| Professionally qualified | 1 | 2 | 0 | 1 |
| Skilled technical | 1 | 0 | 1 | 1 |
| Semi-skilled | 0 | 0 | 0 | 0 |
| Unskilled | 0 | 0 | 0 | 0 |
| TOTAL | 2 | 2 | 1 | 2 |

5.2. LEGAL AND GOVERNANCE

The Legal and Governance unit's (Legal unit) key responsibilities focus on strategic support to the MQA for legal, compliance and governance matters summarised below:

- drafting, monitoring and training on all MQA agreements;
- ensuring the MQA complies with all relevant legislation;
- identification, management and mitigation of all legal and governance risks;
- development and maintenance of all stakeholder/customer relationships;
- tracking and monitoring of service provider performance against agreed obligations; and
- professional legal service to the organisation.

The Legal unit attends to numerous queries which ranges from drafting of agreements, drafting of legal opinions and assisting in fraud investigations. The unit will continue to provide services in a professional manner, particularly concentrating on legal risk prevention and mitigation through the hosting of training workshops and the development of effective legal and governance framework.

5.2.1. CONTRACT MANAGEMENT

The unit's contract management role encompasses the effective contract administration and the management of contracts made with customers, vendors, partners, or employees. This involves negotiation, support and effectively managing agreements.

The number of public procurement agreements as per the end user stakeholder group/unit are represented in the table below:

| Unit | Number |
|--------------------------------------|-----------|
| Skills Development and Research | 4 |
| Strategic Planning | 3 |
| Information Technology | 15 |
| Finance | 1 |
| Supply Chain Management | 1 |
| Monitoring and Evaluations | 5 |
| Corporate Services | 4 |
| Legal and Governance | 7 |
| Office Management | 6 |
| Customer Relations and Communication | 2 |
| Human Resources | 8 |
| MQA Board | 2 |
| TOTAL | 58 |

The Legal unit drafts Memorandums of Understanding (MoU) on behalf of other units. These MoUs are generally agreements which do not contain any financial obligations from the MQA and the other party to the agreement, and it is sometimes used as the first step in signing an agreement. The use of MoUs is very useful to form and formalise relationships with stakeholders.

| List of MQA MoUs | |
|-----------------------|--------------|
| Unit | Total Number |
| Stakeholder Relations | 2 |
| Learning Programmes | 1 |
| TOTAL | 3 |

5.2.2. LEGAL SERVICES

The Legal unit provides comprehensive legal services to all units of the MQA. These services include the advice and general legal opinion on a variety of matters.

The Legal unit also started a process to appoint a panel of attorneys to assist the MQA in the provision of expert legal opinions and litigation support. This is an important step in ensuring the MQA receives the best and most up-to-date external legal support.

| No. of CCMA and Litigation Matters | | | |
|------------------------------------|-------|----------|---------|
| Description | Total | Resolved | Ongoing |
| Litigation cases | 10 | 2 | 8 |
| CCMA cases | 4 | 1 | 3 |

5.2.3. COMPLIANCE AND GOVERNANCE

The Legal unit assists the MQA with compliance to its legislative and regulatory obligations. The Legal unit advises upon request on the rules, practices and processes by which the MQA is directed and controlled, and advises the organisation on the best way forward in line of such prescripts.

5.3. CUSTOMER SERVICE AND COMMUNICATION

The Customer Service and Communication unit is one of the key support units within the MQA whose deliverables are guided by a five-year Board-approved Communication Strategy and an annual Operational Plan. The report contained herein is a comprehensive account of the planned and unplanned activities implemented during the 2021-2022 financial year.

The functions of the Customer Service and Communication unit are aligned to the MQA's vision, mission, values, strategic objectives,

and legislative mandate, which are amongst others to:

- provide effective, accurate and reliable communication to its stakeholders by implementing structured activities in a planned and structured manner;
- position the MQA as a recognisable brand amongst its existing and potential stakeholders in the mining and minerals sector, government, and the public at large;
- promote the MQA as a credible brand amongst its stakeholders;
- manage the reputation of the MQA by managing the perception of stakeholders guided by informed research; and
- maintain and implement good governance practises in the implementation the Unit's roles and duties.

The communication process within the organisation is used to bridge the communication gap between the organisation and its stakeholders, as well as to improve performance and customer service delivery. The Unit developed and implemented a range of communication, customer service, marketing, and public relations interventions with the objective of communicating effectively with its stakeholders and protecting the organisation's brand and reputation. The crafting and dissemination of specific strategic messages to the identified target audiences is what drives the mandate of the Unit. During the year under review, the Unit focused on the following deliverables:

5.3.1. STRATEGY IMPLEMENTATION

The 2020-2025 Communication Strategy was reviewed and approved by the Board in November 2021. The strategy continues to be implemented for the 2020-2025 financial years, in line with the MQA Strategic Plan, the DHET Annual Performance Plan (APP), and the allocated budget.

5.3.2. RESEARCH

5.3.2.1. Biennial Stakeholder Satisfaction Survey

The Unit is responsible for the administration of a company-wide biennial Stakeholder Satisfaction survey for the organisation. An independent organisation, namely Mthente Research and Consulting Services was successfully commissioned to conduct the survey during the year under review. The execution of a Stakeholder Satisfaction survey is in line with the DHET Annual Performance Plan (APP) deliverable.

The survey was conducted and completed with the submission of a detailed report, including survey feedback and recommendations for improvement. A 75% stakeholder satisfaction was achieved. Two feedback sessions with executives and managers were held on 28 and 29 March 2022.

The Stakeholder Satisfaction survey is a feedback mechanism that assesses the perceptions of both internal and external stakeholders regarding the operational and support services the MQA renders to its stakeholders, and the effectiveness of its efforts. The areas of focus in the survey included the:

- efficiency and effectiveness of the MQA's systems and processes;
- quality of leadership at the various levels within the organisation;
- efficiency and effectiveness of services rendered by the MQA to its stakeholders;
- quality of skills development and learning programmes;
- transformation within the mining sector;
- health and safety interventions implemented by the MQA to the sector;
- succession planning and talent management interventions within the MQA;

- performance management and reward systems within the MQA; and
- trade union support within the MQA.

5.3.3. MARKETING AND COMMUNICATION INTERVENTIONS

5.3.3.1. Organised Event Management Activities and Support Interventions

Several planned activities were organised and supported by the Unit throughout the year. In other instances, the Unit supported the organisation with various activities for the success of their events.

Below are some of the events and activities that took place during the 2021-2022 financial year.

Eastern Cape Premier's Office launch

During the first quarter of the 2021-2022 financial year, the Customer Service and Communication team supported the Stakeholder Relations unit with the Eastern Cape Premier's office launch of the OTP-PSETA internship programme that took place on 2 June 2021 at Good News Church in Bisho.

The Limpopo Skills Workshop

The Customer Service and Communication unit provided a support function at the Limpopo Skills workshop that was organised by the Stakeholder Relations unit in partnership with the DHET which took place on Friday, 11 June 2021 at the Waterberg TVET College in Limpopo. The target audience for the event was mostly TVET learners. A career exhibition that included the MQA and surrounding TVET colleges was also organised to support learners in their career decisions. Close to 100 delegates physically attended while other delegates joined virtually through the Zoom platform.

2021 Hybrid National Skills Authority Conference

The Customer Service and Communication unit contributed to the hybrid National Skills Authority conference which was successfully held from 28 to 29 September 2021 at the Birchwood Hotel and Conference Centre. The team served in the National Skills Authority Conference Content and Logistics Committees. Various MQA stakeholders and staff were invited and attended the event based on the attendance options provided.

2021 Hybrid Annual Consultative Conference

In line with the MQA Operational Plan, the MQA successfully planned, coordinated and convened the inaugural hybrid Annual Consultative Conference (ACC) on Friday, 5 November 2021 at the Parktonian Hotel in Braamfontein, Johannesburg. For the first time a hybrid ACC was held with over two-hundred and fifty (250) stakeholders attending. The MQA traditionally convene the Annual Consultative Conference (ACC) either during the last week of October or the first week of November annually, following the tabling of the Annual Report in Parliament.

The event was held in compliance with the covid-19 government regulations, where only one-hundred (100) stakeholders were permitted to attend in person. The total number of stakeholders planned to attend was two-hundred (200), but close to three-hundred (300) stakeholders attended the event, with close to two-hundred (200) stakeholders joining virtually. The programme of the day was facilitated by one of South Africa's media personalities, Dr Criselda Kananda. The official opening of the

event was conducted by Mr David Msiza, the Chairperson of the MQA board. The Acting Chief Executive Officer, Mr Bethuel Nemagovhani presented an overview of the 2020-2021 overall performance of the MQA.

During the second phase of the conference, three panel members from the sector were invited to share their views on various topical issues affecting the sector. The panel members were carefully selected from the organised labour, employer and state constituencies. Amongst the panel were Mr Tony Pretorius, executive for Training and Development from Murray and Roberts Cementation who unpacked the topic "The benefits of mechanised and virtual training for the mining sector". Followed by Mr Aubrey Tshabalala, an executive member at COSATU who addressed the topic "The proposed direction for 4IR MMS training and its impact". Then finally Professor Pius Adewale Owolami, a researcher and Head of Department of Computer Systems Engineering at Tshwane University of Technology (TUT) who presented virtually on the topic "Developing Higher Education and Training (HET) technological and virtual curriculum or qualifications for the MMS".

Good Practices in Skills Development Awards

The MQA held the Good Practices in Skills Development for the Mining and Minerals Sector awards at the Annual Consultative Conference, where eighteen (18) mining and minerals sector companies were recognised and awarded for the implementation of learner work-integrated placement training.

The following table depicts the names of the companies awarded, categories and prizes:

| CATEGORY 1: ARTISAN DEVELOPMENT | | | |
|---------------------------------|---------------------------|--------------|-------|
| No | Company Name | Company Size | Award |
| 1. | Exxaro Coal - Grovos | Large | Gold |
| 2. | Colliery Training College | Medium | Gold |
| 3. | VH Exploration | Small | Gold |

| CATEGORY 2: NON-ARTISAN DEVELOPMENT | | | |
|-------------------------------------|--------------------------------------|--------|------|
| 4. | Murray and Roberts Cementation | Large | Gold |
| 5. | DLA Investments | Medium | Gold |
| 6. | Intsika Skills Beneficiation Project | Small | Gold |

| CATEGORY 3: WORK EXPERIENCE | | | |
|-----------------------------|---------------------------|--------|------|
| 7. | Murray and Roberts | Large | Gold |
| 8. | Colliery Training College | Medium | Gold |
| 9. | NPC-CIMPOR (RF) | Small | Gold |

| CATEGORY 4: INTERTNSHIP | | | |
|-------------------------|-----------------------------------|--------|------|
| 10. | Impala Platinum Services Ltd | Large | Gold |
| 11. | Keaton Mining | Medium | Gold |
| 12. | Hlogirati (Pty) Ltd HSEQ Services | Small | Gold |

| CATEGORY 5: 90% LEARNER ABSORPTION RATE AWARD – MINE COMMUNITY DEVELOPMENT | | | |
|--|-------------------|-------|------|
| 13. | Harmony Gold Mine | Large | Gold |

| CATEGORY 6: WSP-ATR SUBMISSIONS | | | |
|---------------------------------|-------------------------------------|--------|------|
| 14. | Longken (Pty) Ltd Intermin Agencies | Large | Gold |
| 15. | Ilangabi Investments 12 (Pty) Ltd | Medium | Gold |
| 16. | A and B Global Mining | Small | Gold |

| CATEGORY 7: ACCREDITED SKILLS DEVELOPMENT PROVIDERS | | | |
|---|--|-------|------|
| 17. | Murray and Roberts Cementation (Pty) Ltd | Large | Gold |
| 18. | Zurel Bros SA (Pty) Ltd | Small | Gold |

| CATEGORY 8: SUPPORTED ACCREDITED HDSA FOR ENTRY AS SKILSS DEVELOPMENT PROVIDERS | | | |
|---|---|-------|------|
| 19. | Mzila Institute of Excellence (Pty) Ltd | Small | Gold |

| CATEGORY 9: SUPPORT FOR COS – BEST HOST EMPLOYER | | | |
|--|----------------|-------|------|
| 20. | VH Exploration | Small | Gold |

My World Event

The Customer Service and Communication Unit hosted a successful virtual My World event on 21 January 2022. Due to the evolving changes in the digital world, the event focused on unpacking the processes of conducting hybrid events.

The My World event is a platform created to educate staff members on how to start adapting to the changes brought on by this new technological approach in conducting day-to-day business. The virtual My World event was positively received by over eighty (80) staff members who attended.

Hybrid Stakeholder Engagement Forum

The Customer Service and Communication unit successfully convened a hybrid Stakeholder Engagement Forum that was held at the ANEW Parktonian Hotel on Friday, 4 March 2022. The hybrid event was held with one-hundred and fourteen (114) stakeholders in attendance, mostly virtually and others in-person.

5.3.5. PRINTED MEDIA

5.3.5.1. Advertisements

The MQA publishes advertisements to promote its services, communicate new developments and to invite stakeholders to various skills development activities taking place. A total of 23 adverts were published during the year under review, which included tenders, marketing and promotion. Recruitment advertisements were published on the MQA social media platforms.

5.3.5.2. MQA Newsletter (Printed and Electronic Flip Book)

The Unit compiled and distributed two bumper newsletter issues during the year under review. A total of 12 000 printed copies were distributed to companies, training providers and learners on MQA programmes. The electronic flip book versions were uploaded onto the MQA website, MQA's social media handles and emailed when requested. The MQA Newsletter continues to be one of the communication channels that stakeholders regard as a positive communication medium that keeps them informed about the MQA.

5.3.5.3. Marketing Materials (Printed)

The MQA produces a range of marketing materials such as brochures to inform stakeholders about the role of the MQA and learning programmes the MQA have available as part of their discretionary projects and they should participate in. It also highlights the benefits of skills development and other programmes such as career guidance that takes place as part of the services of the organisation.

5.3.5.4. Staff and Stakeholder Communiqués

The MQA produces staff and stakeholder communiqués to communicate pertinent information related to the business of MQA. During the year under review, more than 200 staff and stakeholder communiqués were compiled and distributed.

5.3.5.5. Annual Report (2020-2021)

The 2020-2021 MQA Annual Report was compiled timeously and delivered in compliance with the Auditor-General of South Africa (AGSA) and parliamentary requirements. The Annual Report was submitted at the end of August 2021 and tabled in Parliament by the DHET during November 2021. No parliamentary questions were received pertaining to the Annual Report post tabling. The Annual Report was also tabled by the ACEO at the Annual Consultative Conference held on 5 November 2021 in Johannesburg as aforementioned.

The Annual Report was distributed to all government departments in line with the parliamentary distribution list, as well as to the national libraries. Additional requests were received for printed copies. The report was also uploaded onto the MQA's website.

5.4.5. ELECTRONIC MEDIA

5.4.5.1. Website Maintenance

The new MQA website went live on Tuesday, 30 November 2021. In collaboration with the IT unit, the Customer Service and Communication unit undertook the project of developing a new interactive website for the MQA. The role of the Customer Service and Communication unit in the project was to guide the design, architectural site implementation and content management. The IT unit funded and provided

the technical support for the project, as well as its hosting. The website is functioning well with minor glitches that are regularly attended to. The Customer Service and Communication unit continued to be responsible for the content management of the website. During the year under review, it uploaded 42 website posts on behalf of the MQA units.

Social Media

The MQA uses social media as one of the tools to disseminate key messages and communicate with its stakeholders. It is active on four platforms namely, Facebook, Twitter, Instagram and YouTube.

Below is a summary of the social media activities on the MQA's social media platforms for the period under review.

Twitter Posts, Engagements and Impressions

The page followers for the period under review grew to 577. The table below depicts the number of posts, audience engagements and impressions for the period under review:

| Activity | Posts | Audience Engagements | Impressions |
|--------------|------------|----------------------|-------------|
| TOTAL | 238 | 1 779 | 97 |

Facebook Posts, Engagements, Reach and Impressions

The page followers for the period under review grew to 4 809. The table below depicts the number of posts, audience engagements, user reach and impressions for the period under review:

| Activity | Posts | Audience Engagements | User Reach | Impressions |
|--------------|------------|----------------------|----------------|----------------|
| TOTAL | 282 | 135 149 | 755 534 | 910 429 |

Instagram Posts, Engagements and Reach

The page followers for the period under review grew to 1 001. The table below depicts the number of posts, audience engagements, and impressions for the period under review:

| Activity | Posts | Audience Engagements | Impressions |
|--------------|------------|----------------------|---------------|
| TOTAL | 173 | 476 | 14 455 |

YouTube Channel

The MQA YouTube channel has a total of 10 subscribers.

The Customer Service and Communication unit consistently monitors comments on social media to safeguard the reputation of the MQA and engages with concerned units where challenges exist. Key to the success of corporate social media is the 'paid for' boosting services as well as allocating influencers. This is an engagement that will be necessary for the MQA going forward.

CUSTOMER RESOLUTION MANAGEMENT

A total of 2 468 queries were received and resolved by the operations units and 13 compliments, and 260 queries were received and resolved by the regional offices.

5.4.1. CUSTOMER SERVICE

The Customer Service role within the MQA includes the management of the Customer Relationship Management (CRM) system, frontline face-to-face and telephone monitoring at MQA’s receptions, as well as conducting research on stakeholder perceptions.

5.4.2. CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

There were 13 compliments and 2 738 resolved queries received from the units. These were recorded onto the CRM system and resolved between 1 April 2021 and 30 March 2022. The total number of email cases uploaded and resolved throughout the year is as follows:

5.4.2.1. Frontline and Telephone Services

Telephone Services – Head Office

The MQA’s key offering is service professionalism which is one of the MQA values. The frontline staff members strive to offer that service to all MQA stakeholders. The number of telephone calls received as well as those not attended to is monitored through a report generated by an external service provider, namely Comtech.

The total number of incoming calls at head office for 2021-2022 was 25 474.

Frontline “Walk-in” Report and Ongoing “On the Spot” Stakeholder Feedback

The number of visitors that access the MQA are monitored through a manual registration system at all MQA receptions. A total number of walk-ins throughout the MQA for the 2021-2022 period under review were recorded as follows:

| Number of Walk-Ins Throughout the MQA for 2021-2022 | | | | | | | Total |
|---|--------------|------------|---------|------------|---------------|------------|-----------------|
| Head Office | Eastern Cape | Free State | Limpopo | Mpumalanga | Northern Cape | North West | All MQA Offices |
| 2 551 | 80 | 146 | 404 | 167 | 220 | 60 | 3 628 |

5.5. FACILITIES AND OFFICE MANAGEMENT

The Facilities and Office Management unit's core function is to operate buildings as successfully and competently as possible, while at the same time maintaining their presence. We aim to provide a clean, safe, and healthy work environment, while planning the efficient use of space.

The Facilities department provides the following services to the MQA:

- preventative maintenance programmes;
- routine and emergency repairs;
- Occupational Health and Safety Act regulations and compliance;
- general plumbing work;
- electrical maintenance;
- ventilation and air-conditioning (HVAC) maintenance;
- monitor and manage the security system;
- camera and hardware maintenance;
- running of the electronic security systems, including card access and key records.

In addition, the Facilities and Office Management unit also manages and maintains the fleet of pool vehicles.

The unit continues to uphold high operational standards in order to protect and enhance the value of the MQA's immovable assets, while safeguarding business continuity and environmental sustainability.

The Facilities and Office Management unit's value chain is therefore mainly driven by relevant statutory requirements and the needs of the MQA's employees, both of which form the basis of an ideal Facilities Management Framework (i.e. policies, facilities strategy and operational plans).

The year of 2021 was a time of sustained improvement and advancing closer to the achievement of our shared vision of becoming an organisation of excellence.

The Facilities and Office Management unit recognises that it can contribute to the mission of the MQA in meaningful and quantifiable ways. The unit makes use of key performance metrics, general feedback and collaboration with departments and thus ensure it is achieving the objectives that are important to both the MQA

and its stakeholders. By achieving these broad strategic objectives, the Facilities and Office Management unit will successfully achieve its mission and vision for the organisation to become recognised for providing excellence in the management of its facilities.

The Unit constantly strives to meet the minimum workplace requirements despite the challenges with the covid-19 pandemic, and remains confident in its ability to effectively support the mission and strategic goals of the MQA.

The overall performance of the unit is deemed to be decent. The unit's focus in some areas has been purely operational and the requisite strategic activities were omitted but will be the main focus in the upcoming year. The upcoming year will focus on critical aspects such as workspace standards, planned preventative maintenance, and space planning.

