

WELCOME

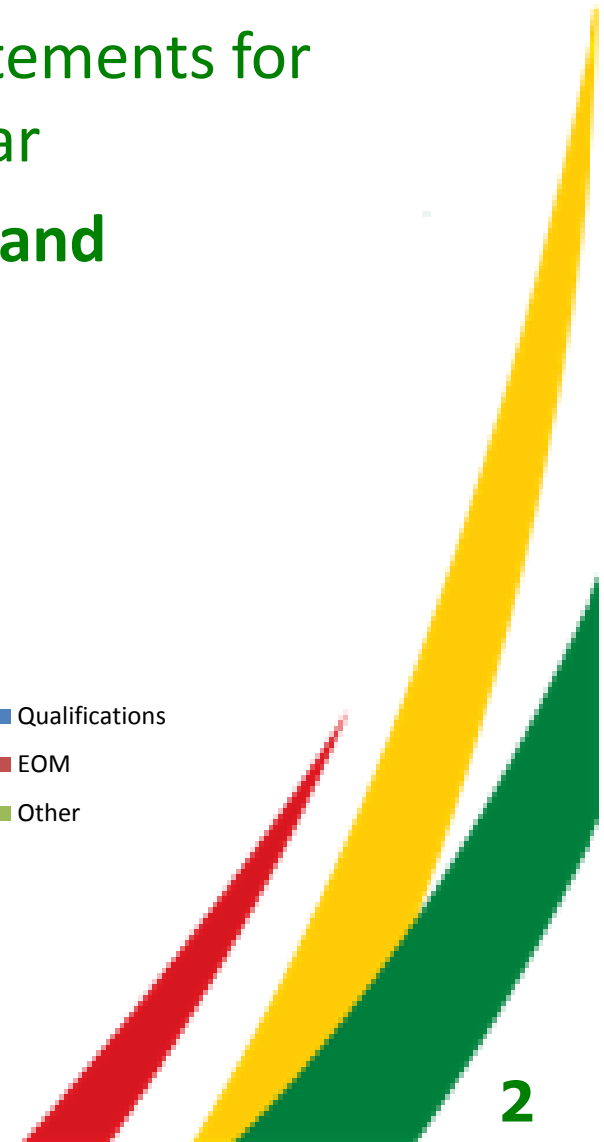
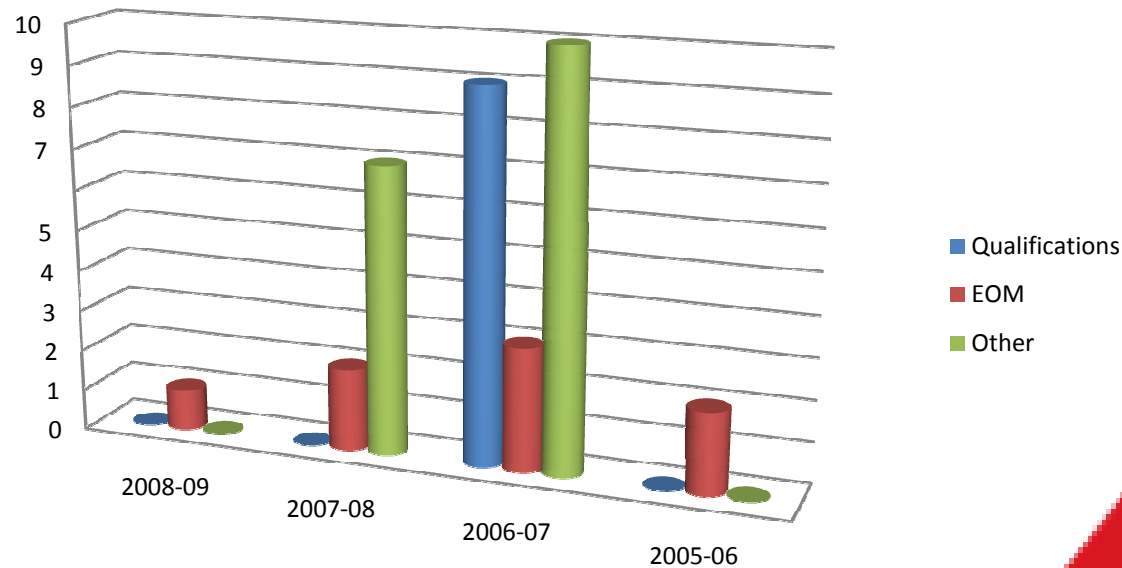
2008/ 09 ANNUAL FINANCIAL STATEMENTS



