



DEPARTMENT OF
PUBLIC WORKS,
ROADS AND TRANSPORT

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ANNUAL REPORT

2 0 0 5 - 2 0 0 6

FREE STATE PROVINCE



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REMARKS BY THE MEMBER OF THE EXECUTIVE COUNCIL

The year 2005 was the first year of the Second Decade of Freedom. Our central goal, as Government, during this Second Decade of Freedom is to halve poverty and unemployment. Because infrastructure development has been assigned a catalytic role in our efforts of growing and developing the economy, our Department of Public Works, Roads and Transport, by virtue, of its mandate of infrastructure provisioning, has a great role to play in this monumental task of poverty reduction and jobs creation.

Each and every financial year has to be used as a milestone towards achieving the Vision 2014 goal of halving poverty and unemployment. With 2005/06 being the first financial year in this regard, the first building blocks were laid in this monumental task. The presentation of this annual report should therefore be used to further assess progress being made and identify challenges going forward.

In the 2005/06 Budget Vote we tabled at the beginning of the financial year, we outlined a programme that would guide our activities, as a department, during this financial year. Consolidating EPWP, strengthening our capacity to deliver the much needed infrastructure and deepening our efforts to transforming the property industry featured quite prominently in this regard. As this report will further reveal, we have strengthened our activities in these areas.

The hosting of the Intergovernmental Infrastructure Summit in November 2005 was indeed a watershed event in our efforts of implementing and coordinating the rollout of the much needed infrastructure for economic growth and development. The implementation of these resolutions will therefore focus our energies to important, high-impact areas of infrastructure development and also strengthen integration and coordination in this regard.

With this basic perspective about our challenges and tasks, I therefore table this 2005/06 annual report as yet another tool for sharpening ourselves as we surge ahead with our work.

I thank you.

Seiso Mohai

MEC: Public Works, Roads and Transport

Date: 09/09/06



SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY



It is with great honor and humility that I submit the 2005/2006 Annual Report of the Department of Public Works, Roads and Transport. This report endeavors to highlight and confirm key milestones reached without under scoring the daunting challenges with which we are confronted. The Infrastructure Summit and other consultative fora held during the year under review were very instructive and instrumental in repositioning ourselves as a Department entrusted with the responsibility of infrastructure delivery and other related services.



In our endeavor to engender hope for a better life for our clients and the communities in the Province, we robustly and uncompromisingly executed all our infrastructure related mandates in a more labour intensive manner, informed by the commitment to eradicate poverty and unemployment, whilst simultaneously broadening and transferring skills. The transformation of the construction and property industries were very pivotal to our mandate and we had begun to leave some indelible marks in these fields of operation, though we have yet to reach our intended targets.

The 2010 Soccer World Cup remains our targeted focus and we radiated all our resources to ensure that preparations for infrastructure provisioning for this momentous event are well afoot. Despite the unprecedented floods experienced in the Province during this year, which impacted negatively on our road infrastructure and eroded our meager financial resources, we remain steadfast to provide acceptable and accessible road infrastructure.

The promotion of safe, reliable and accessible public transport system yielded positive results and laid a solid foundation for the amalgamation and formalization of the taxi industry, which is very critical to the Taxi Recapitalization process. The law enforcement and revenue generation areas of our operation, in particular our testing stations, remain areas of extreme importance and to this end we will continue to dedicate more resources to achieve our objectives.

The filling of critical posts during the year under review, will go a long way in providing the necessary human capital towards the attainment of Batho Pele principles. The lessons learnt provided us with an opportunity to improve our service delivery whilst we admit that there is still room for improvement.

Adv MS Msibi

Head of Department

Date: 09/09/06

VISION MISSION VALUES



SECTION A: GENERAL INFORMATION

1.1 VISION

A prosperous Free State through facilitation of sustainable infrastructure.

1.2 MISSION

To ensure the provision, promotion and sound management of assets, transportation and infrastructure systems, which are safe, affordable, reliable, accessible and sustainable.