The Facilities and Office Management unit established a preventative maintenance plan for the prevention of major failures by correcting and detecting minor problems within unit systems. The purpose of the plan is to provide scheduled activities that will be executed during the financial year. This ensures that, as a unit, it remains dedicated to the uninterrupted delivery of quality services in facilities administration, maintenance and operations. Included in the maintenance plan are critical units such fire suppression, uninterrupted power supply (UPS), the HVAC system, and generator, to name a few.

The Facilities and Office Management unit looked at strengthening occupational safety and health administration programmes that prioritised designing and re-designing workplaces and workspaces that are safe, healthy and productive, and thus implemented a healthy workplace solution, and are continuously looking for improvements.

The management of contracts and SLAs within the Facilities and Office Management unit refers to the management of the various suppliers that provide services to the MQA with the focus on the general improvement of the organisation's service facilities. The Facilities and Office Management unit monitors and coordinates contractual activities such as courier services, HVAC system, cleaning and hygiene services, document management, and the routine and annual maintenance of the generator.

5.6. BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE) COMPLIANCE

An accredited service provider has been appointed to finalise the issuance of a Broad-based Black Economic Empowerment (B-BBEE) certificate. The following table depicts the compliance status of the organisation to the B-BBEE.

| Criteria | Response Yes/No | What measures have been taken to comply? |
|---|-----------------|--|
| Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law. | No | N/A |
| Developing and implementing a preferential procurement policy. | Yes | A service provider has been appointed to assist with the B-BBEE certificate and implemented preferential procurement policy framework as approved by National Treasury during the current year under review. |
| Determining qualification criteria for the sale of state-owned enterprises. | No | N/A |
| Developing criteria for entering into partnerships with the private sector. | Yes | The MQA is in the process of developing a partnership framework which will include partnership with the private sector. |
| Determining criteria for the awarding of incentives, grants, and investment schemes in support of B-BBEE. | Yes | The MQA considers equity imperatives when evaluating supplier bids. |



SECTION

6

**INFORMATION
TECHNOLOGY**

The Information Technology unit is responsible for providing information and communications technology (ICT) infrastructure, computers, application software, mobile communication and first line support to all the tools of trade to acquire and use ICT in a manner which:

- aligns the ICT strategy to the organisational strategy;
- leverages economies of scale to provide for cost effective ICT services;
- ensures the interoperability of its information systems with information systems of other institutions to enhance service delivery;
- ensures security of MQA information systems;
- uses ICT to develop and enhance the delivery of service at MQA; and
- aligns the use of ICT by staff to achieve optimal service delivery.

6.1. NETWORK VULNERABILITY ASSESSMENT

Cyber security has become a key component of ICT in all spheres of business. Working remotely has made it difficult for ICT professionals to manage their systems and safeguard organisational information when end users work from anywhere and anytime.

The MQA embarked on a journey to implement robust systems to ensure its systems are protected from any form cyber malicious damages. The initial phase to this journey was to conduct a comprehensive network vulnerability assessment. The assessment was conducted by a third party and its focus was on the following areas:

- phishing mail campaign;
- web evaluation penetration test;
- active directory security review;
- user password complexity assessment; and
- corporate threats.

The outcomes of the assessment have given the MQA an opportunity to review its systems for security gaps and other system vulnerabilities. Activities to address the recommendations made by the assessor have started. So far the majority of the gaps are closed, and a follow-

up assessment will be conducted to test if all the solutions that were implemented have addressed the recommendations.

6.2. THE ADOPTION OF A HYBRID WORK MODEL AND HOSTING OF HYBRID EVENTS

The transition to the ‘new normal’ has passed and work is no longer about where people are, but about what they do and how they do it.

The MQA has embarked on a drive to solicit information about the hybrid work model to see if it will best suit its operational processes from where the value chain starts to where it ends. This is an exercise that the IT unit has done in collaboration with other business units within the organisation.

The role of the IT unit in this exercise was to gather information about technologies that will enable the organisation to achieve the hybrid work model goals without a mandate drift. Below is a description of one of the technologies that the MQA has adopted and implemented amongst others.

Microsoft Teams is a collaborative workspace within Microsoft 365/Office 365 that acts as a central hub for workplace conversations, collaborative teamwork, video chats and document sharing, all designed to aid worker productivity in a unified suite of tools. Teams can serve as an alternative to – or even replace – email communications entirely, but it also acts more broadly to connect workers and their apps, particularly remote workers. Think of it as a “digital translation of an open office space”, as a Microsoft spokesperson put it.

6.2.1. Top Features of Teams

6.2.1.1. Fully Integrated with Office 365

As another Microsoft product, Teams integrates with Office 365, which is perfect if Office 365 is already being utilised in the organisation. The Office 365 applications that are used every day – such as Word, Excel, PowerPoint, OneNote, SharePoint, and Outlook – are fully integrated into Microsoft Teams.

For employees who still prefer Windows Explorer, Teams is optimised for this browser, too. Employees are provided with Explorer-view access to OneDrive and SharePoint locations directly from the Office suite applications or Explorer itself. This is a major tipping point to push people towards Teams when considering Teams against Zoom.

6.2.1.2. Conversation Channels

Chat channels can be dedicated to certain topics which makes it far easier to keep messaging on a topic together and to resolve problems faster without distraction. This results in far less clutter. It also makes finding messages seamless, as users do not have to scroll through many irrelevant messages. This means less time wasted and less frustrated employees.

The Conversation tab in Microsoft Teams appears in the general channel. It also shows up in any other additional channels that users create. All class members can contribute to this channel. In other channels, the @ icon can be used to invite people to the conversation. Conversations vary from chats, as everyone in the channel can view them. They can view the files that are shared in the conversation too, by going to the Files tab.

6.2.1.3. Collaboration with Suppliers and Stakeholders

Employees can invite chat users from outside the organisation by using their direct email address. They will be tagged as guest users. This is a very useful function for communicating with vendors or other third parties.

This guest access allows teams in the organisation to collaborate with clients, contractors, and stakeholders by giving them access to our existing teams and channels. Admins can control which features guests have access to, so employees can be confident business information won't be put at risk. Anyone with a business or consumer email account, such as Outlook or Gmail, can participate as a guest in Teams.

6.2.1.4. Reduced Emailing

Employees have less clutter in their inboxes as prompt, quick questions can be resolved over

Teams chats rather than potentially long wait for email replies. A useful feature of Microsoft Teams is that users are able to send an email to the team channel, with the contents of the email appearing in the threaded conversation for all team members to view.

6.2.1.5. Direct Access to Outlook, Skype, OneDrive, and SharePoint

Teams provides users with access to Office 365 applications within the one location, thus allowing them to work more efficiently. Users can access files and documents in OneDrive and SharePoint, as well as make calls and conduct video conferences directly from Teams.

Everything users need is in the same place, including messages, meetings, notes, and documents. Users also have immediate real-time access to teammates who are online, making collaboration quick and easy.

6.2.1.6. Recording Storage

Microsoft Teams has the function of allowing users to record their meetings and group calls in Teams to capture audio, video, and screen sharing. Even when Microsoft Stream is not available in Go Local, Microsoft enables "allow cloud recording" and has this turned on as a default. This means recordings will be stored in the respective in-region data centre.

6.2.1.7. New Power BI Tab for Teams

The new Power BI tab for Microsoft Teams has great new features that allows everyone in a channel or chat to find and track the data they need to complete their daily tasks. The new tab adds support for reports in the new workspace experiences, reports in Power BI apps, and paginated reports. It is also easy to add it to channels and chats. Another function of the tab is that it can help users manage organisational change. If a new employee joins the team, the data they require will be readily available for them to use.

6.2.1.8. Cyber Security

Microsoft Teams is built with the best cyber security standards possible, namely ISO 27001 and SSAE16 SOC one and two, just to name a few. There is also integrated mobile device management to help keep data and fleet safe.

6.2.1.9. Access Teams Across Devices

Teams not only has a comprehensive web interface, but users can collaborate on the go, or answer teammate questions from afar, using the mobile apps. Available on Android, Windows, and iOS, Teams provides a simple and easy-to-use app that allows users to chat with their team via text, have a voice conversation, or a video meeting.

Sources:

<https://www.stanfieldit.com/microsoft-teams/>
<https://www.computerworld.com/>

6.3 THE SOFT PHONES PILOT PROJECT

The IT unit conducted a pilot project in three of the MQA regional offices to assess and ensure the proposed soft telephone system will best suit the needs of the MQA in all its offices. The project took place from 1 April 2021 to 31 March 2022. The proof of concept over a one-

year period was to ensure the soft telephone solution was tested for a long period of time to ensure gaps within the solution could be identified and dealt with during this phase.

The proof of concept was a success. The MQA entered into an agreement to implement this solution to all its offices and implementation commenced in the 2022-2023 financial year.

6.4. CONCLUSION

The Information Technology unit's business ethics culture is a good one. Policies and procedures are in place to guide the unit to govern appropriately and to engender morals, values and ethics in the IT personnel in order for the unit to conduct its business in an exemplary and professional manner. Information and Communication Technology makes a business more efficient, effective and promptly responds to business needs by ensuring systems are always fully functional.



SECTION

7

**RISK, MONITORING
AND EVALUATION**

Strategy is inextricably intertwined with monitoring and evaluation (M&E). In order to determine the impact of the MQA's return on investment in the mining and minerals sector's training programmes against the number of people trained, the Board established the Risk Monitoring and Evaluation unit. It is an integral part of the MQA's value chain as it contributes towards organisational strategy, planning, monitoring, impact assessment and evaluation to name a few. Risk management enables the organisation to track its impact on skills development in the sector.

The unit's key roles and responsibilities focus on providing strategic support to the MQA to achieve the following goals:

- monitoring compliance with the MQA's policies, procedures and legislation throughout the MQA and its service providers;
- ensuring the validation of actual performance against source documents prior to the information being submitted and reported to the executive authority; and
- conducting site visits (physical or desktop verification) to the MQA's levy-paying companies and other projects to ascertain the following in respect of all learners that are eligible for grants:
 - accuracy;
 - existence;
 - completeness; and
 - compliance with relevant legislation and MQA policies.

Utilising a risk-based approach takes up the issues raised in previous reports and the adequacy and effectiveness of existing compensating controls and programmes, taking specific challenges into consideration:

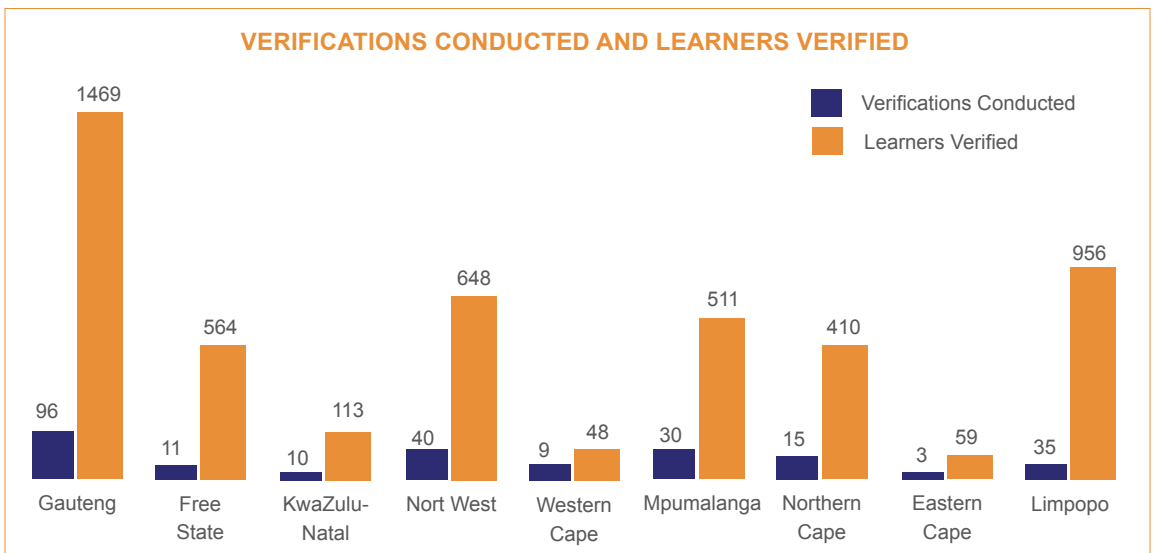
- conducting evaluation to ensure the relevance, effectiveness and efficiency of the MQA's policies, and that project methodologies selected are designed to achieve the organisation's strategic objectives; and
- ensuring the MQA adopts a zero-tolerance approach to fraud and corruption. This applies to both internal and external parties

7.1. MONITORED PROJECTS

Monitoring is an ongoing process that focuses on the assessment of projects, programmes and day-to-day activities and deliverables required for achievement and performance. It is for this reason that the unit conducted 249 learner verifications to ascertain whether learners are eligible for grants and are receiving training as per their training plans, MoAs and SLAs signed with the MQA. A total of 4 778 verified learners in nine different projects was monitored. Against the annual target of 100%, the unit monitored 100% of the programmes during the financial year.

The table below reflects the number of times monitorable programmes were verified in the current financial year:

Verifications conducted and learners verified in 2021-2022 per province:



| THE SPREAD OF VERIFIED LEARNERS PER PROGRAMME | | | | | | | | | | |
|---|--------------|------------|------------|---------------|------------|---------------|------------|--------------|--------------|--------------|
| Learning Programme | Gauteng | North West | Limpopo | Northern Cape | Mpumalanga | KwaZulu-Natal | Free State | Western Cape | Eastern Cape | TOTAL |
| Artisans | 86 | 33 | 24 | 19 | 11 | 0 | 0 | 0 | 0 | 173 |
| Internships | 237 | 93 | 131 | 52 | 70 | 36 | 38 | 11 | 0 | 668 |
| Lecturer Support | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 0 | 9 |
| Non-Artisan Core and Jewellery | 10 | 9 | 16 | 0 | 9 | 0 | 0 | 0 | 0 | 44 |
| | 506 | 28 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 534 |
| TVET NCV Graduates Work-Integrated | 124 | 65 | 65 | 20 | 25 | 0 | 15 | 18 | 56 | 388 |
| Mine Community and Unemployed Youth Development | 39 | 112 | 100 | 114 | 111 | 0 | 249 | 0 | 0 | 725 |
| | 384 | 225 | 574 | 200 | 200 | 40 | 260 | 0 | 0 | 1 883 |
| Work Experience | 51 | 67 | 30 | 0 | 74 | 22 | 0 | 0 | 3 | 247 |
| MEDP | 24 | 5 | 4 | 5 | 0 | 15 | 2 | 10 | 0 | 65 |
| Workplace Mentors and Coaches | 4 | 11 | 12 | 0 | 6 | 0 | 0 | 3 | 0 | 36 |
| Candidacy | 1 | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 0 | 6 |
| TOTALS | 1 469 | 648 | 956 | 410 | 511 | 113 | 564 | 48 | 59 | 4 778 |

7.2. TRACER STUDIES

The unit is tasked with conducting tracer studies (value for money analysis). The MQA's tracer studies are aimed at investigating and exploring the level of the MQA's contribution to the advancement of skills development within the mining and minerals sector, and the transformation made by the MQA's grants in supporting the programmes. It involves tracing the whereabouts of former beneficiaries to determine what has happened in their careers

and their lives during and after completion of their respective programmes. This is also aimed at analysing the outcomes of MQA-funded programmes and their impact.

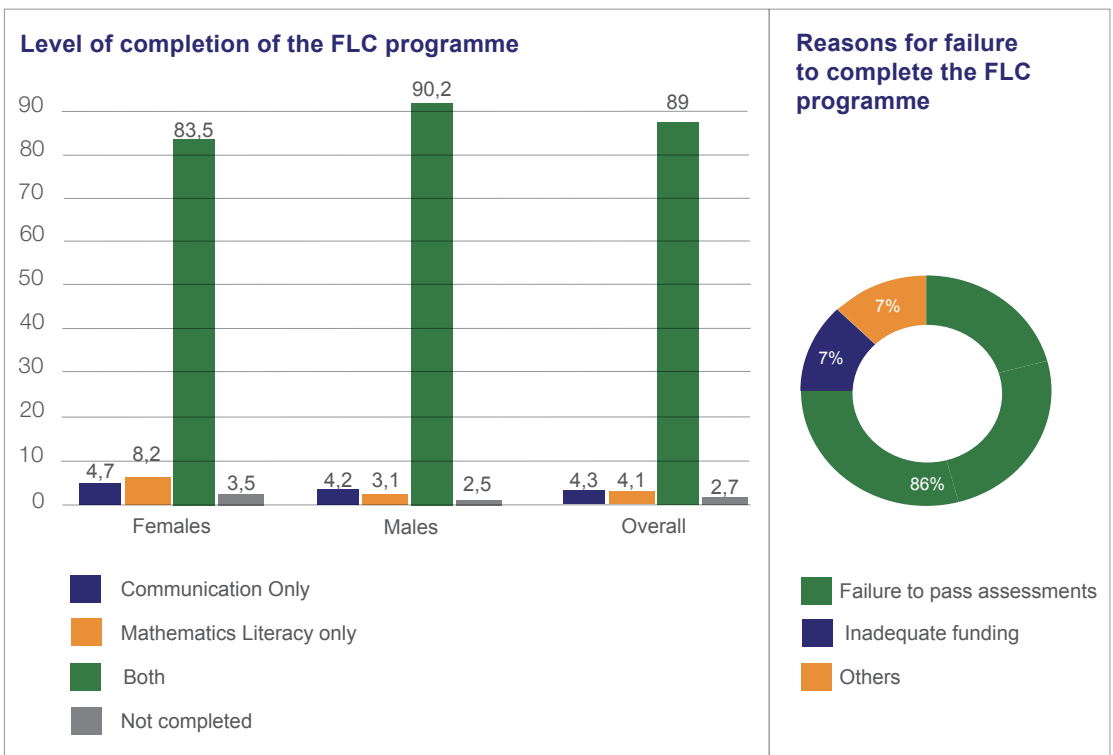
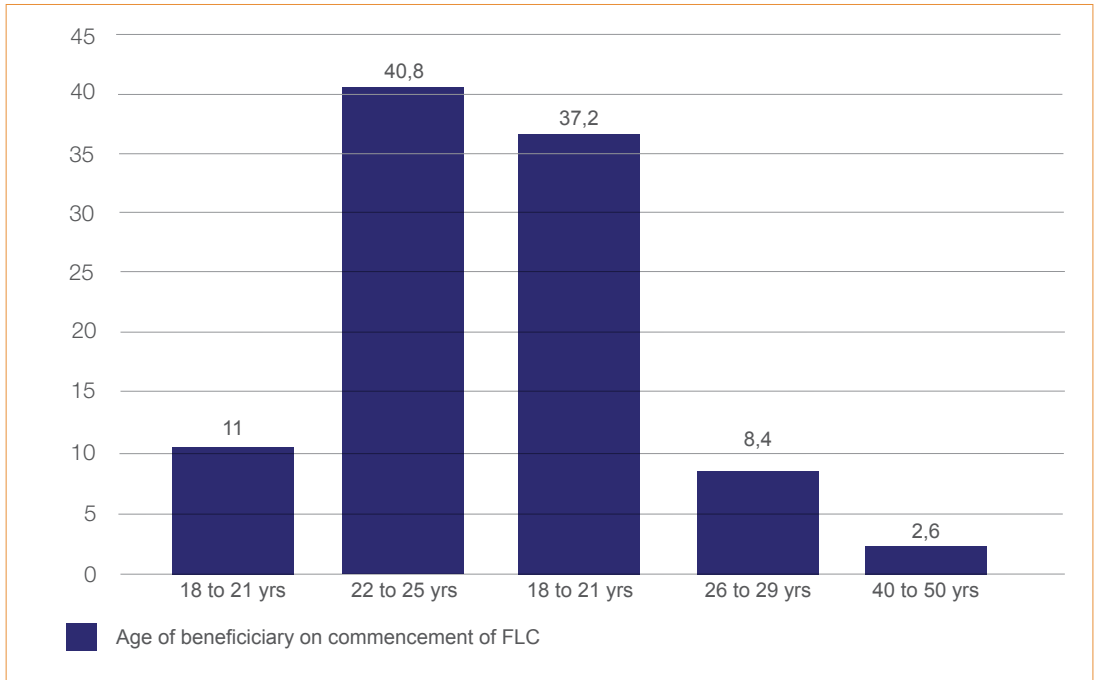
During the year under review, M&E conducted the following three tracer studies:

- Foundational Learning Competence (FLC);
- National Certificate Vocational (NCV); and
- Mining Community Project.