CFO's ADDRESS

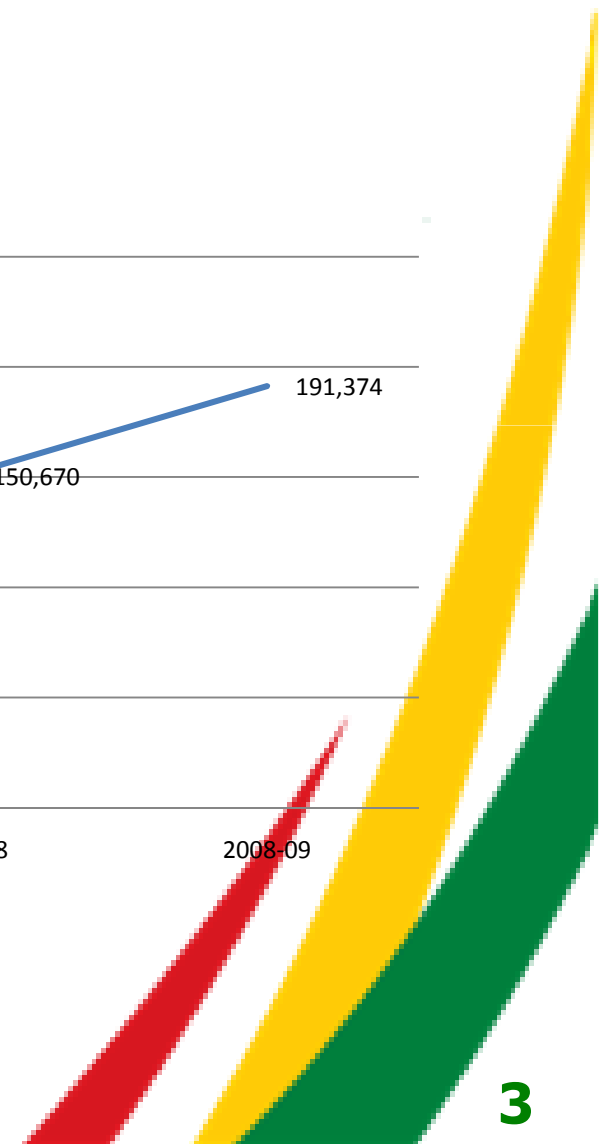
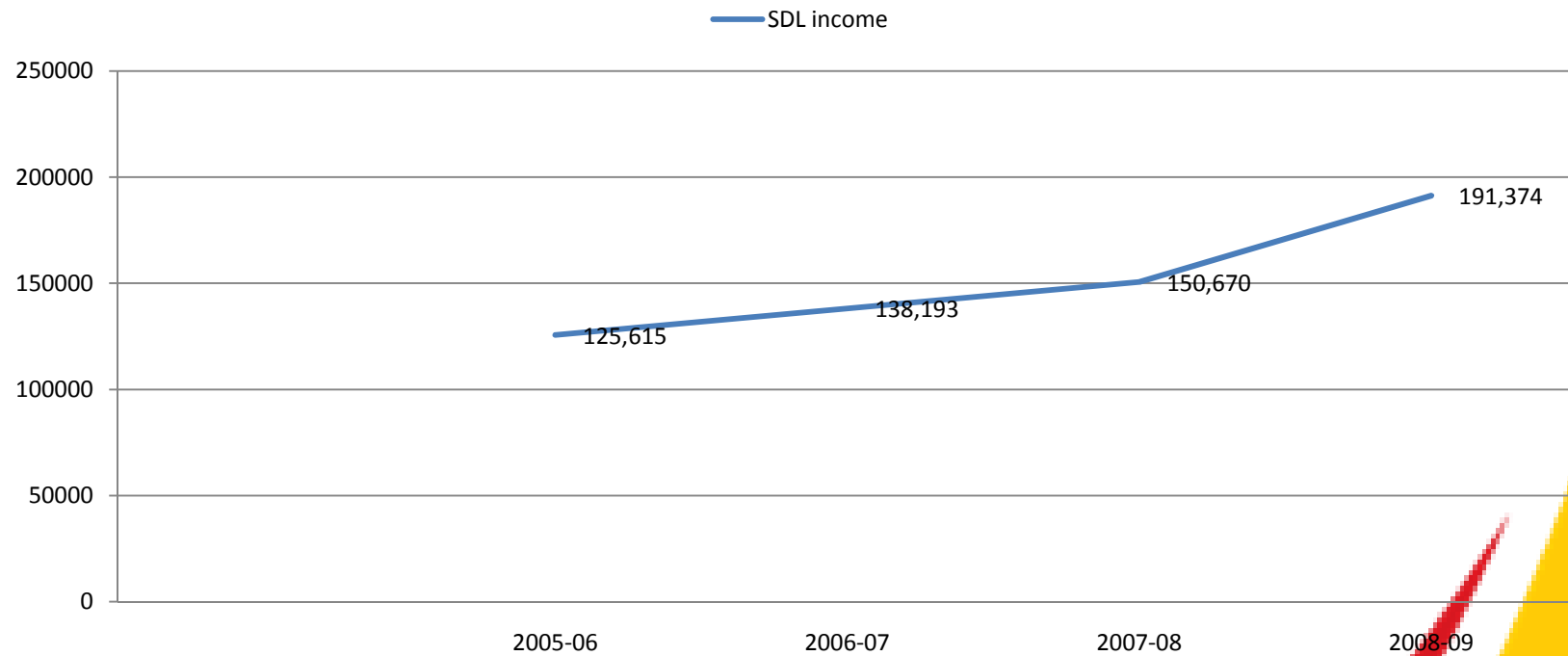
- 🔑 **Unqualified opinion** on the Financial Statements for 2008-09, consistent with the previous year
- 🔑 Significant improvement on **Governance and compliance** from 2007-08 year.