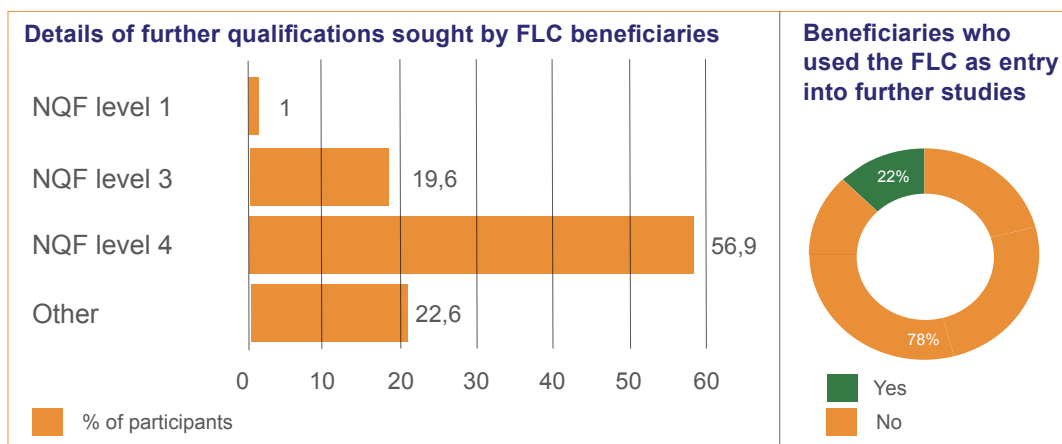
Some of the findings from the tracers are as follows:

7.2.1. Foundational Learning Competence (FLC)

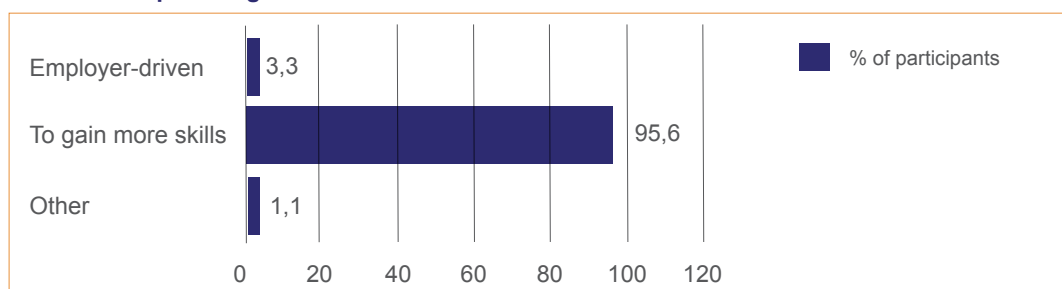
Age distribution on commencement



STATUS OF FURTHER STUDYING



Reasons for pursuing further studies



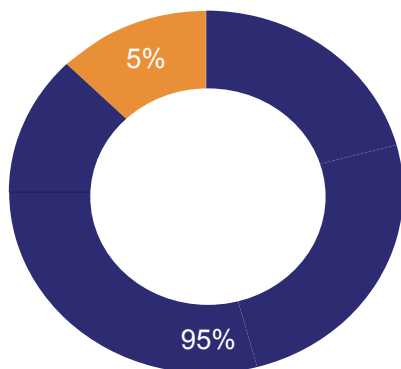
Employment status

| Demographic variable | Employed (%) | | Self-employed (%) | | Unemployed (%) | |
|------------------------------|--------------|-------|-------------------|-------|----------------|-------|
| | Before | After | Before | After | Before | After |
| Gender | | | | | | |
| Females | 14.0% | 53.3% | 0% | 0% | 86% | 43.7% |
| Males | 15.3% | 56.2% | 0% | 1% | 84.7% | 42.8% |
| OVERALL | 14.7% | 54.8% | 0% | 0.5% | 85.4% | 43.3% |
| Age Groups | | | | | | |
| 22 to 25 years | 7.7% | 54.3% | 0% | 0% | 92.3% | 45.7% |
| 26 to 29 years | 15.5% | 55.1% | 0% | 0.4% | 84.5% | 44.5% |
| 30 to 39 years | 16.8% | 57.7% | 0% | 1.2% | 83.2% | 41.1% |
| 40 to 50 years | 20% | 66.7% | 0% | 0% | 80% | 33.3% |
| OVERALL | 15% | 58.5% | 0% | 0.4% | 84% | 41.2% |
| Province of residence | | | | | | |
| Eastern Cape | - | - | - | - | - | - |
| Free State | 100% | 100% | 0% | 0% | 0% | 0% |
| Gauteng | 12.5% | 35.3% | 0% | 0% | 87.5% | 64.7% |
| KwaZulu-Natal | 100% | 0% | 0% | 0% | 0% | 100% |
| Limpopo | 15% | 56.8% | 0% | 0.8% | 85% | 42.4% |
| Mpumalanga | 10% | 40% | 0% | 0% | 90% | 60% |
| North West | 66.7% | 100% | 0% | 0% | 33.3% | 0% |
| Northern Cape | - | - | - | - | - | - |
| Western Cape | - | - | - | - | - | - |
| OVERALL | 50.7% | 55.4% | 0% | 0.1% | 49.3% | 44.5% |

National Certificate Vocational (NCV)

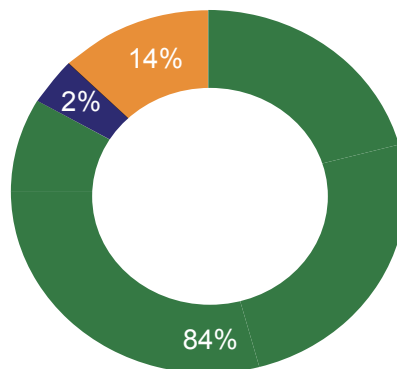
| Demographic item | Baseline (population) data | | Survey data | |
|--------------------|-----------------------------|------------|-------------|------------|
| | Number | Percentage | Number | Percentage |
| Gender | | | | |
| Females | 291 | 55% | 138 | 50.9% |
| Males | 236 | 45% | 133 | 49.1% |
| Age Groups | | | | |
| 22 to 25 years | 145 | 27.5% | 4 | 1.5% |
| 26 to 29 years | 279 | 52.9% | 105 | 38.7% |
| 30 to 39 years | 97 | 18.4% | 152 | 56.1% |
| 40 to 50 years | 3 | 0.8% | 8 | 3% |
| 51 and above years | - | - | 2 | 0.7% |
| Province | | | | |
| Eastern Cape | 3 | 0.6% | 1 | 0.4% |
| Free State | 22 | 4.2% | 35 | 13% |
| Gauteng | 87 | 16.5% | 11 | 4.1% |
| KwaZulu-Natal | 34 | 6.5% | 27 | 10% |
| Limpopo | 329 | 62.4% | 176 | 64.8% |
| Mpumalanga | 12 | 2.3% | 10 | 3.7% |
| North West | 38 | 7.2% | 9 | 3.3% |
| Northern Cape | 2 | 0.4% | 1 | 0.4% |
| Western Cape | - | - | 1 | 0.4% |

Extent of programme completion



■ Completed the programme
■ Did not complete

Funding sources for the NCV programme

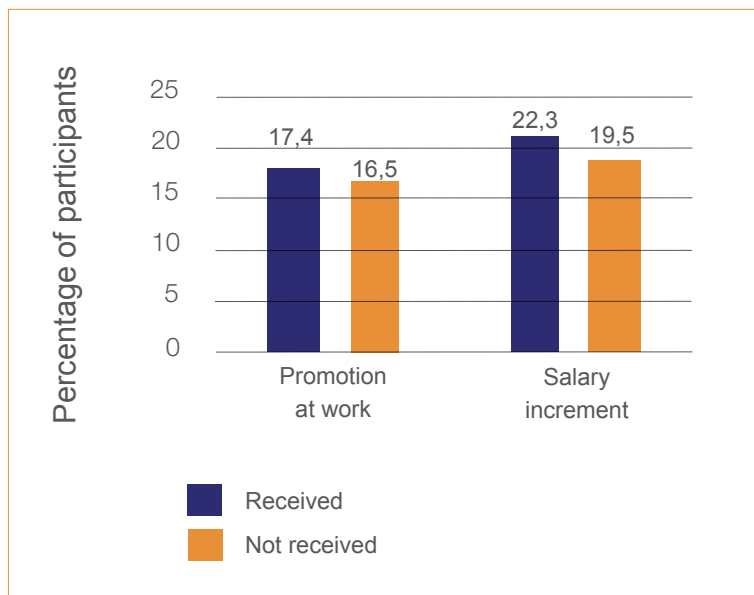


■ MQA funded
■ Other SETA funded
■ NSFAS

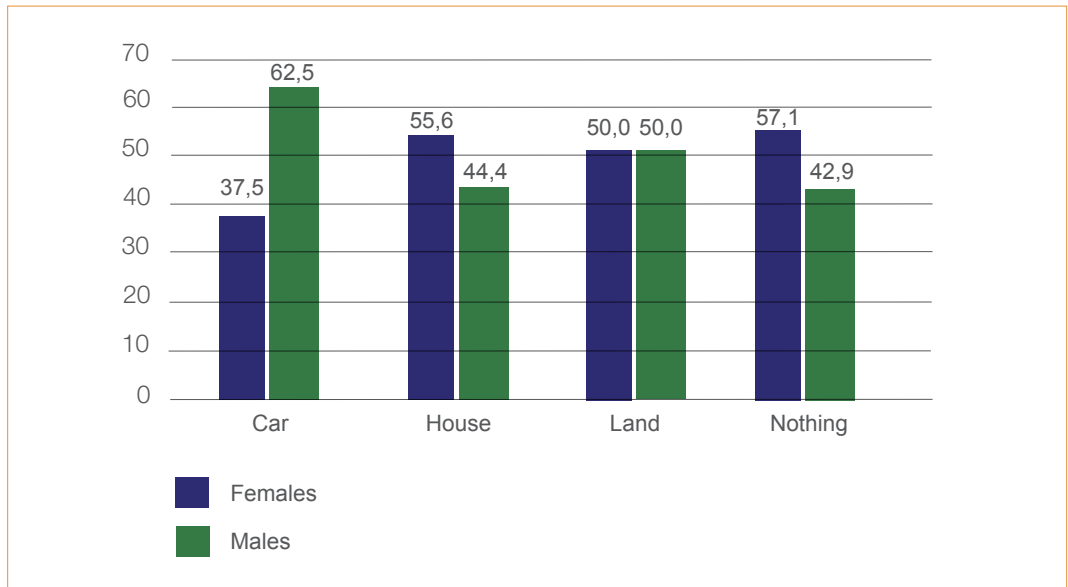
Employment status of NCV beneficiaries

| Demographic variable | Employed (%) | | Self-employed (%) | | Unemployed (%) | |
|------------------------------|--------------|-------|-------------------|-------|----------------|-------|
| | Before | After | Before | After | Before | After |
| Gender | | | | | | |
| Females | 32.3% | 22.5% | 0% | 4.7% | 56.5% | 72.9% |
| Males | 15.3% | 30.8% | 0% | 12.3% | 43.5% | 56.9% |
| OVERALL | 23.8% | 26.7% | 0% | 8.5% | 50% | 64.9% |
| Age Groups | | | | | | |
| 22 to 25 years | 33.3% | 0% | 0% | 0% | 66.7% | 100% |
| 26 to 29 years | 42.2% | 22.5% | 0% | 7.8% | 57.8% | 69.6% |
| 30 to 39 years | 54.8% | 31% | 0% | 8.5% | 45.2% | 60.6% |
| 40 to 50 years | 37.8% | 0% | 0% | 12.5% | 62.5% | 87.5% |
| OVERALL | 42.0% | 13.4% | 0% | 7.2% | 58.1% | 79.4% |
| Province of residence | | | | | | |
| Eastern Cape | 0% | 0% | 0% | 0% | 100% | 100% |
| Free State | 52.9% | 30.3% | 0% | 3.0% | 47.1% | 66.7% |
| Gauteng | 9.1% | 45.5% | 0% | 0% | 90.9% | 54.5% |
| KwaZulu-Natal | 38.5% | 46.2% | 0% | 3.8% | 61.5% | 50% |
| Limpopo | 38.1% | 20.4% | 0% | 10.8% | 61.9% | 68.9% |
| Mpumalanga | 20% | 30% | 0% | 10.0% | 80% | 60% |
| North West | 33.3% | 44.4% | 0% | 11.1% | 66.7% | 44.5% |
| Northern Cape | 0% | 0% | 0% | 0% | 100% | 100% |
| OVERALL | 24% | 27.1% | 0% | 4.8% | 76% | 68% |

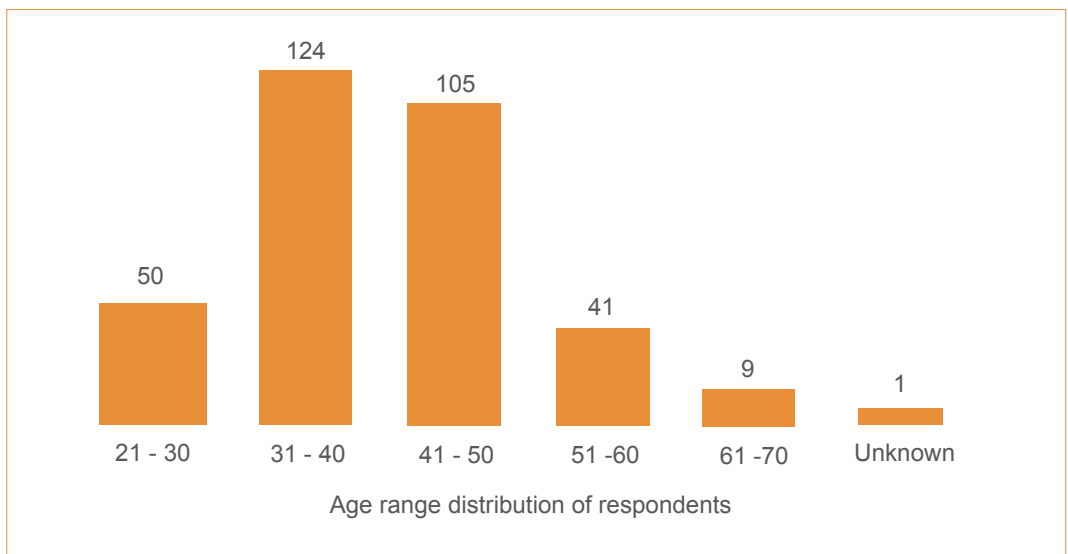
Extent of improvement in rank and earnings



Assets ownership by beneficiaries



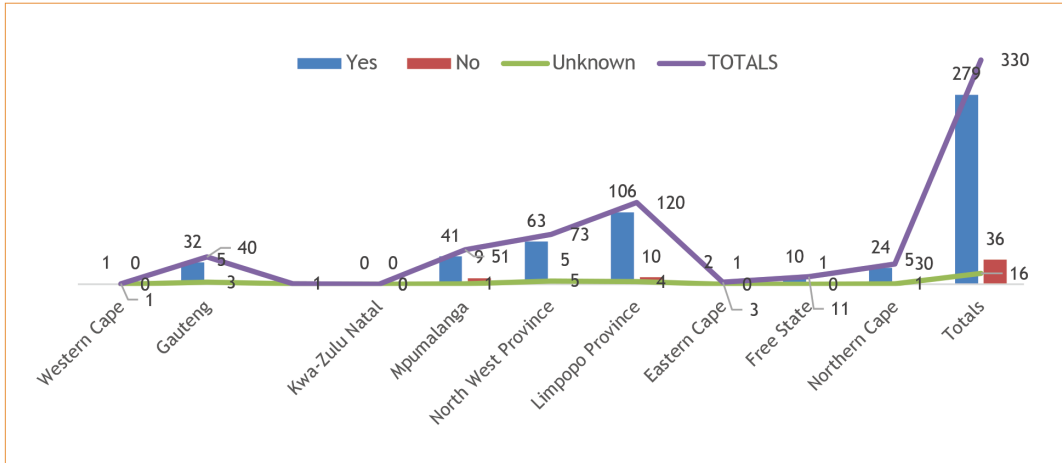
7.2.3. MINE COMMUNITY DEVELOPMENT



Age range distribution of Mining Community Development beneficiaries:

| | | | |
|----|-------------|---------|-----|
| 1. | 21-30 years | 50/330 | 15% |
| 2. | 31-40 years | 124/330 | 38% |
| 3. | 41-50 years | 105/330 | 32% |
| 4. | 51-60 years | 41/330 | 12% |
| 5. | 61-70 years | 9/330 | 3% |

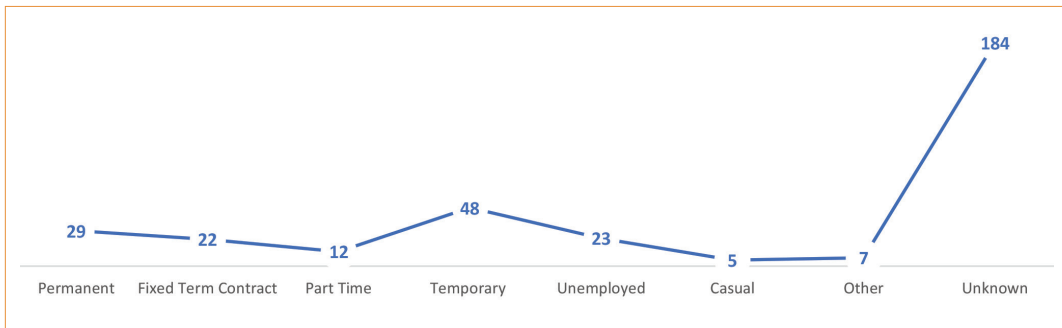
Impact made by mining programmes



Impact made by Mining Community Development Programme:

| | | | |
|----|---------|---------|-----|
| 1. | Yes | 278/330 | 84% |
| 2. | No | 37/330 | 11% |
| 3. | Unknown | 15/330 | 5% |

Current employment status



Current employment status % of Mining Community Development beneficiaries:

| | | | |
|----|---------------------|---------|-------|
| 1. | Permanent | 29/330 | 8.7% |
| 2. | Fixed Term Contract | 22/330 | 6.6% |
| 3. | Casual | 7/330 | 2.1% |
| 4. | Part Time | 12/330 | 3.6% |
| 5. | Unemployed | 23/330 | 6.9% |
| 6. | Other | 184/330 | 55.7% |
| 7. | Temporary | 48/330 | 14.5% |

7.3. AUDIT TRACKING

During the year under review, the external audit tracking register for the 2020-2021 audit report, as well as the 2021-2022 interim audit report were developed and monitored. Management was assisted in developing action plans that do not only consider the external auditors' recommendations, but most importantly address root causes to prevent recurrence. The status on the tracking registers was presented to management, the joint Audit, Risk and Finance Committee and the Board.

7.4. PERFORMANCE MANAGEMENT

The MQA's strategic objectives are implemented and tracked through the APP in five different programmes. The unit provided assurance that the MQA's performance information for each quarter fairly reflected the actual achievements against planned objectives, indicators and targets as per the SLA and APP.

7.5. RISK MANAGEMENT

The MQA Board has approved the Risk Management Policy and Strategy. As part of policy implementation, the strategic and operational risk registers were compiled subsequent to the risk assessment workshops that were held and approved by the Board during the 2021-2022 financial year. Risk

assessment exercises are conducted once a year and the registers are updated regularly with the review of the residual risk as and when the implementation of the action plans necessitates this. Emerging risks are considered when registers are updated. Risk registers are presented to the joint Audit, Risk and Finance Committee and the Board on a quarterly basis.

7.6. FRAUD AND CORRUPTION PREVENTION ACTIVITIES

The MQA has adopted a zero-tolerance approach to any form of fraudulent activities. To this extent, a fraud hotline is operational and the external service provider supplied fraud hotline reports on a monthly basis.

The reports were presented to the joint Audit, Risk and Finance Committee and the Board on a quarterly basis. The MQA has also revised its Fraud and Corruption Policy.

7.7. POLICIES AND FRAMEWORKS

The following approved policies and strategies are being implemented:

- Monitoring and Evaluation Policy Framework;
- Risk Management Policy and Strategy;
- Revised Fraud and Corruption Policy;
- Compliance Policy; and
- Combined Assurance Policy and Strategy.



SECTION

8

**REPORT OF THE AUDIT
AND RISK COMMITTEE**

REPORT OF THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee (Committee) is pleased to present its report for the financial year ended 31 March 2022.

Background

The Committee is a sub Board committee constituted in terms of Section 51(1) (a) (ii) and 76(4) (d) of the Public Finance Management Act (PFMA), read together with the National Treasury Regulation 27(1). The role and responsibility of the Committee are provided for in its Terms of Reference and any other duties delegated to it from time to time by Accounting Authority (the Board).

Terms of Reference

The Committee has adopted formal Terms of Reference (Charter), which were approved by the Board. Furthermore, the Committee reports that it regulated its affairs and discharged its responsibilities in compliance with its adopted Charter and the PFMA, read in conjunction with the National Treasury Regulations.

The Committee has discharged its functions through attendance of Committee meetings and discussions with Executive Management, Internal Audit, Auditor General of South Africa and relevant external advisers where appropriate. The Committee is required to meet at least four times per annum, with the authority to convene special meetings as circumstances might require.

Membership and Attendance

The Committee's Charter prescribe that it be constituted by three independent members as well as representatives from each constituency, which includes organised labour and organised employers. For the financial year under review, the Committee met four (4) times, as per its terms of reference which require a minimum of four meetings per annum. The Committee also convened One (1) special meeting to consider and recommend reports of the Auditor-General for Board approval. Below are details of meetings held during the year under review:

| MEMBER | CONSTITUENCY | MEETING DATES | | | | | FEES RECEIVED |
|----------------------|--------------------|---------------|-----------|-----------|----------|-----------|---------------|
| | | 29 Jun 21 | 30 Jul 21 | 27 Jul 21 | 8 Jul 21 | 27 Aug 21 | |
| Adv J C Weapond | Independent | √ | √ | √ | √ | √ | 66 780,00 |
| P Phukubje* | Independent | √ | | √ | √ | √ | 43 843,50 |
| M Sikhosana | Independent | | | √ | √ | √ | 37 908,00 |
| Atlee | Organised labour | √ | √ | √ | √ | √ | - |
| H. Jansen van Vuuren | Organised labour | √ | √ | √ | √ | √ | - |
| S. Dlamini Mthethwa | Organised Employer | √ | √ | √ | √ | √ | - |
| E. Howes | Organised Employer | √ | √ | √ | √ | √ | - |

* Chairperson of the Audit and Risk Committee

The Members of the Committee has the required qualifications, skills and experience in business, finance, accounting, internal audit, risk management, Information technology, legal and compliance management.

The Role and Responsibilities of the Committee

The Committee assists the Board in discharging its oversight responsibilities, which includes the evaluation of the adequacy and efficiency of accounting policies, internal controls, financial reporting processes, and technology and information governance.

The Chairperson (on behalf of the Committee) reports to the Board on a quarterly basis, regarding the Committee's deliberations, decisions and recommendations in line with the approved Charter.

The key focus areas of the Committee for the 2021/22 Financial Year includes the following:

- Provide assurance over the integrity of the MQA's financial statements and accounting policies;
- Provide assurance on the effectiveness of the internal control, governance and risk management systems;
- Review the internal audit, risk management, compliance and the IT control environment;
- Review of key risk and opportunity management, including mitigation plans;
- Monitor the performance against predetermined objectives/ performance information.

Internal Audit

During the year under review, the Internal Audit function was outsourced to a service provider. The Internal Audit Charter and the Internal Audit Plan were approved by the Committee in accordance with the Internal Auditing Standard and its Charter. The Committee hereby confirms that the internal audit function has unrestricted access to all documents it requires to fulfil its function.

For the year under review the Internal audit function focused on key areas of risk, weaknesses which revealed control deficiencies within managements processes. The Board

have agreed with the recommendations and findings of internal audit, Auditor General and the Committee.

The Effectiveness of Internal Control Environment

The Committee noted the significant improvement in the internal control environment both on the financial management and performance information. The MQA has attained the desired audit outcome commonly known as a clean audit in the year under review namely, no material misstatements were noted in the annual financial statements, no material non-compliance were noted and no material misstatements were noted on reliability and usefulness of reported performance information. The Committee intends to enhance its oversight to ensure that the audit outcome is sustained in the upcoming financial years.

Implementation of corrective actions

The AGSA's review confirms that a number of the audit commitments made in the prior year were implemented through the implementation of appropriate corrective actions.

Risk Management

The Board has assigned oversight of the MQA's risk management function to the Committee. The Committee fulfils an oversight role regarding the risks of financial reporting, internal financial controls, fraud risk and information technology as they relate to the annual financial statement and performance information.

Evaluation of the Financial Statements

The Committee has amongst others::

- reviewed and discussed the audited annual financial statements and performance report to be included in the annual report with the AGSA, with the Chief Executive Officer and with the Board as the Institute's accounting authority.
- reviewed the AGSA's audit report and management report on the findings of the audit and management's response, and has reviewed all changes in accounting policies and practices.

- has noted and reviewed the AGSA's assessment of the usefulness and reliability of performance information examined.

The Committee concurs with and supports the AGSA's opinion on the Annual Financial Statements and other legal and regulatory matters, and is of the view that the audited

Annual Financial Statements fairly presents the financial affairs of the MQA.

The Auditor-General South Africa

The Committee concurs and accepts the conclusions and the unqualified audit opinion on the Annual Financial Statements for the year ended 31 March 2022.



Mr Phuti Phukubje

Chairperson of the Audit and Risk Committee

Date: 31 July 2022

A diamond-shaped inset image showing a close-up of a wooden gavel resting on a wooden surface, with a pair of brass scales of justice in the background. The image is framed by a white diamond border.

SECTION

9

**REPORT OF THE
AUDITOR-GENERAL**

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE MINING QUALIFICATION AUTHORITY

Report on the audit of the annual financial statements

1. I have audited the financial statements of the Mining Qualification Authority set out on pages 99 to 150, which comprise the statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Mining Qualification Authority as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Skills Development Act 97 of 1998 (SDA).

Basis for opinion

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

Emphasis of matter

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

Restatement of corresponding figures

7. As disclosed in note 31 to the annual financial statements, the corresponding figures for 31 March 2021 were restated as a result of an error in the financial statements of the public entity at, and for the year ended, 31 March 2022.

Responsibilities of the accounting authority for the financial statements

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

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

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in

accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
13. My procedures address the usefulness and reliability of the reported performance information, which must be based on the public entity's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the public entity enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the public entity's

annual performance report for the year ended 31 March 2022:

| Programme | Pages in the annual performance report |
|---|--|
| Programme 3: Learning programmes | 33 - 38 |

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:
 - Programme 3: Learning programmes

Other matters

17. I draw attention to the matter below.

Achievement of planned targets

18. Refer to the annual performance report on pages 33 to 38 for information on the achievement of planned targets for the year and management's explanations provided for the under/overachievement of targets.

Report on the audit of compliance with legislation

Introduction and scope

19. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the public entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
20. I did not identify any material findings on compliance with the specific matters in

key legislation set out in the general notice issued in terms of the PAA.

Other information

21. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
22. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
23. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
24. I did not receive the other information prior to the date of this auditor's report. When

I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

25. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

Auditor-General

Pretoria
31 July 2022



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE – AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

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

Financial statements

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

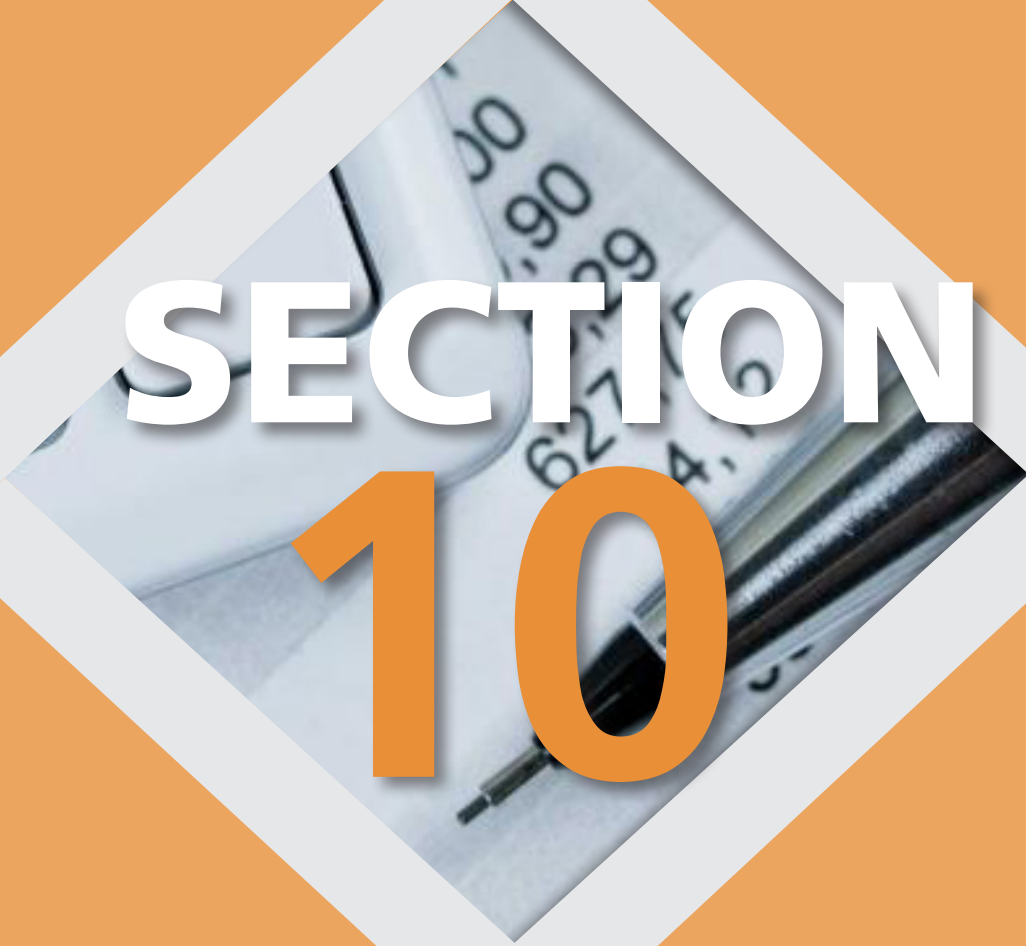
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity’s internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting authority
- conclude on the appropriateness of the accounting authority’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence

obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Mining Qualification Authority to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a public entity to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.



SECTION 10

**ANNUAL FINANCIAL
STATEMENTS FOR
THE PERIOD ENDED
31 MARCH 2022**

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Accounting Authority Statement

The members are required by the Public Finance Management Act (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.

The Accounting Authority is responsible for the preparation and presentation of annual financial statements that are relevant and reliable, the integrity of the information contained therein, the maintenance of effective control measures, compliance with relevant laws and regulations and the related financial information contained elsewhere in the annual report.

Further responsibilities of the Accounting Authority include amongst others:

- Management and safeguarding of the assets, as well as the management of revenues, expenditures and liabilities.
- The submission of all reports, returns, notices and other information to Parliament, Department of Higher Education and Training and National Treasury, as required by the Public Finance Management Act.


It is the responsibility of the members to ensure that the Annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows.

To meet these responsibilities, the Accounting Authority has set standards, which require that management implement effective and efficient systems of financial risk management and internal controls, as well as transparent financial reporting and accounting systems.

The external auditors are engaged to express an independent opinion on the Annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements set out on pages 103 to 154, which have been prepared on the going concern basis were approved by the Accounting Authority in its meeting of 30th May 2022 and were signed on its behalf by:



Mr David Msiza
Board Chairperson



Dr Thabo Mashongoane
Acting Chief Executive Officer

Statement of Financial Performance

| | Note(s) | 2022 R '000 | 2021 R '000 Re-stated |
|--|---------|--------------------|-----------------------------|
| Revenue | | 1 384 615 | 947 718 |
| Revenue from non-exchange transactions | | 1 338 972 | 898 818 |
| Skills development levy income | 3 | 1 317 681 | 879 649 |
| Skills development levy interest and penalties | 3 | 20 590 | 19 017 |
| Grants recoveries | 6 | 702 | 151 |
| Revenue from exchange transactions | | 45 643 | 48 900 |
| Investment income | 4 | 45 226 | 48 576 |
| Other income | 5 | 417 | 324 |
| Expenditure | | (1 343 143) | (868 627) |
| Administration expenditure | 8 | (118 791) | (124 503) |
| Employer grants and projects expenditure | 7 | (1 218 856) | (735 577) |
| NSF artisan project administration costs | 14.2.1 | - | (541) |
| Transfers to other public entities (QCTO) | 9 | (5 497) | (8 007) |
| Loss on disposal of assets and liabilities | | (19) | (80) |
| Surplus/(Deficit) | | 41 453 | 79 011 |

Statement of Financial Position

| | Note(s) | 2022 R '000 | 2021 R '000 Re-stated |
|---|---------|------------------|-----------------------------|
| Assets | | 1 139 021 | 1 106 441 |
| Non-current assets | | 50 297 | 53 587 |
| Property, plant and equipment | 10 | 49 361 | 53 356 |
| Intangible assets | 11 | 936 | 232 |
| Current assets | | 1 088 724 | 1 052 853 |
| Receivables from non-exchange transactions | 14 | 1 673 | 1 752 |
| Trade and other receivables from exchange transactions | 12 | 5 887 | 5 630 |
| Inventories | 13 | 490 | 328 |
| Cash and cash equivalents | 15 | 1 080 674 | 1 045 144 |
| Liabilities | | 280 690 | 289 563 |
| Current liabilities | | 280 690 | 289 563 |
| Grants and transfers payable from non-exchange transactions | 17 | 254 581 | 266 179 |
| Trade and other payables from exchange transactions | 18 | 4 560 | 2 707 |
| Provisions | 19 | 21 549 | 20 677 |
| Net assets | | 858 331 | 816 878 |
| Reserves | | 858 331 | 816 878 |
| Revaluation reserves | | 4 925 | 4 925 |
| Administration reserves | | 45 372 | 48 662 |
| Mandatory grant reserves | | 1 162 | 2 111 |
| Discretionary reserves | | 806 871 | 761 179 |

Statement of Changes in Net Assets

| | Note(s) | Revaluation reserves | Administration reserves | Mandatory grant reserves | Discretionary reserves | Total reserves | Accumulated surplus | Total net assets |
|--|---------|----------------------|-------------------------|--------------------------|------------------------|----------------|---------------------|------------------|
| | | R '000 | R '000 | R '000 | R '000 | R '000 | R '000 | R '000 |
| Balance at 01 April 2020 – as previously stated | | 4 925 | 53 318 | 519 | 679 430 | 738 192 | - | 738 192 |
| Prior period errors – discretionary grants expenditure | | - | - | - | (325) | (325) | - | (325) |
| Balance at 01 April 2020 – Re-stated | | 4 925 | 53 318 | 519 | 679 105 | 737 867 | - | 737 867 |
| Surplus/(Deficit) for 2021 as previously stated | | - | - | - | - | - | 82 821 | 82 821 |
| Allocation of un-appropriated deficit for 2021 as previously stated | | - | (24 456) | 19 604 | 87 673 | 82 821 | (82 821) | - |
| Prior period errors – discretionary grants and Admin expenditure erroneously omitted | | - | - | - | (3 810) | (3 810) | - | (3 810) |
| Transfer to discretionary reserves | | - | 19 800 | (18 012) | (1 788) | - | - | 0 |
| Re-stated* Balance at 01 April 2021 | | 4 925 | 48 662 | 2 111 | 761 180 | 816 878 | - | 816 878 |
| Surplus/(Deficit) for the year | | - | - | - | - | - | 41 453 | 41 453 |
| Allocation of un-appropriated surplus | 2 | - | 50 931 | 46 399 | (55 876) | 41 453 | (41 453) | - |
| Transfer to Discretionary reserves | | - | (54 221) | (47 347) | 101 568 | - | - | - |
| Balance at 31 March 2022 | | 4 925 | 45 372 | 1 163 | 806 872 | 858 331 | 0 | 858 331 |

Cash Flow Statement

| | Note(s) | 2022 R '000 | 2021 R '000 |
|---|-----------|--------------------|------------------|
| Receipts | | 1 384 131 | 978 549 |
| Levies, interest and penalties | | 1 338 011 | 898 927 |
| Government grants and donor funding | | - | 29 714 |
| Interest income | | 45 379 | 49 470 |
| Other cash receipts from stakeholders | | 741 | 438 |
| Payments | | (1 346 531) | (969 006) |
| Grant and projects | | (1 207 004) | (833 591) |
| Compensation of employees | | (101 119) | (96 262) |
| Payments to suppliers and others | | (38 408) | (39 153) |
| Net cash flows from operating activities | 20 | 37 601 | 9 543 |
| Cash flows from investing activities | | (2 071) | (1 413) |
| Purchase of property, plant and equipment | 10 | (1 072) | (1 430) |
| Proceed from sale of property, plant and equipment | | 33 | 17 |
| Purchase of other intangible assets | 11 | (1 032) | - |
| Net cash flows from investing activities | | (2 071) | (1 413) |
| Net increase/(decrease) in cash and cash equivalents | | 35 530 | 8 130 |
| Cash and cash equivalents at the beginning of the year | | 1 045 144 | 1 037 014 |
| Cash and cash equivalents at the end of the year | 15 | 1 080 674 | 1 045 144 |

Statement of Comparison of Budget and Actual Amounts

Budget and actual amounts on accrual and comparative basis

| | Note (s) | Approved and Final Budget R '000 | Actual R '000 | Variance R '000 |
|---|----------|---|------------------|--------------------|
| Statement of Financial Performance | | | | |
| Revenue from exchange transactions | | 40 172 | 45 643 | 5 471 |
| Other income | 30.1 | - | 417 | 417 |
| Interest received – investment | 30.1 | 40 172 | 45 226 | 5 054 |
| Revenue from non-exchange transactions | | 1 314 353 | 1 338 972 | 24 619 |
| Grants recoveries | 30.1 | - | 702 | 702 |
| Skills Development Levy: Income | | 1 314 353 | 1 317 681 | 3 328 |
| Levy: Interest and penalties | 30.1 | - | 20 590 | 20 590 |
| Total revenue | | 1 354 525 | 1 384 615 | 30 090 |
| Total expenditure | | 1 377 756 | 1 343 143 | -34 613 |
| Personnel costs | 30.2 | 83 891 | 78 672 | -5 219 |
| Transfer to QCTO | | 5 497 | 5 497 | -0 |
| Depreciation and amortisation | 30.3 | 7 855 | 5 341 | -2 514 |
| Repairs and maintenance | 30.4 | 2 497 | 1 754 | -743 |
| Employer grant and project expenditure | | 1 240 946 | 1 218 856 | -22 090 |
| Government grants and donor funds | | - | - | - |
| General expenses | 30.5 | 37 070 | 33 023 | -4 047 |
| Operating surplus/(deficit) | | -23 231 | 41 472 | 64 703 |
| Loss on disposal of assets and liabilities | | - | 19 | 19 |
| Surplus/(Deficit) for the year | | -23 231 | 41 453 | 64 684 |
| Statement of Financial Position | | | | |
| Capital expenditure | 30.3 | 3 493 | 2 104 | -1 389 |

Accounting Policies

1. Basis of preparation

The Annual Financial Statements have been prepared on the historical cost basis, except where they were adjusted for present/fair values as required by the respective accounting standards.

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The principal accounting policies adopted in the preparation of the annual financial statements are set out below and are in all material respects consistent with those of the previous year, except as otherwise indicated.

1.1 Currency

The annual financial statements presented are in South African Rands and all figures have been rounded off to the nearest thousands (R'000) where indicated.

1.2 Revenue from non-exchange transactions

Skills Development Levy (SDL) income

In terms of section 3(1) and 3(4) of the Skills Development Levies Act (the Levies Act), 1999 (Act No. 9 of 1999) registered member companies of the MQA pay 1% of the total payroll cost as Skills Development Levy (SDL). The levies paid to the South African Revenue Services (SARS) that collects the levies on behalf of the Department of Higher Education and Training (DHET).

Eighty percent (80%) of SDL contributions by companies in the mining and minerals sector are transferred to the MQA and 20% to the National Skills Fund (NSF) by the Department of Higher Education and Training.

SDL income received by the MQA is set aside in terms of the Skills Development Act, 1998

(Act No. 97 of 1998) as amended and the Skills Development Levy Grant Regulations (Grant Regulations), issued in terms of this Act, for the purposes of:

| | 2022 |
|---|--------|
| Administration cost (including 0.5% transfer to QCTO) | 10.50% |
| Mandatory grants | 20.00% |
| Discretionary grants and projects | 49.50% |
| | 80.00% |

In addition to these amounts, employers that fail to file their returns and pay skills development levies within the prescribed time limits as set by SARS, are charged interest and penalties at rates prescribed by SARS from time to time. The said regulation regulating the 20% mandatory grant was set aside, however the court did not indicate what mandatory grant percentage should be paid. The MQA continued measuring mandatory grants at 20% since it's the best available information.

The interest and penalties charged are remitted to the DHET, which in turn transfers them to the MQA. The interest and penalties are disclosed separately as Skills Development Levy penalties and interest.