AUDIT REPORT



SKILLS DEVELOPMENT LEVY INCOME

SDL income

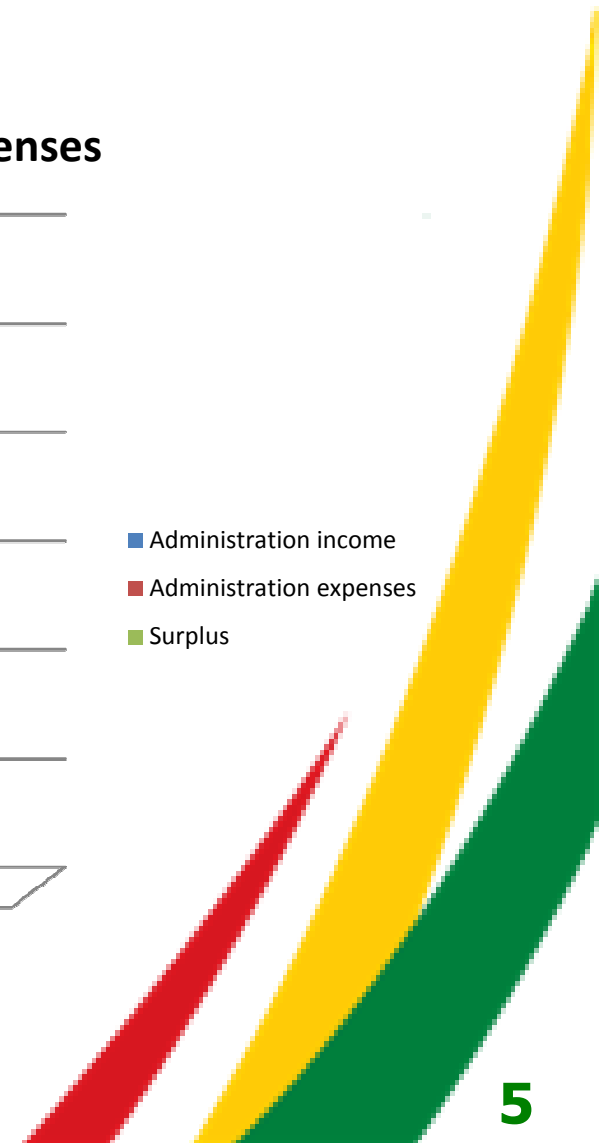
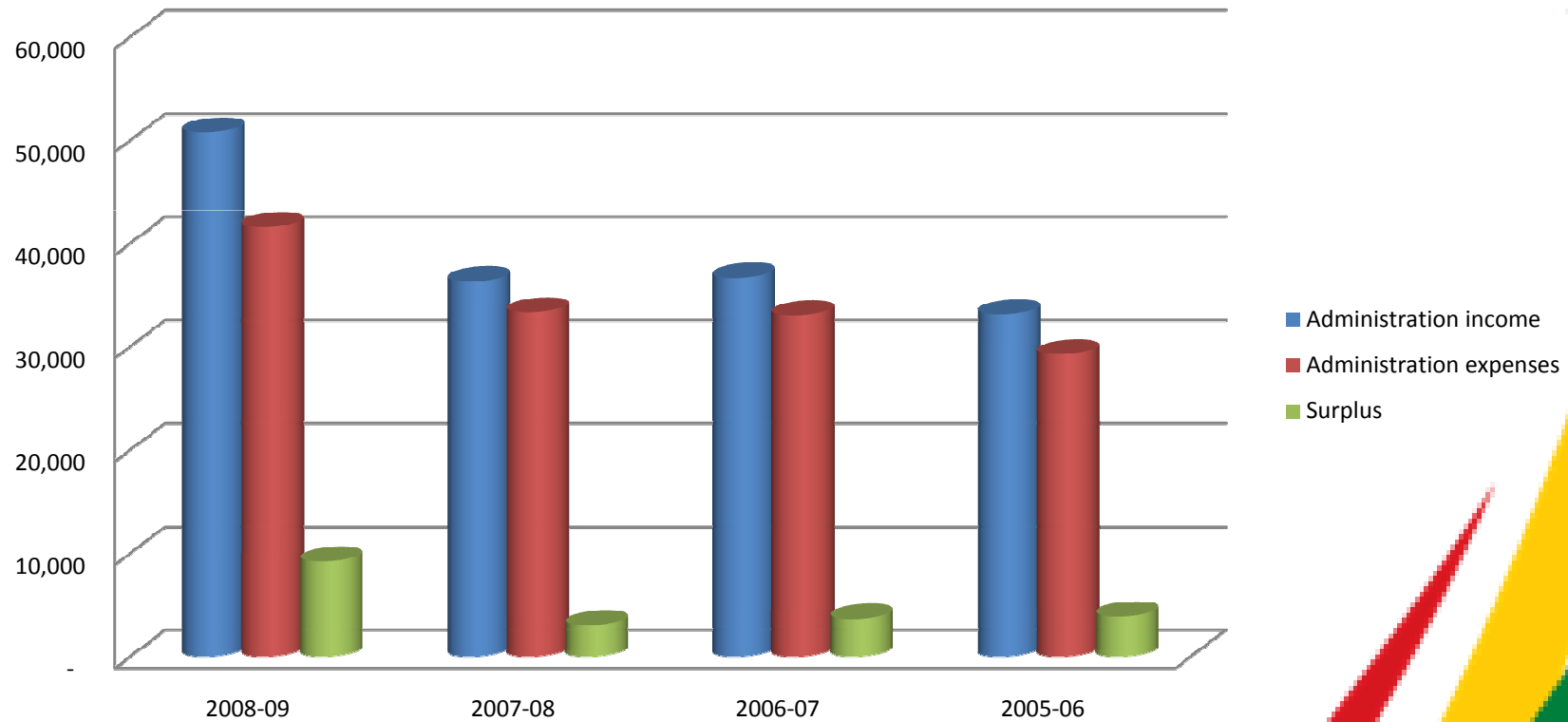