With effect from 01 August 2005 companies with an annual payroll cost by DHET of less than R500 000, are exempted in accordance with section 4(b) of the Skills Development Levies Act, 1999, as amended.

Inter-SETA transfers

Revenue is adjusted for transfers of employers between SETAs that arise due to incorrect allocation to a SETA on registration for Skills Development Levy or changes to their business that result in a need to change SETAs. Such adjustments are disclosed separately as Inter-SETA transfers. The amount of Inter-SETA adjustments is calculated according to the most recent Standard Operating Procedure as issued by the DHET from November 2009.

When transfers from other SETAs to the MQA occur, the levies transferred are recognised as

revenue and allocated between the respective categories as reflected above to maintain their original identity.

For transfers from the MQA to other SETAs, the levies in the respective categories are reduced by the amounts transferred or transferable to other SETAs.

Recognition of revenue from non-exchange transactions

Skills Development Levy income is recognised when it is probable that future economic benefits will flow to the MQA and these benefits can be measured reliably. This occurs when the DHET either makes an allocation or payment to the MQA, whichever occurs first, as required by Section 8 of the Skills Development Levies Act, 1999 (Act No.9 of 1999).

Levy contributions from employers with an annual payroll of less than R500,000, are not recognised as revenue but as a provision, as they represent an obligation as they are due to be refunded to such employers because the employers are exempted from paying skills development levies.

Previously, this provision was accumulated indefinitely, but with effect from 25 August 2013, the DHET advised SETAs that this provision may be utilised for discretionary grants purposes after the expiry of 5 years in terms of section 109(4) of the Tax Administration Act, as the employers may not claim the moneys back after 5 years.

Measurement of revenue from non-exchange transactions

SDL income is measured at the fair value of the consideration received or receivable and that is the amount of the increase in net assets recognised by the MQA.

Chapter 1 (6)(3) of the skills development levies act states that "If the amount of any levy, interest or penalty paid by an employer to the Commissioner was not Leviable or payable, or was in excess of the amount leviable or payable in terms of this Act, that amount must be refunded to that employer by the

Commissioner, which refund is a drawback against the National Revenue Fund". Refunds are recovered directly from monthly returns and are reflected as a net reversal per scheme year on the revenue details provided by DHET. The SETA recognises revenue monthly on net basis per scheme which includes monthly net reversals per scheme year.

Government grants and donor funding income

Conditional government grants and other conditional donor funds are recognised as a liability when they become receivable and are recognised as income on a systematic basis over the period necessary to match the grants with the related costs, which they are intended to compensate.

Unconditional grants received are recognised as revenue when the amounts are received or become receivable.

Funds for special projects transferred from government grants and other donors are recognised as a liability until the related eligible special project expenses are incurred, when the liability is extinguished and revenue is recognised.

1.3 Revenue from exchange transactions

Investment income

Interest income is accrued on a time proportion basis, taking into account the capital invested and the effective interest rate over the period to maturity.

Other income

Other income from rendering of services is recognised as revenue when the outcome of a transaction can be estimated reliably, and this occurs when:

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

- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

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

1.4 Administration, Grants and project expenditure

In terms of the Grant Regulations, registered employers may recover 20% of their levy payments (excluding interest and penalties) in the form of mandatory grants, provided they timeously submit such plans and reports as prescribed in terms of Grants Regulations.

In addition, registered employers that participate in skills development initiatives prescribed in the National Skills Development Plan and the MQA's Sector Skills Plan can apply for and be granted discretionary grants to supplement their training cost.

Mandatory grants

Mandatory grants expenditure and the related payables are recognised when an employer has submitted an application for the grant in the prescribed format, within the legislated cut-off period and the application has been approved, as the payment then becomes probable.

The grant is equivalent to 20% (2021: 20%) of the total levies paid by the employer during the corresponding financial period for the skills planning and annual training report grants.

The related liability is measured at the present value of the expected future cash out-flow as determined in accordance with the Act and the grant regulations and is based on the amount of levies actually received.

Retrospective amendments by SARS

The MQA calculates and pays mandatory grants to employers based on the levy information from the DHET as obtained from SARS.

Where SARS retrospectively amends the information on levies collected, this may result in grants that have been paid to certain

employers that are in excess of the amount the MQA is permitted to have granted to employers as mandatory grants.

A receivable relating to the overpayment to the employers in earlier periods is raised at the amount of such grant overpayments, net of bad debts and provisions for irrecoverable amounts.

Discretionary grants and project expenditure

The MQA may, in terms of the grant regulation 7, out of funds set out in grant regulation 7(3), determine and allocate discretionary grants to employers, education and training providers and the mining and mineral sector.

The allocation of discretionary grants and projects is dependent on employers submitting the prescribed application, in the prescribed format and within the prescribed cut-off period as well as the availability of funds.

The discretionary grants and project expenditure, and the related payables, are recognised when the application has been approved and the conditions for the grant payments, as set out in the MQA funding policy, have been met and it is probable that the SETA will approve the payment.

The liability is measured at the present value of the expected future cash outflow as determined in accordance with the Act and the grant regulations, and is based on the monetary value of grants allocations that are due and payable at year-end.

Project expenditure comprises:

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

Such costs are allocated using methods that are systematic and rational and are applied consistently to all costs having similar characteristics.

Discretionary grants and project costs are recognised as expenditure in the period in which they are incurred. A receivable is recognised, net of a provision for irrecoverable amounts for incentive and other payments made to the extent of expenditure not yet incurred.

Discretionary grants and project administration expenditure

In terms of the MQA Funding policy “The MQA may utilise up to a maximum of 7.5 % of discretionary funds for project related administration costs as budgeted for and/or motivated and recommended by the CFO and approved by the CEO (only for relevant and applicable programmes).” The SETA grants regulations also permit the utilisation of the maximum of 7.5% of the discretionary funds for project administration purposes.

Administration expenditure

The MQA recognises administration expenditure when there is a decrease in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrences of liabilities that result in decreases in net assets. The MQA presents each administration line item by nature separately in the notes to the annual financial statements. The amounts are presented on an accrual basis in the accounting period when they are incurred.

1.5 Prepayments

The MQA may, in certain instances, when required by the terms of the contract of a service provider or the beneficiary, make advance payments. The MQA initially records this advance payments as a prepayments (assets), and then charges it to the expense account (Income statement) over the usage period in line with the applicable GRAP requirements pertaining to expenses.

1.6 Irregular, fruitless and wasteful expenditure

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation.

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

All irregular, fruitless and wasteful expenditure is charged against the respective expenditure class in the reporting period in which it is incurred and disclosed in the notes to the annual financial statements when confirmed.

The amount recorded is equal to the value of the irregular expenditure incurred, unless it is impractical to determine, in which case reasons are therefore provided in the notes.

Irregular, fruitless and wasteful expenditure is de-recognised in line with the applicable framework when it is either:

- condoned by the relevant authority if no official was found to be liable in law;
- recovered from an official liable in law;
- written off if it's irrecoverable from an official liable in law; or
- written off if it is not condoned and not recoverable.

1.7 Property, plant and equipment

Recognition

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one reporting period.

The cost of an item of property, plant and equipment is recognised as an asset only if it is probable that future economic benefits or service potential associated with the item will flow to the MQA, and the cost or fair value of the item can be measured reliably.

Initial measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Where an asset is acquired at no cost, for a nominal cost, or it is measured at a value representing its fair value as at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition, assets are either carried at cost less accumulated depreciation and any accumulated impairment losses and, in respect of the building, at a re-valued amount, being its fair value at the date of the revaluation less subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is the systematic write-off of the depreciable amount recognised in respect of an item of property, plant and equipment over its useful life.

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

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

The residual values and the useful lives of all assets are reviewed at each reporting date and, if expectations differ from previous estimates, any changes are accounted for as changes in accounting estimates.

Impairment

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

An impairment loss is recognised in the surplus or deficit for the period, unless the asset is carried at fair value or re-valued amount. The impairment loss of a re-valued asset decreases or increases the revaluation surplus or deficit.

All items of property, plant and equipment are assessed for any indications of impairment at each reporting date. If the impairment indications exist, the recoverable service amounts are estimated.

An impairment loss recognised in prior periods is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given are included in the surplus or deficit when the compensation becomes receivable.

Cost basis

Depreciation is calculated on the straight-line method to write off the cost of each asset to an estimated residual value over its estimated useful life over the following periods:

| Item | Average useful life |
|-----------------------|---------------------|
| Office furniture | 10 - 15 Years |
| Motor vehicles | 4 - 5 Years |
| Office equipment | 3 - 10 Years |
| Computer equipment | 2 - 5 Years |
| Fixtures and fittings | 10 - 15 Years |
| Office building | 30 - 50 Years |
| Cell phones | 2 - 3 Years |

Revaluation basis

Where the fair value of assets can be measured reliably they may be carried at a re-valued amount, being the fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The fair value of items of land and buildings is determined from market-based evidence of an appraisal undertaken by a member of the valuation profession who holds a recognised and relevant professional qualification. Land and buildings will be revalued at least every 5 years. The fair value of other items of plant and equipment is ascertained by reference to quoted prices in an active and liquid market.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

If an item of property, plant and equipment is re-valued, the entire class of property, plant and equipment to which that item belongs, is re-valued. If an asset is re-valued upwards, the increase is credited directly to revaluation surplus unless the upward revaluation reverses a previous downward revaluation, in which case it is recognised in the surplus or deficit for the period. If assets are re-valued downwards, the decrease is recognised in the surplus or deficit for the period unless the downward revaluation reverses a previous upward revaluation credit, in which case it is applied against a revaluation credit in respect of that asset.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits or service potential is expected from its use or disposal. Gains or losses arising from de-recognition of items of property, plant and equipment are determined as the difference between the sales proceeds and the carrying amounts of such items and are included in the surplus or deficit for the period when the item is derecognised.

Key accounting judgements

In the application of the MQA's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on past experience and other factors that are considered to be relevant. Actual results may differ from estimates.

The estimates and the underlying assumptions are reviewed on an on-going basis. The financial effects of the reviews to the accounting estimates are recognised in the period in which the estimates are reviewed if the revision affects only that period, or in the period of the review and future periods if the review affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources

of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The MQA is currently established as a SETA until 31 March 2030. In the light of the extension of MQA's establishment until 31 March 2030, management is required to consider how it affects the period over which assets are expected to be available for use by the MQA.

As a result of the fact that the MQA was originally established in terms of the Mine Health and Safety Act, Act no 29 of 1996 (as amended) and was later incorporated into the SETAs, management determined, consistently with prior years, that the useful lives of assets should not be limited by the MQA's establishment as a SETA.

Management's determination of useful lives also affects the determination of residual values of assets. The MQA reviews the estimated useful lives and residual values of property, plant and equipment used for the purpose of depreciation calculations in light of the definition of residual value. Estimated useful lives and residual values will continue to be reviewed annually in future.

1.8 Intangible assets

Recognition

Intangible assets are identifiable non-monetary assets without physical substance.

An intangible asset is recognised if it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the MQA and the cost or fair value of the asset can be measured reliably.

The useful life or service potential of an intangible asset is assessed as to whether it is finite or indefinite. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential.

An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential.

Initial measurement

An intangible asset is measured at its cost and, where an intangible asset is acquired at no cost, or for a nominal cost, the cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition, an intangible asset is carried either at cost less accumulated amortisation and any accumulated impairment losses or at a re-valued amount, being its fair value at the date of the revaluation less subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

The amortisable/depreciable amount of an intangible asset with a finite useful life is allocated on a systematic basis over its useful life. Amortisation begins when the asset is available for use and is in a condition necessary for it to be capable of operating in the manner intended by management. Amortisation ceases at the earlier of the date that the asset is classified as held for sale, and the date that the asset is derecognised.

Impairment

Different intangible assets may be tested for impairment at different times. However, if an intangible asset was initially recognised during the current reporting period, that intangible asset is tested for impairment before the end of the current reporting period.

An impairment loss is recognised in the surplus or deficit, unless the asset is carried at a re-valued amount and an impairment loss of a re-valued asset is treated as a revaluation decrease. An impairment loss recognised in prior periods is reversed if there has been a change in the estimates used to determine the

asset’s recoverable service amount since the last impairment loss was recognised.

The increased carrying amount of an asset attributable to a reversal of an impairment loss shall 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 is recognised immediately in the surplus or deficit unless the asset is carried at a re-valued amount, and then a reversal of an impairment loss of a re-valued asset is treated as a revaluation increase.

Cost basis

The amortisation is charged to the statement of financial performance in a manner that reflects the pattern in which the asset’s future economic benefits or service potential are expected to be consumed or on a straight-line method as follows:

| Item | Average useful life |
|-------------------|---------------------|
| Computer software | 2-3 Years |

Revaluation basis

The revaluation of intangible assets to fair value is determined by reference to an active market.

If an intangible asset cannot be re-valued because there is no active market for this asset, the asset is carried at its cost less any accumulated amortisation and impairment losses.

If the fair value of a re-valued intangible asset can no longer be determined by reference to an active market, the carrying amount of the asset is its re-valued amount at the date of the last revaluation by reference to the active market less any subsequent accumulated amortisation and any subsequent accumulated impairment losses.

Revaluations are made with such regularity that, at the reporting date, the carrying amount of the intangible asset does not differ materially from its fair value.

If an intangible asset is re-valued upwards, the increase is credited directly to a revaluation

surplus unless the increase reverses a revaluation decrease of the same asset previously recognised in the surplus or deficit, in which case it is recognised in the surplus or deficit.

If an intangible asset is re-valued downwards, the decrease is recognised in the surplus or deficit unless the increase relates to any credit balance in the revaluation surplus in respect of that asset, in which case the decrease is debited directly to a revaluation surplus in respect of that asset.

De-recognition

An intangible asset is derecognised on disposal or when no future economic benefits or service potential are expected from its use or disposal.

Gains or losses arising from de-recognition of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset. It is recognised in the surplus or deficit.

1.9 Inventories

Recognition

Inventories are assets in the form of materials or supplies to be consumed or distributed in the rendering of services. Inventories are recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to the entity and they can be measured reliably.

Initial measurement

Inventories that qualify for recognition as assets are initially measured at cost, and when acquired at no cost, or for nominal consideration, their cost is their fair value as at the date of acquisition.

Subsequent measurement

Inventories held for distribution in the rendering of services at no charge or for a nominal charge, are measured at the lower of cost and current replacement cost.

Recognition as an expense

Consumables are recognised as an asset on the date of acquisition and measured at the cost

of acquisition. It is subsequently recognised in surplus or deficit as it is consumed. Subsequent to initial recognition, inventory is measured at cost or current replacement cost, whichever is least.

The amount of any write-down of inventories to current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

1.10 Leases

Finance leases

Finance leases are leases that transfer substantially all the risks and rewards incidental to ownership of an asset to the MQA. The title may or may not eventually be transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is impracticable to determine, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. Finance charges arising out of finance lease agreements are allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent rents are charged as expenses in the periods in which they are incurred.

A finance lease also gives rise to a depreciation expense for depreciable assets in each accounting period. The depreciation policy for depreciable-leased assets is consistent with that for depreciable assets that are owned. Where there is no reasonable certainty that the MQA will obtain ownership by the end of the

lease term, assets held under finance leases are depreciated over the shorter of the lease term and their useful lives.

Finance leases – lessee

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

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

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

Any contingent rents are expensed in the period in which they are incurred.

Operating leases

Operating leases are leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset, title may not eventually be transferred.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed to for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

Lease payments under operating lease are recognised as an expense in the statement of financial performance on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the MQA's benefit.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the

reporting period in which termination takes place.

1.11 Employee benefits

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

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave);
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period; and
- non-monetary benefits (communication tools).

The employee benefits are recognised as an expense and liability during the reporting period in which the employee has rendered the services.

If the amount already paid exceeds the undiscounted amount of the benefits, the MQA recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund and as an expense.

Termination benefits

Termination benefits are employee benefits payable as a result of either the MQA's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for those benefits, and mainly comprise proceeds from a defined contribution plan. The assets of the defined contribution plan are held by a third party trustee-administered fund and are funded by payments from the MQA and its employees.

Accounting Policies

Payments to the defined contribution benefit plan are charged to the statement of financial performance in the year to which they relate.

Obligations arising out of the MQA and employee contributions to the fund are measured on an undiscounted basis unless they fall due wholly after twelve months after the end of the period in which the employees rendered the related services.

1.12 Provisions

Provision for bonuses is for persons in the employ of the MQA, in line with the rewards and benefits policy. The performance bonus payable is up to a maximum of 20% of the annual cost to company depending on performance ratings achieved during the financial year and is depended upon financial viability at the time of payment.

Provision for leave is made for persons in the employ of the MQA, in line with the Leave policy. The leave provision is raised for all outstanding leave balances of the MQA employees which they are unconditionally entitled to at year end and is measured at the daily rate per outstanding leave days for all employees with leave balances.

Recognition

A provision is a liability of uncertain timing or amount and is recognised when and only when:

- there is a present obligation (whether legal or constructive) as a result of a past event,
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and
- a reliable estimate of the amount of the obligation can be made.

Measurement

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

Usage and review

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits or

service potential will be required to settle the obligation, the provision is reversed.

1.13 Commitments

Commitments are future liabilities that arises due to contractual obligations that exist at the end of the financial year that will oblige the MQA to make a payment or payments in the ensuing year.

‘Contractual obligation’ means there is an agreement (written) with specific terms between a SETA and a third party whereby the third party undertakes to perform something in relation to a discretionary project for which a SETA will be obliged to make payment against the discretionary grant.

Amounts disclosed in the notes to the annual financial statements in respect of commitments are measured on the basis of the contractual amount.

Amounts disclosed in the notes to the annual financial statements in respect of commitments are derecognised when either the grant programmes are terminated, contract expires or when the contractual obligation is fully paid.

1.14 Contingencies

A contingent liability is:

- a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Amounts disclosed in respect of contingent liabilities are measured on the basis of the best estimate of the outcome of the possible obligation that may arise, using experience of similar transactions or reports from independent experts.

A contingent assets is:

- a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Amounts disclosed in respect of contingent assets are measured on the basis of the best estimate of the outcome of the possible asset that may arise, using experience of similar transactions or reports from independent experts.

1.15 Financial instruments

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

Financial assets

Financial assets are cash or contractual rights to receive cash or another financial asset from another entity or exchange of financial assets or financial liabilities with another entity under conditions that are potentially favourable.

Financial assets are recognised in the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

Investments

The following categories of investments are measured at subsequent reporting dates at amortised cost by using the effective interest rate method if they have a fixed maturity or at cost if there is no fixed maturity:

- Held-to-maturity investments; and
- An investment that does not have a quoted market price in an active market and whose fair value cannot be measured reliably.

Investments are recognised and derecognised on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. Investments are initially measured at fair value, net of transaction costs except for those financial assets classified as a fair value through profit or loss, which are initially measured at fair value.

The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments and are not quoted in an active market are classified as loans and receivables.

Loans and receivables are measured at amortised cost using the effective interest rate method less any impairment.

Interest income is recognised by applying the effective interest, except for short-term receivables where the recognition of interest would be immaterial.

Effective interest rate method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

The effective interest is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting period.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

When a trade receivable is uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance for doubtful debts. Changes in the carrying amounts of doubtful debts are recognised in the surplus or deficit for the reporting period.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit and loss (FVTPL) or other financial liabilities. Financial liabilities are classified as FVTPL where the financial liability is either held for trading or is designated as FVTPL. Account payables do not bear interest and are stated at their nominal value.

Other financial liabilities

Other financial liabilities are initially measured at the fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost, using the effective interest method.

1.16 Reserves

Reserves are sub-classified in the statement of changes in net assets between the following:

- Administration reserve
- Employer grant reserve
- Discretionary reserve

This sub-classification is made based on the restrictions placed on the distribution of monies received in accordance with the Grant Regulations and referred to in accounting policy note 1.3.

Interest and penalties received from SARS, as well as interest received on investments, are utilised for discretionary grants and projects.

The items of revenue and expenditure are recognised on the accrual basis of accounting, consequently, the reserves disclosed in the statement of changes in net assets and movements disclosed in note 2 do not represent cash reserves or fund monies as implied in the Grants Regulations.

- Administration reserve represents the net book value of property, plant and equipment and related revaluation surpluses.
- Employer grant reserve represents possible mandatory grants claims from newly registered employers that are eligible to submit their mandatory grants claims at year end in terms of the grants regulations.
- Discretionary reserve represents the excess of discretionary grants revenue over discretionary and projects expenditure and includes transfers from administration and mandatory grant reserve where appropriate.

1.17 Related party transactions

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

The following are regarded as related parties of the MQA:

- (a) A person or a close member of that person's family is related to the MQA if that person:
 - (i) has control or joint control over the reporting MQA;
 - (ii) has significant influence over the MQA; or
 - (iii) is a member of the management of the MQA

An entity is related to the MQA if any of the following conditions apply:

- (i) the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others);
- (vi) the entity is controlled or jointly controlled by a person identified in (a)(i) above;
- (vii) a person identified in (a)(i) has significant influence over that entity.

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

The MQA is exempt from disclosure requirements in relation to related party transactions if transactions occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the MQA to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where MQA is exempt for disclosure requirements as per the above narrative information about the nature of the transactions and the related outstanding balances will be disclosed to enable users of the financial statements to understand the effect of related party transactions on its financial statements.

1.18 Comparatives

Where necessary, comparative figures have been restated, adjusted or reclassified to achieve fair presentation and to conform to changes in presentation that arise due to changes in accounting policies, errors, reporting standards and legislation.

2. Allocation of Net Surplus for the Year to Reserves

ALLOCATION – 2022

| | Total per statement of financial performance | Administration funds | Mandatory grant funds | Discretionary grants funds |
|--|--|----------------------|-----------------------|----------------------------|
| | R '000 | R '000 | R '000 | R '000 |
| Total revenue | 1 384 615 | 175 237 | 328 861 | 880 518 |
| Skills development levy: income | 1 338 271 | 174 820 | 328 861 | 834 591 |
| Admin levy income (10.5%) | 172 669 | 172 669 | - | - |
| Public sector levies | 2 151 | 2 151 | - | - |
| Grant levy income (20%) | 328 861 | - | 328 861 | - |
| Grant levy income (69.5%) | 814 001 | - | - | 814 001 |
| Levy: penalties and interest | 20 590 | - | - | 20 590 |
| Donor, interest and other income | 46 344 | 417 | - | 45 927 |
| Grants recoveries | 702 | - | - | 702 |
| Investment income | 45 226 | - | - | 45 226 |
| Other income | 417 | 417 | - | - |
| Total expenditure | 1 343 143 | 124 287 | 282 462 | 936 394 |
| Administration expenditure | 118 791 | 118 791 | - | - |
| Transfers to other public entities (QCTO) | 5 497 | 5 497 | - | - |
| Mandatory grants expenditure | 282 462 | - | 282 462 | - |
| Discretionary grants and project expenditure | 936 394 | - | - | 936 394 |
| Donor funding project administration costs | 0 | - | - | - |
| Loss on disposal of assets and liabilities | 19 | 19 | - | - |
| Surplus/(deficit) allocated | 41 453 | 50 931 | 46 399 | (55 876) |

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ALLOCATION – 2021

| | Total per statement of financial performance | Administration funds | Mandatory grant funds | Discretionary grants funds |
|--|--|----------------------|-----------------------|----------------------------|
| | R '000 | R '000 | R '000 | R '000 |
| Total revenue | 947 718 | 115 777 | 219 974 | 611 967 |
| Skills development levy: income | 898 667 | 115 453 | 219 974 | 563 239 |
| Admin levy income (10.5%) | 115 453 | 115 453 | - | - |
| Grant levy income (20%) | 219 974 | - | 219 974 | - |
| Grant levy income (69.5%) | 544 222 | - | - | 544 222 |
| Levy: penalties and interest | 19 017 | - | - | 19 017 |
| Public sector levies | 0 | - | - | - |
| Donor, interest and other income | 49 051 | 324 | - | 48 727 |
| Grants recoveries | 151 | - | - | 151 |
| Investment income | 48 576 | - | - | 48 576 |
| Other income | 324 | 324 | - | - |
| Total expenditure | 868 627 | 133 050 | 200 370 | 535 207 |
| Administration expenditure | 124 503 | 124 503 | - | - |
| Transfers to other public entities (QCTO) | 8 007 | 8 007 | - | - |
| Mandatory grants expenditure | 200 370 | - | 200 370 | - |
| Discretionary grants and project expenditure | 535 207 | - | - | 535 207 |
| Donor funding project administration costs | 541 | 541 | - | - |
| Loss on disposal of assets and liabilities | 80 | 80 | - | - |
| Surplus/(deficit) allocated | 79 011 | (17 353) | 19 604 | 76 760 |

3. Revenue from non-exchange transactions

| | 2022 R '000 | 2021 R '000 Re-stated |
|---|------------------|-----------------------------|
| Skills development levy income | 1 317 681 | 879 649 |
| Levy income: Administration | 174 820 | 115 453 |
| Levies received | 174 796 | 115 486 |
| Levies received from SARS | 172 614 | 115 479 |
| Public sector levies | 2 151 | - |
| Inter-SETA transfers in | 31 | 7 |
| Inter-SETA transfers out | - | - |
| Movement in Inter-SETA transfers | 24 | (33) |
| Levy income: Employer Grants | 328 861 | 219 974 |
| Levies received | 328 826 | 220 465 |
| Levies received from SARS | 328 778 | 220 452 |
| Inter-SETA transfers in | 59 | 14 |
| Inter-SETA transfers out | (11) | - |
| Movement in Inter-SETA transfers | 35 | (491) |
| Levy income: Discretionary Grants | 814 001 | 544 222 |
| Levies received | 813 864 | 545 538 |
| Levies received from SARS | 813 746 | 545 504 |
| Inter-SETA transfers in | 152 | 34 |
| Inter-SETA transfers out | (34) | - |
| Movement in Inter-SETA transfers | 137 | (1 316) |
| Interest and penalties: skills development levy income | 20 590 | 19 017 |
| Levy interest | 9 099 | 8 758 |
| Levy penalties | 11 491 | 10 259 |

Chapter 1 (6)(3) of the skills development levies act states that "If the amount of any levy, interest or penalty paid by an employer to the Commissioner was not Leviable or payable, or was in excess of the amount leviable or payable in terms of this Act, that amount must be refunded to that employer by the Commissioner. The refunds i.e retrospective reversals of R41 048 260,81 (2021: R23 927 952,22) were paid by SARS to the employer companies.

4. Investment Income

Interest received 45 226 48 576

417 324

5. Other income

Insurance recoveries - 25

Learning materials and other recoveries 321 19

Staff recoveries 9 3

Receipts from other entities 88 277

6. Sundry recoveries

702 151

Bursary recoveries 295 -

SDL recoveries 98 151

Projects recoveries 309 -

7. Employer grants and project expenditure

| | 2022 R '000 | 2021 R '000 Re-stated |
|---|------------------|-----------------------------|
| Employer grants and projects expenditure | 1 218 856 | 735 577 |
| Mandatory grants expenditure and bad debts | 282 462 | 200 370 |
| Mandatory grants expenditure | 282 259 | 187 741 |
| Mandatory grants bad debts | 203 | 12 629 |
| Discretionary grants and Project expenditure | 936 394 | 535 207 |
| A001 – HEI Lecturer Support | 6 806 | 6 147 |
| A002 – Bursaries | 133 295 | 97 986 |
| A003 – Work Experience | 55 952 | 43 244 |
| A004 – Standard Setting | 158 | 173 |
| A005 – Learning Materials Development | 1 964 | 1 628 |
| A006 – Internships (GDP) | 188 799 | 115 725 |
| A007 – Non-Artisan Learnerships | 74 884 | 48 844 |
| A008 – Skills Development Facilitator Support | 108 | - |
| A009 – AET | 16 096 | 10 794 |
| A010 – OHS Representative Development | 12 720 | 10 565 |
| A013 – MQA Artisan Development | 190 410 | 119 254 |
| A014 – RPL/Artisan Aides – Employed | 4 905 | 2 565 |
| A015 – TVET College Support | 73 822 | 22 133 |
| A017 – FLC Grant Incentive | 1 090 | 580 |
| A019 – Mine Community Development | 87 250 | 21 225 |
| A020 – Workplace Coach Development | 13 680 | - |
| A021 – Youth Development | 53 113 | 25 161 |
| A022 – Management Development | 7 582 | 5 186 |
| A044 – Partnership Research | - | 596 |
| A023 – Artisan RPL | 10 478 | 2 640 |
| A041 – HDSA Management Development Candidacy | 2 833 | - |
| A042 – HDSA Accredited Training Provider Support | 450 | 760 |
| Included in Discretionary grants and Project expenditure is: | 22 881 | 10 358 |
| Administration costs* | 22 881 | 10 358 |

*Included in the Administration costs is 97,47% cost of employment (2021: 99,76%) budgeted and costed under Discretionary grants and Project expenditure. The note has been expanded to provide a breakdown of the projects under Discretionary grants and Project expenditure.

8. Administration expenditure

| | Note(s) | 2022 R '000 | 2021 R '000 Re-stated |
|--|---------|----------------|-----------------------------|
| Total administration expenditure | | 118 791 | 124 503 |
| Depreciation, amortisation and impairments | | 5 341 | 5 881 |
| Maintenance, repairs and running costs | | 1 754 | 1 655 |
| Property and buildings | | 1 664 | 1 517 |
| Machinery and equipment | | 89 | 137 |
| Advertising, marketing and promotions, communication | | 5 703 | 4 605 |
| Consulting and professional fees | | 3 332 | 2 177 |
| Legal fees | | 1 310 | 252 |
| Cost of employment | 8.1 | 78 672 | 80 893 |
| Travel and accommodation | | 1 278 | 404 |
| Staff training and development | | 1 198 | 652 |
| Remuneration of Board and committee members | | 1 568 | 1 307 |
| Internal audit fees | | 1 133 | 786 |
| External audit fees | | 4 370 | 2 878 |
| Printing and stationery | | 1 079 | 1 033 |
| Conferences, meetings and seminars | | 1 049 | 1 300 |
| Insurance | | 664 | 511 |
| Rates and taxes, water, electricity and security | | 3 895 | 3 572 |
| Donations and sponsorships | | 55 | 31 |
| Rental – operating leases | 8.2 | 223 | 120 |
| IT expenses | | 5 546 | 6 651 |
| Subscription and membership fees | | 92 | 90 |
| Other expenses | | 530 | 9 706 |
| 8.1 Cost of employment | | 74 237 | 75 980 |
| Basic salaries | | 36 096 | 35 568 |
| Performance awards | | 9 076 | 8 737 |
| Other non-pensionable allowance | | 25 632 | 24 612 |
| Temporary staff | | 1 934 | 2 241 |
| Leave provision movement | | 637 | 4 264 |
| SDL | | 862 | 558 |
| Social contributions | | 4 435 | 4 913 |
| Pension contributions | | 4 191 | 4 314 |
| UIF | | 221 | 203 |
| Other salary related costs | | 23 | 395 |
| | | 78 672 | 80 893 |
| Average number of employees | | 164 | 138 |
| 8.2 Operating lease obligation | | | |
| Within one year | | 60 | 55 |
| In 2 to 5 years | | 15 | 75 |
| Total | | 75 | 130 |

The MQA entered into a rental agreement for the North West regional offices from 01 July 2018 to 31 July 2023.

9. Transfers to other government entities

| | 2022 R '000 | 2021 R '000 |
|------------------|----------------|----------------|
| Transfer to QCTO | 5 497 | 8 007 |

SETA Grant Regulation 2(4) provides that a SETA will transfer as part of its administration costs an amount that does not exceed 0.5% of the total levy paid by employers to the QCTO (Entity under common control with the MQA) for quality assurance functions and the actual quantum will be determined by the Minister of Higher Education and Training. The Minister determined the amount disclosed above.

10. Property, plant and equipment

| | 2022 | | | 2021 | | |
|-----------------------|------------------|--------------------------------------|----------------|----------------|--------------------------------------|----------------|
| | Cost / Valuation | Accumulated depreciation/ impairment | Carrying value | Cost/Valuation | Accumulated depreciation/ impairment | Carrying value |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| | 80 768 | (31 406) | 49 361 | 80 334 | (26 979) | 53 356 |
| Office furniture | 4 831 | (3 459) | 1 372 | 4 740 | (3 103) | 1 637 |
| Motor vehicles | 709 | (418) | 291 | 709 | (358) | 351 |
| Office equipment | 6 877 | (6 022) | 855 | 6 825 | (5 433) | 1 392 |
| Computer equipment | 5 929 | (4 587) | 1 341 | 5 686 | (4 386) | 1 300 |
| Fixtures and fittings | 12 152 | (8 956) | 3 196 | 12 152 | (7 740) | 4 412 |
| Office building | 50 000 | (7 817) | 42 183 | 50 000 | (5 863) | 44 137 |
| Cell phones | 270 | (147) | 123 | 222 | (96) | 126 |

| RECONCILIATION – 2022 | | | | | | |
|-------------------------|--------------|-------------|----------------|---------------------|-------------------------|--|
| Opening carrying amount | Additions | Disposals | Depreciation | Revaluation surplus | Closing carrying amount | |
| R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | |
| 53 356 | 1 072 | (51) | (5 014) | 0 | 49 363 | |
| Office furniture | 98 | - | (363) | - | 1 372 | |
| Motor vehicles | - | - | (60) | - | 291 | |
| Office equipment | 95 | - | (632) | - | 855 | |
| Computer equipment | 773 | (43) | (689) | - | 1 341 | |
| Fixtures and fittings | - | - | (1 215) | - | 3 196 | |
| Office building | - | - | (1 954) | - | 42 183 | |
| Cell phones | 105 | (8) | (100) | - | 123 | |

| RECONCILIATION – 2021 | | | | | | |
|-------------------------|--------------|--------------|----------------|---------------------|-------------------------|--|
| Opening carrying amount | Additions | Disposals | Depreciation | Revaluation surplus | Closing carrying amount | |
| R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | |
| 57 422 | 1 430 | (204) | (5 292) | - | 53 356 | |
| Office furniture | - | (4) | (364) | - | 1 637 | |
| Motor vehicles | 302 | (145) | (32) | - | 352 | |
| Office equipment | 430 | (2) | (757) | - | 1 392 | |
| Computer equipment | 507 | (50) | (872) | - | 1 300 | |
| Fixtures and fittings | - | - | (1 215) | - | 4 412 | |
| Office building | - | - | (1 954) | - | 44 137 | |
| Cell phones | 191 | (3) | (97) | - | 126 | |

Further details on the office building

The 3 934 square metre building is situated on ERF 917, 7 Anerley Road, Parktown, Johannesburg. There are no restrictions on the title to the property, plant and equipment and no items are pledged as security for liabilities.

The office building was re-valued on 31 March 2018 by an independent valuer who holds a qualification in property valuations and is a member of South African Council for Property Valuer's Profession. The valuation was based on the Income Capitalisation Method as well as the Comparable Sales Method in the prior year. The first method was carried out with reference to the open market rentals, market escalations and market related costs while the latter was carried out with reference to comparable market related sales and both methods were used to determine the market related valuation. The building is due for another revaluation in 2023. Further details on the building are as follows:

| | 2022 | 2021 |
|--------------------------|---------------|---------------|
| | R '000 | R '000 |
| Re-valued amount | 50 000 | 50 000 |
| Accumulated depreciation | (7 817) | (5 863) |
| Revaluation adjustments | - | - |
| | 42 183 | 44 137 |

11. Intangible assets

| | 2022 | | | 2021 | | |
|-------------------|--------------------|--|-------------------|--------------------|--|-------------------|
| | Cost/ Valuation | Accumulated depreciation/ impairment | Carrying value | Cost/ Valuation | Accumulated depreciation/ impairment | Carrying value |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Computer software | 3 772 | (2 836) | 936 | 3 345 | (3 114) | 232 |
| | 3 772 | (2 836) | 936 | 3 345 | (3 114) | 232 |

| | RECONCILIATION 2022 | | | | | |
|--|-------------------------------|------------|--------------|--------------------------------|--------------|-------------------------------|
| | Opening carrying amount | Additions | Disposals | Other changes, movements | Depreciation | Closing carrying amount |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| | Computer software | 231 | 1 032 | - | - | (327) |
| | 231 | 1 032 | - | - | (327) | 935 |

| | RECONCILIATION 2021 | | | | | |
|--|-------------------------------|------------|-----------|--------------------------------|--------------|-------------------------------|
| | Opening carrying amount | Additions | Disposals | Other changes, movements | Depreciation | Closing carrying amount |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| | Computer software | 820 | - | - | - | (589) |
| | 820 | - | - | - | (589) | 231 |

| | 2022 | 2021 |
|---|--------------|--------------|
| | R '000 | R '000 |
| Maintenance, repairs and running costs paid to service providers | 1 754 | 1 655 |
| Property and buildings | 1 664 | 1 517 |
| Machinery and equipment | 89 | 137 |

12. Receivables from exchange transactions

| | 2022 R '000 | 2021 R '000 Re-stated |
|---------------------|----------------|-----------------------------|
| | 5 887 | 5 630 |
| Staff advances | 23 | 81 |
| Prepayments | 545 | 366 |
| Deposits | 4 | 4 |
| Other receivables | 4 767 | 4 478 |
| Interest receivable | 548 | 701 |

13. Inventories

| | | |
|--|-----|-----|
| Consumable stores | 490 | 328 |
| Recognised as an expense during the year | 630 | 598 |

14. Receivables from non-exchange transactions

| | 1 673 | 1 752 |
|------------------------------|-------|-------|
| Mandatory grants receivables | 1 437 | 1 697 |
| Inter-SETA – Administration | 31 | 7 |
| Inter-SETA – Employer grants | 59 | 14 |
| Inter-SETA – Discretionary | 145 | 34 |

14.1 Mandatory grants receivables

| | 1 437 | 1 697 |
|--|--------------|--------------|
| Overpayments to employers | 1 531 | 15 262 |
| Provision for doubtful debts | (107) | (13 681) |
| Net effect of SARS retrospective adjustments | 1 424 | 1 580 |
| Mandatory grants receivable from other SETAs | 14 | 117 |

The MQA calculates and pays mandatory grants to employers based on the levy information from the DHET as obtained from SARS in line with Skills Development Levies Act. Where SARS retrospectively amends the information on levies collected, this may result in grants that have been paid to certain employers that are in excess of the amount the MQA is permitted to have granted to employers as mandatory grants thus resulting in mandatory grant receivable being raised. The MQA as required by the standard of GRAP assess non contractual receivables for impairment at the end of each reporting period and the above disclosed provision for bad debts was based on impairment indicators identified by management in line with GRAP.

R1 531 000 (2021: R15 262 000) was recognised as a receivable relating to actual payments of mandatory grants, which were previously paid and subsequently reversed by employers in the reporting period.

A provision for bad debts of R107 245.00 (2021: R13 681 260.00) has been raised respectively with the change in movement recognised in the statement of financial performance of R107 245.00 (2021: R12 628 864.85) respectively.

| | 2022 R '000 | 2021 R '000 Re-stated |
|--|----------------|-----------------------------|
| 14.2 Government grants and donor funding | -0 | (0) |
| Balance at the beginning of the year | -0 | 31 350 |
| Donor funds received and interest received | - | -29 769 |
| Donor funds received | - | -29 714 |
| Interest received | - | -55 |
| Donor funds write-off | - | -1 581 |
| Utilised | - | - |
| 14.2.1 Donor funds administration surplus (Deficit) | - | -541 |
| NSF artisan project administration income | - | - |
| NSF artisan project administration expenditure | - | (541) |

15. Cash and cash equivalents

| | 1 080 674 | 1 045 144 |
|------------------------------------|-----------|-----------|
| Cash at bank | 361 219 | 844 072 |
| Cash on paycard | 15 | 18 |
| Cash on paycard and at bank | 361 234 | 844 090 |
| Short-term investments/instruments | 719 440 | 201 054 |

The Skills Development Act Regulations states that the MQA may, if not otherwise specified by the Public Finance Management Act, invest the moneys in accordance with the investment policy approved by the MQA Accounting Authority.

Treasury Regulation 31.3 requires that, unless exempted by the National Treasury, the MQA as a public entity that is listed in Schedule 3A of the Act must invest surplus funds with the Corporation for Public Deposits (CPD).

Surplus funds were deposited with the South Africa Reserve Bank in the CPD account of the MQA in line with the Treasury Regulation 31.3.

Borrowings/Loans

In terms of PFMA section 66(3)(c), public entities may borrow money or, issue a guarantee, indemnity or security only through the Minister of Higher Education, Science and Technology or the Minister of the Department of Mineral resource, as the case may be, acting with the concurrence of the Minister of Finance.

In terms of Treasury Regulation 32.1.1, the MQA as schedule 3A public entity may borrow money for bridging purposes with the approval of the Minister of Finance, subject to certain conditions.

No such borrowings were entered into during the period.