2008/ 09 ANNUAL FINANCIAL STATEMENT

Stat. of Fin. Performance- pg 58	2008-09 R'000	2007-08 R'000	%	Comment
SDL Revenue	160 618	130 363	23%	Contribution of SASSA for first time, Inflation
Government Levies	30 756	20 307	51%	Increased support by the public sector
Interest income	22 488	16 785	34%	Utilised for Discretionary funding
Employer grant & project exp	125 142	98 939	26%	Increased spending on discretionary funding -38%
Administration exp	41 574	33 311	25%	Focus on site validations, workshops, and forums for outreach.
Surplus	48 314	36 191	33%	Mandatory grants –R38.9m & Admin. R9.3m

ADMINISTRATION OF THE HWSETA

Administration revenue vs administration expenses



ADMINISTRATION EXPENSES – PAGE 73

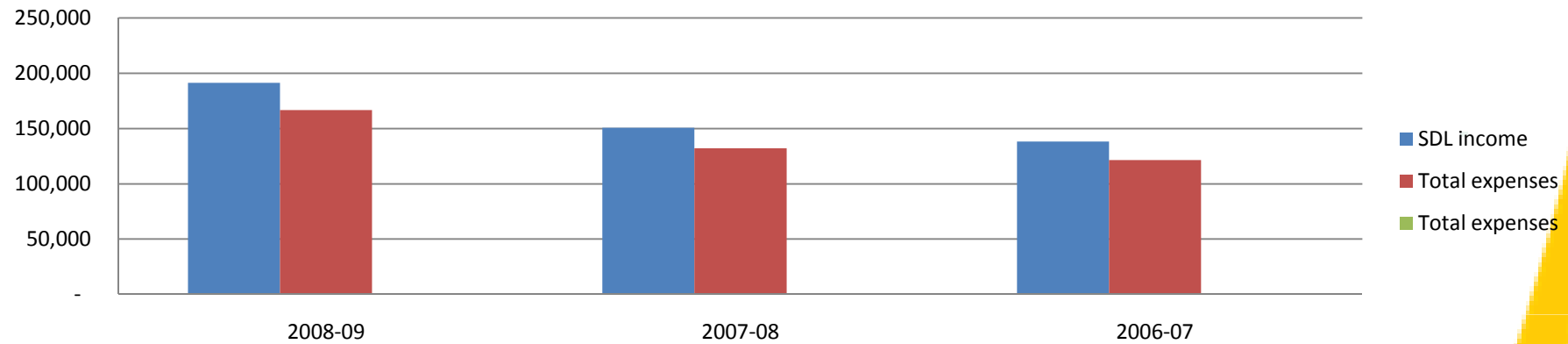
- 🌱 Staff salaries increased by 9% across the board, plus notch adjustments and performance bonuses where earned,, equating to R2.4 million increase
- 🌱 Travel and Subsistence, workshops, advertising, marketing, promotions and communication increased by R3.3 million to focus on outreach, capacity building
- 🌱 Internal audit fees increased by R493 000 relating to increase diligence in accordance with the PFMA
- 🌱 Increase in staff development – R638 000