16. Employee benefit obligations

Defined contribution plan

The MQA operates a defined contribution umbrella pension fund. Each employee contributes 8% and the MQA 16% in respect of each employee. The employee's future benefits depends on the operating efficiency and investment earnings of the fund.

| | 2022 R '000 | 2021 R '000 Re-stated |
|--|----------------|-----------------------------|
|--|----------------|-----------------------------|

17. Grants and transfers payable from non-exchange transactions

254 581 266 179

| | | |
|---|---------|---------|
| Skills development grants payable – Mandatory | 1 013 | 70 677 |
| Skills development grants payable – Discretionary | 253 461 | 195 432 |
| Inter-SETA payables – Administration | 0 | 0 |
| Inter-SETA payables – Employer grants | 11 | 0 |
| Inter-SETA payables – Discretionary | 27 | 0 |
| Donor payables | 70 | 70 |

18. Trade and other payables from exchange transactions

4 560 2 707

| | | |
|----------------------------------|-------|-------|
| Trade payables | 3 030 | 1 078 |
| Trade creditors accruals | 714 | 1 481 |
| Cell phone contracts obligations | 130 | 140 |
| Payroll creditors and accruals | 687 | 8 |

19. Provisions

| Reconciliation of provisions | 2022 | | | |
|-----------------------------------|-----------------|-----------------|---------------|---------------|
| | Opening balance | Utilised during | Addition | Total |
| | R'000 | R'000 | R'000 | R'000 |
| | 20 677 | (11 955) | 12 827 | 21 549 |
| SARS Creditors – Administration | 395 | (71) | 62 | 387 |
| SARS Creditors – Mandatory | 751 | (134) | 119 | 735 |
| SARS Creditors – Discretionary | 1 859 | (333) | 294 | 1 820 |
| Administration provisions – Leave | 7 307 | (1 297) | 916 | 6 926 |
| Administration provisions – Bonus | 10 365 | (10 121) | 11436 | 11 680 |

| Reconciliation of provisions | 2021 | | | |
|-----------------------------------|-----------------|-----------------|----------|--------|
| | Opening balance | Utilised during | Addition | Total |
| | R'000 | R'000 | R'000 | R'000 |
| | 19 664 | (12 126) | 13 139 | 20 677 |
| SARS Creditors – Administration | 354 | (66) | 107 | 395 |
| SARS Creditors – Mandatory | 672 | (125) | 204 | 751 |
| SARS Creditors – Discretionary | 1 664 | (310) | 505 | 1 859 |
| Administration provisions – Leave | 5 913 | (2 870) | 4 264 | 7 307 |
| Administration provisions – Bonus | 11 061 | (8 755) | 8 059 | 10 365 |

20. Cash generated from operations

| | 2022 R '000 | 2021 R '000 Re-stated |
|--|----------------|-----------------------------|
| Surplus (Deficit) | 41 453 | 79 011 |
| Adjustments for: | | |
| Depreciation and amortisation | 5 341 | 5 881 |
| Loss/(Gain) on sale of assets and liabilities | 19 | 80 |
| Movements in provisions | 872 | 1 015 |
| Other non-cash items | 1 | 108 |
| Changes in working capital | | |
| Inventories | (163) | (16) |
| Receivables from exchange transactions | (257) | (2 036) |
| Other receivables from non-exchange transactions | 79 | 53 523 |
| Payables from exchange transactions | 1 853 | (895) |
| Transfers payable (non-exchange) | (11 597) | (127 452) |
| | 37 601 | 9 218 |

21. Contingent Liabilities

21.1 Mandatory grant reserve

A balance of R1 162 000 (2021: R2 111 000) has been set aside in terms of the accounting policy. The amount of the outflow depends on the new employers' awareness about the provisions of the grants regulations that entitle them to claim the grants within six months of their first registration as employers for the purposes of the Skills Development Levies Act.

The employers have until 31 October 2022 to claim the mandatory grants after which they expire and will be credited to the discretionary funds in terms of the grants regulations.

21.2 Business Unity South Africa (BUSA) vs. Department of Higher Education and Training

In October 2019, BUSA won a court case against the DHET where the department's decision to decrease the mandatory grant levies and grants percentage was decreased from 50% to 20% in terms of section 4(4) of the SETA Grant Regulations was set aside. The court did not decide on the mandatory levy or grant percentage, nor did it specify whether the ruling should be applied retrospectively or prospectively. The effect of the ruling is that the Minister would have to decide on the percentage for mandatory grants in consultation with the sector. The Minister has not yet made the decision with regard to the mandatory grant percentage.

The DHET continued to show the mandatory levies portion as 20% from 2019/20 financial year to date in the levy download information. The MQA continued to pay and accrue mandatory grants at 20% in line with the levy download percentage. In the absence of a revised percentage and mandatory grant expenditure in Notes 2 and 7 as well as the mandatory grant liability in Notes 7 and 14 were calculated using mandatory grant percentage of 20%.

The MQA, therefore, discloses a contingent liability for mandatory grants payable to qualifying levy payers and this disclosure was due to the intention of the litigants, BUSA, to increase the mandatory grant percentage of 20%. The timing and amount of this contingent liability is uncertain and no reasonable estimate can be made at this point. Currently the department is in discussions with BUSA and the outcome of the discussions are unknown.

21.3 Litigations

Contractual disputes with training providers, service providers and employees resulted in five claims lodged with the courts against the MQA for an amount of R61 364 967 (2021: R61 992 467). All five of the cases were from the preceding years and uncertainty regarding the outflow is still the same as the prior years because the cases are still ongoing.

21.4 Retention of surpluses

Section 53 (1) of the PFMA, requires public entities not to budget for a deficit and not to accumulate surpluses unless prior written approval is received from National Treasury. The surpluses as at 31 March 2022 were as follows:

| | 2022 | 2021 |
|------------------------------------|----------------|----------------|
| Account balance description | R'000 | R'000 |
| Cash and Cash Equivalents | 1 080 674 | 1 045 144 |
| Debtors | 7 559 | 7 382 |
| Creditors | -280 690 | -289 563 |
| Total Surpluses | 807 543 | 762 963 |

22. Contingent assets

The MQA has instituted two legal claims against third parties and based on the legal opinion, there is a probability of an inflow amounting to R 215 863.73 (2021: R302 173), the two cases are from the preceding years.

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23. Commitment Note as at 31 March 2022

| Programmes | 2021/22 | | | | | |
|---|------------------|--------------------------|-------------------------------|-------------------|------------------|-------------------------------|
| | Opening balances | Prior period adjustments | Restated opening balance 2021 | Total adjustments | Utilised | Closing balance 31 March 2022 |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| TOTAL | 724 804 | (1 187) | 723 617 | 1 112 080 | (911 627) | 924 070 |
| MQA-A001 – HEI Lecturer Support | - | - | - | 10 268 | (6 806) | 3 462 |
| MQA-A002 – Bursaries | 39 226 | 365 | 39 591 | 143 328 | (129 129) | 53 790 |
| MQA-A003 – Work Experience | 28 404 | - | 28 404 | 63 747 | (54 627) | 37 524 |
| MQA-A004 – Standard Setting Grant (TRGs) | - | - | - | 158 | (158) | - |
| MQA-A004 – Standard Setting HET | - | - | - | - | - | - |
| MQA-A005 – Learning Materials Development | - | - | - | 1 964 | (1 964) | - |
| MQA-A006 – Internships (GDP) | 166 176 | (236) | 165 940 | 250 792 | (185 025) | 231 706 |
| MQA-A007 – Non Artisan Learnerships | 41 666 | (466) | 41 200 | 102 485 | (72 610) | 71 075 |
| MQA-A008 – Skills Development Facilitator Support | - | - | - | 108 | (108) | - |
| MQA-A009 – AET | - | - | - | 14 570 | (14 570) | - |
| MQA-A010 – OHS Representatives Development | - | - | - | 10 795 | (10 795) | - |
| MQA-A014 – RPL/Artisan Aides – Employed | - | - | - | 4 905 | (4 905) | - |
| MQA-A014 – ARPL | - | - | - | 10 478 | (10 478) | - |
| MQA-A013 – MQA Artisan Development | 164 159 | (4 323) | 159 836 | 286 582 | (184 534) | 261 885 |
| MQA-A015 – TVET College Support | 49 429 | 960 | 50 389 | 102 584 | (69 852) | 83 121 |
| MQA-A019 – Mine Community Development | 168 708 | 2 919 | 171 626 | 32 357 | (87 250) | 116 733 |
| MQA-A020 – Workplace Coach Development | - | - | - | 23 880 | (13 680) | 10 200 |
| MQA-A022 – Management Development | 3 561 | - | 3 561 | 7 452 | (7 582) | 3 432 |
| MQA-A011 – NSF 2 – Artisan Development | 7 691 | (624) | 7 067 | (231) | (68) | 6 768 |
| MQA-A017 – FLC – MQA Proj Direct Costs | - | - | - | 1 090 | (1 090) | - |
| MQA-A042 – HDSA ATP Support | - | - | - | 450 | (450) | - |
| MQA-A041 – HDSA Management Development Candidacy | - | - | - | 4 590 | (2 833) | 1 757 |
| MQA-A044 - Research Partnerships | - | - | - | 1 579 | - | 1 579 |
| MQA-A021 – Youth Development Project | 55 785 | 218 | 56 003 | 38 150 | (53 113) | 41 040 |

24. Irregular, fruitless and wasteful expenditure

| Irregular expenditure | 2022 | | | |
|----------------------------|-----------------|-----------|--------------|-----------------|
| | Opening balance | Additions | Condoned | Closing balance |
| | R'000 | R'000 | R'000 | R'000 |
| | 189 | 61 | (189) | 61 |
| Administration expenditure | 189 | 61 | (189) | 61 |

| | 2021 | | | |
|----------------------------|-----------------|-----------|----------|--------------------------|
| | Opening Balance | Additions | Condoned | Restated closing balance |
| | R'000 | R'000 | R'000 | R'000 |
| | 131 | 58 | - | 189 |
| Administration expenditure | 131 | 58 | - | 189 |

The irregular expenditure was as a result of non-compliance with sections 15, 16 and 17 of the PPPFA implementation guide of 2017 which stipulate how tenders should be evaluated and awarded, and practice note 8 of 2007/2008 which requires the entities to obtain at least three quotations. Furthermore, supply chain management policy was not complied with in relation to approval of a deviation from the normal SCM processes. All prior year identified cases were investigated and condoned by National Treasury. The current year cases are under investigations.

| Fruitless and wasteful expenditure | 2022 | | | | |
|------------------------------------|-----------------|-----------|-------------|-----------|---------|
| | Opening Balance | Additions | Written-off | Recovered | Balance |
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| | 103 | - | 103 | - | - |
| TVET College Support | 103 | - | 103 | - | - |

Fruitless and wasteful expenditure was incurred in respect of training costs for external stakeholders that did not attend the training. The transactions were investigated and written-off in line with the Framework.

| Fruitless and wasteful expenditure | 2021 | | | | |
|------------------------------------|-----------------|------------|-------------|-----------|------------|
| | Opening balance | Additions | Written-off | Recovered | Balance |
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| | - | 103 | - | - | 103 |
| TVET College Support | - | 103 | - | - | 103 |

Fruitless and wasteful expenditure was incurred in respect of training costs for external stakeholders that did not attend the training. The circumstances that led to non attendance are still being investigated.

25. Financial instruments

In the course of its operations, the MQA is exposed to interest rate, credit, liquidity and market risk. The MQA has developed a comprehensive risk strategy in order to monitor and control these risks.

The MQA's exposure to cash flow risk, interest rate risk and the effective interest rates on the financial instruments at reporting date are as follows:

| | 2022 | | | | |
|--|------------------|-------------------------|----------------------|--|------------------|
| | Floating rate | | Non-interest bearing | | Total |
| | Amount | Effective interest rate | Amount | Weighted average period until maturity | |
| | R '000 | % | R '000 | Years | R '000 |
| Assets | | | | | |
| Cash | 1 080 674 | 4% | - | | 1 080 674 |
| Accounts receivable from exchange transactions | - | | 5 887 | 2 years | 5 887 |
| Less: Prepayments | - | | (545) | | (545) |
| Accounts receivable from non-exchange transactions | - | | 1 673 | 0,5 years | 1 673 |
| Less: Inter-SETA receivables | - | | (235) | | (235) |
| Less: Mandatory grants receivables | - | | (1 437) | | (1 437) |
| Total financial assets | 1 080 674 | | 5 342 | | 1 086 016 |
| Liabilities | | | | | |
| Accounts payable from exchange transactions | - | | (4 560) | 0,5 years | (4 560) |
| Accounts payable from non-exchange transactions | - | | (254 581) | 0,5 years | (254 581) |
| Add: Inter-SETA Payables | - | | 38 | | 38 |
| Add: Mandatory grants payables | - | | 1 013 | | 1 013 |
| Total financial liabilities | - | | (258 091) | | (258 091) |
| | 1 080 674 | | (252 748) | | 827 926 |

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| | 2021 | | | | Total R '000 |
|--|------------------|------------------------------------|----------------------|---|------------------|
| | Floating rate | | Non-interest bearing | | |
| | Amount R '000 | Effective interest rate % | Amount R '000 | Weighted average period until maturity Years | |
| Assets | | | | | |
| Cash | 1 045 144 | 5% | - | | 1 045 144 |
| Accounts receivable from exchange transactions | - | | 5 630 | 2 years | 5 630 |
| Less: Prepayments | - | | (366) | | (366) |
| Accounts receivable from non-exchange transactions | - | | 1 752 | 0,5 years | 1 752 |
| Less: Inter-SETA receivables | - | | (55) | | (55) |
| Less: Mandatory grants receivables | - | | (1 697) | | (1 697) |
| Total financial assets | 1 045 144 | | 5 264 | | 1 050 408 |
| Liabilities | | | | | |
| Accounts payable from exchange transactions | - | | (2 707) | 0,5 years | (2 707) |
| Accounts payable from non-exchange transactions | - | | (266 179) | 0,5 years | (266 179) |
| Add: Inter-SETA payables | - | | 0 | | 0 |
| Add: Mandatory grants payables | - | | 70 677 | | 70 677 |
| Total financial liabilities | - | | (198 209) | | (198 209) |
| | 1 045 144 | | (192 945) | | 852 199 |

Credit risk

Financial assets, which potentially subject the MQA to the risk of non-performance by counter-parties and thereby subject to credit concentrations of credit risk, consist mainly of cash and cash equivalents, investments and accounts receivable.

The MQA limits its counter-party exposure by only dealing with well-established financial institutions approved by the National Treasury. The Accounting Authority continuously monitors the MQA's exposure.

Credit risk with respect to levy paying employers is limited due to the nature of the income received. The MQA's concentration of credit risk is limited to the industry (mining industry) in which it operates.

Ageing of trade and other receivables from non-exchange transactions

| | 2022 | 2021 |
|--|--------------------------------|--------------------------------|
| | Fair valued/ Amortised cost | Fair valued/ Amortised cost |
| | R '000 | R '000 |
| Receivables from exchange transactions | 5 887 | 5 630 |
| Less: Prepayments | (545) | (366) |
| Receivables from non-exchange transactions | 1 673 | 1 752 |
| Less: Inter-SETA receivables | (235) | (55) |
| Less: Mandatory grants receivables | (1 437) | (1 697) |
| Due 0-3 years | 5 342 | 5 264 |

Cash and cash equivalents

| | 2022 | 2021 |
|--------------|--------------------------------|--------------------------------|
| | Fair valued/ Amortised cost | Fair valued/ Amortised cost |
| | R '000 | R '000 |
| Not past due | 1 080 674 | 1 045 144 |

Liquidity risk

The MQA manages liquidity risk through proper management of working capital, capital expenditure, long-term cash projections and monitoring of actual vs. forecasted cash flows and its cash management policy.

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| | 2022 | 2021 |
|---|-----------------------|-----------------------|
| | Between 0 and 3 years | Between 0 and 3 years |
| | R '000 | R '000 |
| Trade and other payables from exchange transactions | (4 560) | (2 707) |
| Trade and other payables from non-exchange transactions | 254 581 | (266 179) |
| Add: Inter-SETA payables | 38 | 0 |
| Add: Mandatory grants payables | 1 013 | 70 677 |
| Due 0-3 years | 258 091 | (198 209) |

Market risk

The MQA is exposed to fluctuations in the employment market, for example sudden increases in unemployment and changes in the wage rates adversely affects the MQA revenues.

26. Related party transactions

The MQA is a Schedule 3A public entity under the control of Department of Higher Education and Training as well as the Department of Mineral Resources and Energy, it is therefore, related to controlled entities under both departments and national departments in

the same sphere of government with the two mentioned departments. The related parties include amongst others, Public Universities and Technical Vocational Education Training colleges. The transactions the MQA had with related parties include amongst others, projects in terms of the MQA funding policy and the SETA grants regulations, and all were within the legislated mandate of the MQA. Furthermore, the MQA receives monthly transfer from DHET for levies collected. This is in line with normal operations of the MQA and the details are included in note 3.

26.1 Inter-SETA transactions

Inter-SETA transactions and balances arise due to the movement of employers from one SETA to another and levies due from the SETA to which the employers erroneously contributed its levies and or submitted its WSP/ATR. No other transactions occurred during the period with other SETAs.

Sector Education and Training Authorities

| | 2022 | 2021 |
|---------------|-----------------------------|-----------------------------|
| | Amount receivable (payable) | Amount receivable (payable) |
| | R '000 | R '000 |
| | 198 | 55 |
| MERSETA | -34 | - |
| SERVICES SETA | 221 | 55 |
| TETA | -3 | - |
| CETA | 14 | - |

26.2 Other public entities

| | 2022 | | | |
|-----------------------------|-----------|-----------|--------------|--------------|
| | Write-off | Debtor | Payable | Commitments |
| | R '000 | R '000 | R '000 | R '000 |
| | - | 14 | 3 477 | 3 349 |
| Unemployment Insurance Fund | - | - | 70 | - |
| National Skills Fund | - | - | - | - |
| ETDP SETA | - | 14 | - | - |
| Mintek | - | - | 3 387 | 3 240 |
| Petroleum Agency Sa | - | - | 20 | 109 |
| Council For Geoscience | - | - | - | - |

| | 2021 | | | |
|-----------------------------|--------------|------------|--------------|--------------|
| | Write-off | Debtor | Payable | Commitments |
| | R '000 | R '000 | R '000 | R '000 |
| | 1 819 | 116 | 4 217 | 8 395 |
| Unemployment Insurance Fund | 310 | - | 70 | - |
| National Skills Fund | 1 271 | - | - | - |
| ETDP SETA | 238 | 116 | - | - |
| Mintek | - | - | 3 856 | 8 092 |
| Petroleum Agency Sa | - | - | 95 | 106 |
| Council For Geoscience | - | - | 197 | 197 |

Universities and TVET colleges

| | 2022 | | 2021 | |
|--|----------------|------------------|----------------|------------------|
| | R '000 | R '000 | R '000 | R '000 |
| | Amount payable | Amount committed | Amount payable | Amount committed |
| Cape Peninsula University of Technology | 120 | 1 605 | 7 644 | 1 877 |
| Capricorn College for TVET | 82 | 121 | 11 | 103 |
| Cetral University of Technology Free State | 2 410 | 1 732 | 2 968 | 1 668 |
| Durban University of Technology | 799 | 443 | 604 | 244 |
| Ekurhuleni East TVET College | 1 414 | 6 758 | 566 | 6 991 |
| Flavius Mareka TVET College | 31 | 146 | 6 | 43 |
| Goldfileds TVET College | - | 1976 | 1 656 | 1 348 |
| Mangosuthu University of Technology | 892 | 372 | 91 | 1 141 |
| Mopani South East TVET College | 2 582 | 2 063 | 217 | 324 |
| Nelson Mandela Metropolitan University | 127 | 664 | 1 976 | 741 |
| Nkangala TVET College | - | - | - | - |
| North West University | 137 | 980 | 2 311 | 948 |
| Northern Cape Urban TVET College | - | - | 13 | 22 |
| Orbit TVET College | 64 | 108 | 124 | 189 |
| Sekhukhune TVET College | 792 | 983 | 551 | 1 111 |
| South West Gauteng College | 376 | 773 | 104 | 577 |
| University of Johannesburg | 7 814 | 9 699 | 23 739 | 1 234 |
| Tshwane University of Technology | 441 | 9 747 | 134 | - |
| University of Venda | 2 195 | 814 | - | 605 |
| University of Pretoria | 37 | 4 180 | 382 | 5 157 |
| University of Fort Hare | - | 13 | 92 | 27 |
| University of Stellenbosch | 1 041 | 66 | 855 | 221 |
| University of Kwa-Zulu-Natal | 157 | 356 | 1 190 | 431 |
| University of the Free State | 2 634 | 168 | - | 1 175 |
| University of the Witwatersrand | 135 | 7 309 | 8 854 | 4 531 |
| University of Limpopo | 1 742 | 461 | 1 057 | 626 |
| Vhembe TVET College | 174 | 302 | 102 | 432 |
| Walter Sisulu University | 278 | 85 | 49 | 91 |
| University of the Western Cape | 112 | 173 | 107 | 293 |
| University of Cape Town | 1 224 | 970 | 2 104 | 249 |
| Maluti TVET College | - | 1 089 | 27 | 928 |
| Motheo TVET College | 348 | 2 021 | 17 | 914 |
| Buffalo City TVET College | - | - | - | - |
| Rhodes University | 496 | 87 | - | 48 |
| Northern Cape Rural TVET College | 13 | 7 455 | 6 182 | 7 269 |
| Vaal University of Technology | 3 508 | 2 765 | 81 | 7 390 |
| Western TVET College | 44 | 705 | - | 480 |
| University of South Africa | 2 288 | 4 609 | 85 | 4 515 |
| Gert Sibanda College | - | - | - | - |
| Vuselela TVET College | 140 | 121 | 69 | 100 |
| Central Johannesburg College | 89 | 151 | 13 | 22 |