ADMINISTRATION EXPENSES – PAGE 73

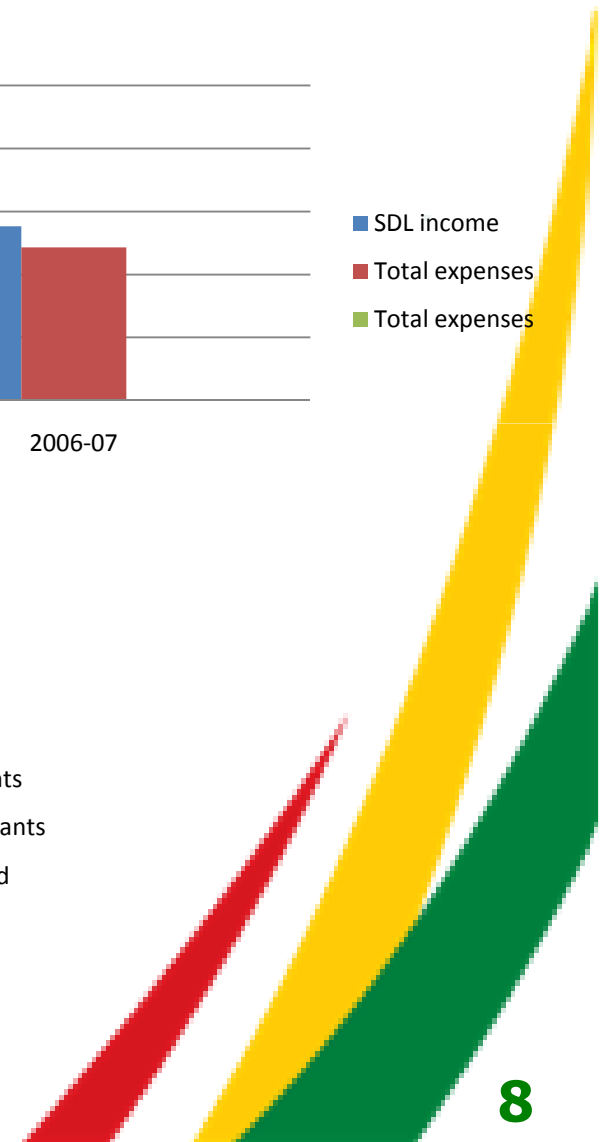
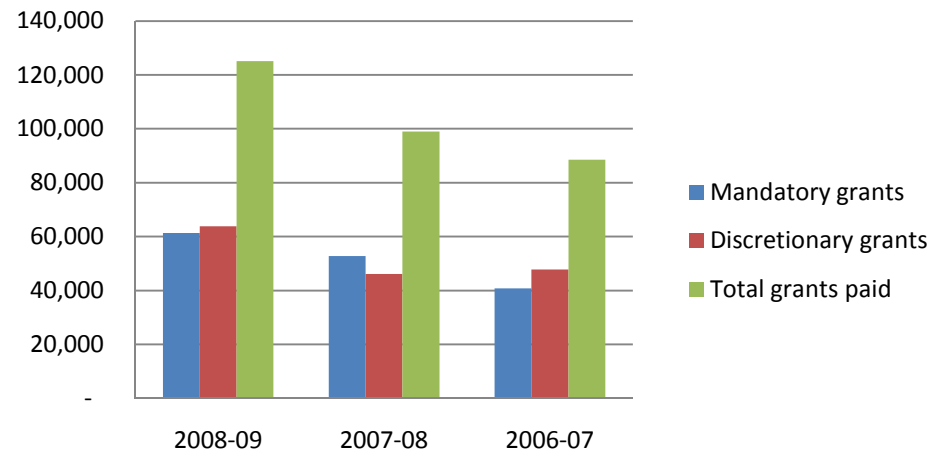
- 💡 To be able to deal with the Turnaround strategy the AA had to meet more than planned, and remuneration to the accounting authority increased by R1 million to ensure improved governance and consistent leadership due to change in senior positions
- 💡 Increased presence in Provinces
- 💡 Recruitment of Executives to ensure leadership stability going into 2009-2010
- 💡 **Surplus on administration** of the HWSETA was **R9.4 million** to be transferred to discretionary funding in 2009-2010 – page 69, note 2

INCOME AND GRANTS

Income and total expenses

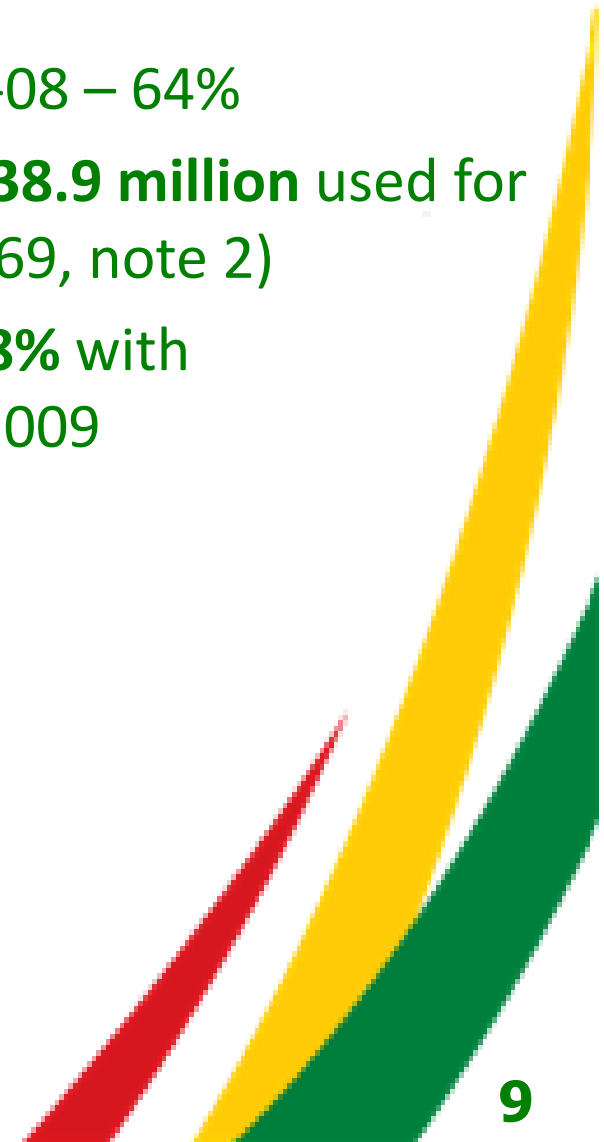


Grants paid



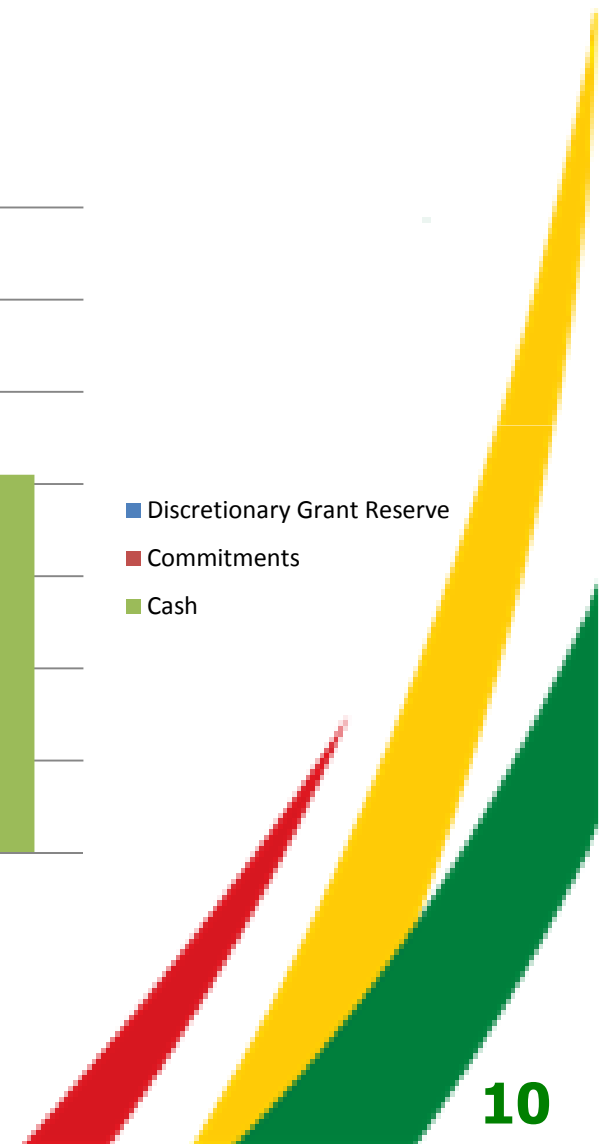
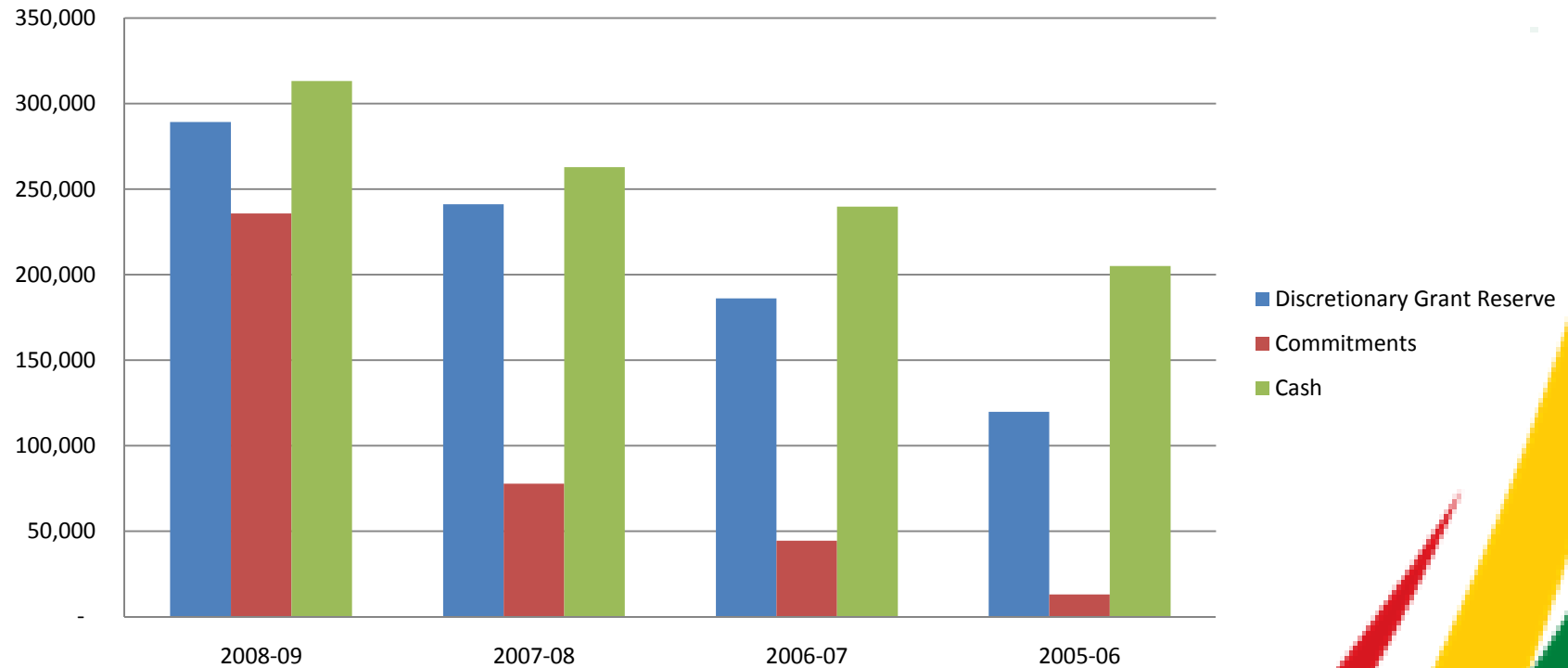
GRANTS – PAGE 72, NOTE 6

- 🔦 % payout of Mandatory grants – 61% (2007-08 – 64%)
- 🔦 **Surplus** of mandatory grants not paid out **R38.9 million** used for discretionary funding in 2009-2010 – (page 69, note 2)
- 🔦 Discretionary Grant Funding increased by **38%** with commitments of R236 million at 31 March 2009



COMMITMENTS

Reserves, commitments and cash



STATEMENT OF FINANCIAL POSITION – PAGE 59

- 💡 Cash reserves of R313 million, of which R236 million has been committed for discretionary funding
- 💡 Discretionary reserves of R289 million at 31 March 2009 of which 82% has been committed at year end –
 - ❖ Page 83, note 19:
 - ❖ R194.8 million committed to various projects and funding of the NSDS11
 - ❖ Further R35 million put aside for IPAP support
 - ❖ Other commitments of R5.9 million for ETQA and RIME projects approved to be carried out in 2009-2010

QUESTIONS