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| | 2022 | | 2021 | |
|---|----------------|------------------|----------------|------------------|
| | R '000 | R '000 | R '000 | R '000 |
| | Amount payable | Amount committed | Amount payable | Amount committed |
| Ekurhuleni West TVET College | 69 | 1 601 | 13 | 38 |
| Lephalale TVET College | 97 | 117 | 35 | 16 |
| Majuba TVET College | 52 | 3 874 | 613 | 5 396 |
| Nkangala TVET College | - | 3 709 | 667 | 1 361 |
| Sedibeng TVET College | 50 | 86 | 13 | 11 |
| Taletso TVET College | 13 | 22 | - | 32 |
| King Sabata Dalindyebo TVET | 37 | 65 | 212 | 355 |
| West Coast TVET College | - | 50 | - | 480 |
| Lovedale TVET College | - | 660 | - | 480 |
| Ingwe TVET College | - | 330 | - | 480 |
| Northlink TVET College | - | 15 | - | 480 |
| College of Cape Town | 561 | 701 | - | 480 |
| Western TVET College Carletonville | 594 | - | - | - |
| Port Elizabeth TVET College | 13 | 26 | - | - |
| Letaba TVET College | 36 | 16 | - | - |
| Sefako Makgatho Health Sciences University | 79 | 4 | - | - |
| Waterberg TVET College | 13 | 22 | - | 22 |
| University of Mpumalanga | - | 191 | - | - |
| Tshwane North TVET College | - | 65 | - | - |
| Tshwane South TVET College | - | 162 | - | - |
| Sol Plaatje University | 224 | 27 | - | - |
| Enhlanzeni TVET College | - | 97 | - | - |
| King Hintsa TVET College | - | 891 | - | - |
| Limpopo CET | 150 | - | - | - |
| Mpumalanga CET College | 490 | - | - | - |
| North West Community Education and Training College | 270 | - | - | - |
| | 37 483 | 84 798 | 65 533 | 63 694 |

26.3 Board fees

| Board member | 2022 | 2021 |
|-----------------------|--------------------|--------------------|
| | Fees paid R'000 | Fees paid R'000 |
| | 928 | 741 |
| R Motlou | 66 | - |
| S Dlamini-Mthethwa | 107 | - |
| F Stehring | 95 | 85 |
| J Van vuuren | 123 | - |
| A. Atlee | 152 | 75 |
| V James | 97 | - |
| K Netshiombo | 97 | - |
| O Kgware | 107 | - |
| E Howes | - | - |
| D Msiza (Chairperson) | - | - |
| M Zondi | - | - |
| S Rogers | - | - |
| M Malaza | 58 | - |
| T Tlhapane | 26 | - |
| M Ally & D Julyan | - | 190 |
| A Teteme | - | 232 |
| D Shikati | - | 83 |
| M Naki | - | 76 |
| M Mashego | - | - |
| J Venter | - | - |
| L Mogaki | - | - |
| P. Gamede | - | - |
| H. Mbiko | - | - |
| O.Nkagisang | - | - |
| T Mathavha | - | - |

26.4 Transactions with entities where Board members have significant influence

| | | 2022 | | |
|------------|--|----------------------|-------------------|---------------------|
| | | Amount receivable | Amount payable | Amount Committed |
| | | R '000 | R '000 | R '000 |
| M Mashego* | Harmony Gold Mine | - | - | - |
| D Msiza | Department of Mineral Resources and Energy | - | - | 2 800 |
| J Venter* | Colliery Training College | - | - | - |
| | | - | - | 2 800 |

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| | | 2021 | | |
|------------|--|-------------------|----------------|------------------|
| | | Amount receivable | Amount payable | Amount Committed |
| | | R '000 | R '000 | R '000 |
| M Mashego* | Harmony Gold Mine | - | 21 729 | 29 943 |
| D Msiza | Department of Mineral Resources and Energy | - | - | 2 800 |
| J Venter* | Colliery Training College | - | 130 | 8 033 |
| | | - | 21 859 | 40 775 |

*Did not serve as Board member during 2021/22

26.5 Bursaries awarded to beneficiaries recruited by entities previously represented at the board

In the past the Board resolved that, in respect of bursaries, the MQA may enter into Memorandum of Agreements (MOAs) with entities listed below. The bursary beneficiaries allocated as a result of the MOAs are selected by the entities using selection and funding criteria that is aligned to the criteria used to select and fund other MQA bursary beneficiaries. Subsequently the Board reconsidered the decision, and no allocation was made for 2021/2022 financial year. The disclosure is for the students that were already in the programme.

| 2021/2022 | | | |
|---------------------|---------------------|----------------------|------------------|
| Stakeholder details | Constituency | Total amount payable | Total commitment |
| | | R'000 | R'000 |
| DMRE | State | 0 | 1 044 |
| JB Marks | Organised Labour | 26 | 476 |
| Anglo Gold Ashanti | Organised Employers | 0 | 24 |
| Impala Platinum | Organised Employers | 0 | 57 |
| Harmony Gold Mine | Organised Employers | 784 | 439 |
| Richards Bay Mining | Organised Employers | 0 | 48 |
| TOTAL | | 810 | 2 087 |

| 2020/2021 | | | |
|---------------------|---------------------|----------------------|------------------|
| Stakeholder details | Constituency | Total amount payable | Total commitment |
| | | R'000 | R'000 |
| DMRE | State | 0 | 1 783 |
| JB Marks | Organised Labour | 2 560 | 953 |
| Anglo Gold Ashanti | Organised Employers | 23 | 213 |
| Impala Platinum | Organised Employers | 0 | 72 |
| Harmony Gold Mine | Organised Employers | 2 669 | 647 |
| Richards Bay Mining | Organised Employers | 1 710 | 622 |
| TOTAL | | 6 962 | 4 291 |

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26.6 Board co-ordination fees

Prior to regulation and payment of remuneration for Board Members by National Treasury, the MQA Board resolved that constituencies be paid a coordination grant for the time constituencies spend in coordination for effective engagement at Board.:

| Constituency | Related party representative | Co-ordination fees paid 2022 | Co-ordination fees paid 2021 |
|--------------|------------------------------|------------------------------|------------------------------|
| | | R'000 | R'000 |
| Employers | M Ally and D Julyan | - | 415 |
| Labour | Stanley Mokgothu | - | 343 |
| TOTAL | | - | 758 |

26.7 Board sub-committees fees

| Committee member | Committee | 2022 | 2021 |
|--|-----------|------------|------------|
| | | Fees paid | Fees paid |
| | | R '000 | R '000 |
| | | 249 | 493 |
| P Phukubje (Chairperson 2021/2022) | ARC | 44 | - |
| Adv JC Weapond | ARC | 88 | 98 |
| M Sikhosana | ARC | 38 | - |
| M Mbonambi (Chairperson 2020/2021) | ARC | - | 128 |
| B Mbewu | ARC | - | 137 |
| Y Mqoboli (Chairperson 2021/2022) | REMCO | 79 | 10 |
| L Nematswerani (Chairperson 2020/2021) | REMCO | - | 65 |
| P Nku | REMCO | - | 55 |

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26.8 Executive managers

| | Basic salaries | Performance bonuses | Leave paid out | Non-pensionable allowances | Acting allowances | Pension contributions | Total 2022 | Total 2021 |
|------------------------------|----------------|---------------------|----------------|----------------------------|-------------------|-----------------------|---------------|---------------|
| | R '000 | R '000 | R '000 | R '000 | R '000 | R '000 | R '000 | R '000 |
| | 6 622 | 1 524 | 149 | 5 286 | 1 905 | 962 | 16 448 | 12 510 |
| N B Nemagovhani (CRMEO_ACEO) | 887 | 310 | - | 698 | 557 | 123 | 2 575 | 2 594 |
| M Mdingi (CFO) | - | - | - | - | - | - | - | 625 |
| L A Matlala (FM_ACFO) | 1 092 | 234 | 25 | 82 | 344 | 157 | 1 934 | 1 873 |
| B Mathebula (RMFS_ACOO) | 616 | 211 | 25 | 655 | 79 | 86 | 1 672 | 2 064 |
| T Tsotetsi (RMMP_AEMCS) | 688 | 202 | 25 | 555 | 74 | 97 | 1 641 | 1 859 |
| S Xaba (M&EM_ACRM&EO) | 498 | 196 | 25 | 750 | 373 | 75 | 1 917 | 1 699 |
| Z Mashinini (LPSM_AEMSR) | 611 | 199 | 24 | 589 | 374 | 93 | 1 890 | 1 796 |
| T Mashongoane (COO) | 1 009 | - | - | 497 | 49 | 154 | 1 709 | - |
| M Mavhungu (AEMCS) | 657 | - | - | 807 | - | 98 | 1 562 | - |
| N Jacobs (SCMM_ACFO) | 564 | 172 | 25 | 653 | 55 | 79 | 1 548 | - |

Notes

N Nemagovhani appointed CRM&CEO effect 01-08-2017, Appointed Acting CEO 01-09-2019 - 28-02-2022

Dr T Mashongoane appointed as COO effective 01-05-2021 & ACEO from 01-03-22 to 31-08-2022

M Mavhungu appointed as EMCS effective 01-05-2021

L Matlala appointed Acting CFO 01-04-2020 - 23-06-2021, Appointed Acting CFO 01-08-2021 to 28-02-2022, Appointed CFO effective 01-03-2022

N Jacobs appointed Acting CFO 24-06-2021 - 10-08-2021

B Mathebula (RMFS) appointed Acting COO 01-04-2020 - 07-05-2021, re-appointed Acting COO from 01-03-2022 to 31-08-2022

T Tsotetsi (RMMP) appointed Acting EMCS effect 10-09-2019 - 07-05-2021, appointed Acting EMSR from 01-03-2022 to 31-08-2022

S Xaba appointed Acting CRM&EO 01-05-2020 - 31-12-2021

Z Mashinini appointed Acting EMSR 01-04-2020 - 28-02-2022

27. Events after the reporting date

Adjusting events

There were no adjusting events after the reporting period for the period under review.

Non-adjusting events

There were no non-adjusting events after the reporting period for the period under review.

28. New standards and interpretations

At the date of authorisation of these annual financial statements, the following Generally Recognised Accounting Practice standards and interpretations were in issue but not yet effective. These include the following standards and interpretations that are applicable to the MQA, and may or may not have an impact on future annual financial statements.

GRAP 25: Employee Benefits

The standard was issued in April 2021 and its effective date is not yet determined. The standard prescribes the accounting and disclosure requirements for employee benefits. This Standard requires an entity to recognise a liability when an employee has provided service in exchange for employee benefits to be paid in the future and recognise an expense when the entity consumes the economic benefits or service potential arising from service provided by an employee in exchange for employee benefits.

It is expected that the standard will affect future accounting and disclosures of the MQA.

GRAP 104: Financial Instruments

The standard was issued in April 2019 and its effective date is not yet determined. The standard prescribes principles for recognising, measuring, presenting and disclosing financial instruments. Financial instruments are contractual arrangements that give rise to a financial asset in one entity and a financial liability or residual interest of another.

It is expected that the standard will affect future recognition, measurement, presentation and disclosure of financial instruments of the MQA.

29. Going concern

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

The Board is satisfied that the MQA has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis.

SETAs are established through the provisions of the Skills Development Act and the MQA has been re-licensed as a SETA until 31 March 2030.

30. Statement of comparison of budget and actual amounts – Variances explanations

The budget for income, current and capital expenditure is prepared on the accrual basis of accounting. The budget is based on anticipated operational activities, tangible and intangible assets required to achieve targets set out in the Annual Performance Plan (APP) as well as estimated costs to carry out such activities or acquire the required assets.

The approved budget includes only the activities of the MQA and is for the period 1 April 2021 to 31 March 2022.

MATERIAL DIFFERENCES BETWEEN THE BUDGET AND ACTUAL AMOUNTS

30.1 Other income, grants recoveries and levy Interest and penalties

Levies interest and penalties are due to non-compliance with the Skills Development Levies Act and the MQA did not anticipate that Employers will not comply, hence there was no budget and this resulted in a 100% variance. Furthermore, the MQA did not anticipate that there will be Grants recoveries and Other Income.

Interest received - investment was 13% above the budget due to a higher bank balance and the increase in the interest rates as a result of SARB hiking the Repo rate. This led to more funds being available to be invested.

30.2 Personnel costs

Under spending on personnel costs was mainly due to vacant positions not yet filled.

30.3 Capital expenditure and depreciation and amortisation

Actual expenditure was below the budget mainly because of the delays in delivery of the assets due to unavailability of stock.

30.4 Repairs and maintenance

Expenditure was lower due to less repairs and maintenance required as assets were not utilised to their full capacity as initially anticipated.

30.5 General expenses

Actual expenditure was below the budget by 11% due to various factors, including savings from travel costs caused by alternative procedures e.g. desktop verification used by M&E and activities that were planned to take place during the year not happening due to covid-19 guidelines restrictions.

31. Prior period errors

In the current year some line items of the financial statements disclosed in the prior years were restated due to errors which were identified. The errors were as a result of transactions erroneously omitted and or erroneously accounted for. The restatements were done retrospectively in line with the standard. Below are classes of transactions, account balances and disclosure notes which were restated as a result of errors:

| | 2021 R '000 |
|---|----------------|
| 31.1 Employer grant and project expenditure (statement of financial performance) | |
| As previously disclosed | 724 512 |
| Discretionary grant and project expenditure erroneously omitted | 11 065 |
| Restated amount | <u>735 577</u> |
| 31.2 Administration expenditure (statement of financial performance) | |
| As previously disclosed | 131 757 |
| Expenses erroneously accounted | (7 254) |
| Restated amount | <u>124 503</u> |
| 31.3 Surplus for the year (statement of financial performance) | |
| As previously disclosed | 82 821 |
| Employer grants and project expenditure adjustment above | (11 065) |
| Administration expense erroneously accounted | 7 254 |
| Restated amount | <u>79 010</u> |
| 31.4 Grants recoveries | |
| As previously disclosed | 0 |
| Skills development levy re-mapped | 151 |
| Restated amount | <u>151</u> |
| 31.5 Other income (statement of financial performance) | |
| As previously disclosed | 475 |
| Skills development levy re-mapped | (151) |
| Restated amount | <u>324</u> |
| 31.6 Grant and transfer payables from non-exchange (statement of financial position) | |
| As previously disclosed | 262 099 |
| Prior year creditors omission 2019/20 | 325 |
| Prior year accrual erroneously included 2019/20 | - |
| Prior year payables omission 2020/21 | 4 452 |
| Prior year accruals erroneously included 2020/21 | (698) |
| Restated amount | <u>266 178</u> |
| 31.7 Discretionary reserves (statement of financial position) | |
| As previously disclosed | 765 315 |
| Expenditure previously omitted 2019/20 | (325) |
| Expenditure previously omitted 2020/21 | (3 810) |
| Restated amount | <u>761 180</u> |

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| | 2021 R '000 |
|---|----------------|
| 31.8 Trade and other payables from exchange transactions (statement of financial position) | |
| As previously disclosed | 2 651 |
| Accruals erroneously accounted 2019/20 | 0 |
| Accruals erroneously accounted 2020/21 | 56 |
| Restated amount | 2 707 |
| 31.9 Reserves (statement of financial position) | |
| As previously disclosed | 821 013 |
| Expenditure previously omitted 2019/20 | (325) |
| Expenditure previously omitted 2020/21 | (3 810) |
| Restated amount | 816 878 |
| 31.10 Commitments (disclosure notes) | |
| As previously disclosed | 724 804 |
| Commitments erroneously included in 2020/2021 | -1 187 |
| Restated amount | 723 617 |
| 31.11 Operating lease obligation | |
| As previously stated | 175 |
| Erroneously calculated in 2020/21 | -45 |
| Restated | 130 |
| 31.12 Related parties | |
| 31.12.1 Inter-SETA transactions (transfers in/(out)) | |
| As previously disclosed | 207 |
| Inter-SETA transfers in/(out) erroneously included in 2020/21 | -207 |
| Amount disclosed | - |
| 31.12.2 Other public entities – Receipts | |
| As previously disclosed | 33 038 |
| Other public entities – Receipts erroneously included in 2020/21 | -33 038 |
| Amount disclosed | - |
| 31.12.3 Other public entities – Payments | |
| As previously disclosed | 19 193 |
| Other public entities – Payments erroneously included in 2020/21 | -19 193 |
| Amount disclosed | - |
| 31.12.4 Other public entities – Payables | |
| As previously disclosed | 1 577 |
| Other public entities – Payables previously omitted in 2020/21 | 2 640 |
| Restated amount | 4 217 |

| | 2021 |
|--|------------------------------------|
| | R '000 |
| 31.12.5 Transactions with Board members and entities where they are employed or hold directorships – Received | |
| As previously disclosed | 182 028 |
| Transactions with Board members and entities where they are employed or hold directorships Received erroneously included in 2020/21 | -182 028 |
| Received erroneously included in 2020/21 | <u> </u> |
| Amount disclosed | <u><u> </u></u> |
| 31.12.6 Transactions with Board members and entities where they are employed or hold directorships – Grants paid | |
| As previously disclosed | 107 720 |
| Transactions with Board members and entities where they are employed or hold directorships – Grants paid erroneously included in 2020/21 | -107 720 |
| Amount disclosed | <u><u> </u></u> |
| 31.12.7 Transactions with Board members and entities where they are employed or hold directorships –payable | |
| As previously disclosed | 37 680 |
| Transactions with Board members and entities where they are employed or hold directorships Payable erroneously included in 2020/21 | -15 821 |
| Restated amount | <u><u>21 859</u></u> |
| 31.12.8 Transactions with Board members and entities where they are employed or hold directorships – committed | |
| As previously disclosed | 81 092 |
| Transactions with Board members and entities where they are employed or hold directorships Commitments erroneously included in 2020/21 | -40 317 |
| Restated amount | <u><u>40 775</u></u> |
| 31.12.9 Other public entities – Universities and TVET colleges – Payables | |
| As previously disclosed | 39 210 |
| Other public entities – Universities and TVET colleges – Payables previously omitted in 2020/21 | 26 323 |
| Restated amount | <u><u>65 533</u></u> |
| 31.12.10 Other public entities – Universities and TVET colleges – Committed | |
| As previously disclosed | 56 561 |
| Other public entities – Universities and TVET colleges – Committed previously omitted in 2020/21 | 7 133 |
| Restated amount | <u><u>63 694</u></u> |
| 31.12.11 Bursaries awarded to beneficiaries recruited by entities previously represented at the board – Total amount paid | |
| As previously disclosed | 11 909 |
| Bursaries awarded to beneficiaries recruited by entities previously represented at the board – Total amount paid erroneously included in 2020/21 | -11 909 |
| Amount disclosed | <u><u> </u></u> |

2021

R '000

31.12.12 Bursaries awarded to beneficiaries recruited by entities previously represented at the board – Total amount payable

| | |
|---|--------------|
| As previously disclosed | - |
| Bursaries awarded to beneficiaries recruited by entities previously represented at the board - Total amount payable previously omitted in 2020/21 | 6 962 |
| Amount disclosed | 6 962 |

31.12.13 Bursaries awarded to beneficiaries recruited by entities previously represented at the board – Total amount committed

| | |
|---|--------------|
| As previously disclosed | 4 339 |
| Bursaries awarded to beneficiaries recruited by entities previously represented at the board - Total amount committed erroneously included in 2020/21 | -48 |
| Amount disclosed | 4 291 |

Board sub-committee fees

| | |
|--|------------|
| As previously disclosed | - |
| Board sub-committee fees previously omitted in 2020/21 | 493 |
| Amount disclosed | 493 |



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