1.3 VALUES

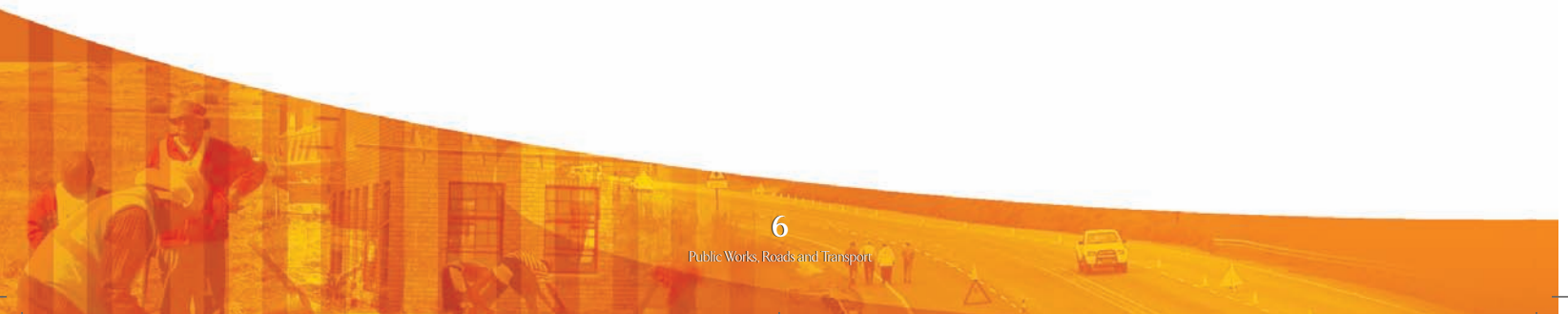
The following principles guide the team members as they pursue the department's purpose:

- Commitment
- Batho Pele
- Interdependence
- Integrity and Fairness
- Transparency
- Honesty
- Respect

1.4 LEGISLATIVE MANDATE

The following legislative and policy directives guide the functions of the department:

- Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended by Act 29 of 1999 and Treasury Regulations of 15 March 2005.
- Public Service Regulations 2001 (as amended)
- Division of Revenue Act, (DORA), 2005 (Act No. 1 of 2005)
- Black Economic Empowerment Act, Act 53 of 2003
- The Roads Ordinance (Ordinance No. 4 of 1968)
- Advertising on roads and the Ribbons Development Act (Act No. 1 of 1940)
- The National Land Transport Transition Act, 2000 (Act 22 of 2000)
- Free State on the Move Policy document
- Free State Land Administration Act, 1998, (Act No. 1 of 1998)
- The National Road Traffic Act, 1996 (Act No. 93 of 1996)
- Local Government Demarcation Act, 1998 (Act No. 27 of 1998)
- Local Government Municipal Structures Act, 1998 (Act No. 117 of 1998)
- Occupational Health and Safety Act, 1993 (Act 85 of 1993)
- Control of Access to Public Premises and Vehicles Act, 1985 (Act 53 of 1985)
- Free State Land Administration Act, 1998, (Act No. 1 of 1998)
- White Paper: Public Works Towards the 21st Century, 1997.
- White Paper: Creating an Enabling Environment for Reconstruction, Growth and Development in the Construction Industry, 1999.
- Policy Document on the Statutory Regulation of the Built Environment Professionals, 1999.



Trading Entity

Treasury Regulations of 15 March 2005 guide the function of the Trading Entity.

Functions of each trading entity:

- **Government Garage** Provides the motor transport (white fleet) to the Provincial and National Governments
- **Road Building Equipment** on the otherhand provides the Road Building Equipment (yellow fleet) to Provincial and Local Governments.

Accountability arrangements between the Accounting Officer and the Management of the Trading Entity:

A formal Policy Reporting Framework was compiled in which an Accounting Officer is appointed as Head of the Trading Entity.

1.5 VOTED FUNDS

Appropriation	Main Appropriation R'000	Adjusted Appropriation R'000	Actual Amount Spent R'000	Under Expenditure R'000
	840 452	895 688	855 469	40 219
Responsible MEC	MEC of Free State Department of Public Works, Roads and Transport			
Administering Dept	Free State Department of Public Works, Roads and Transport			
Accounting Officer	Superintendent General of Public Works, Roads and Transport			

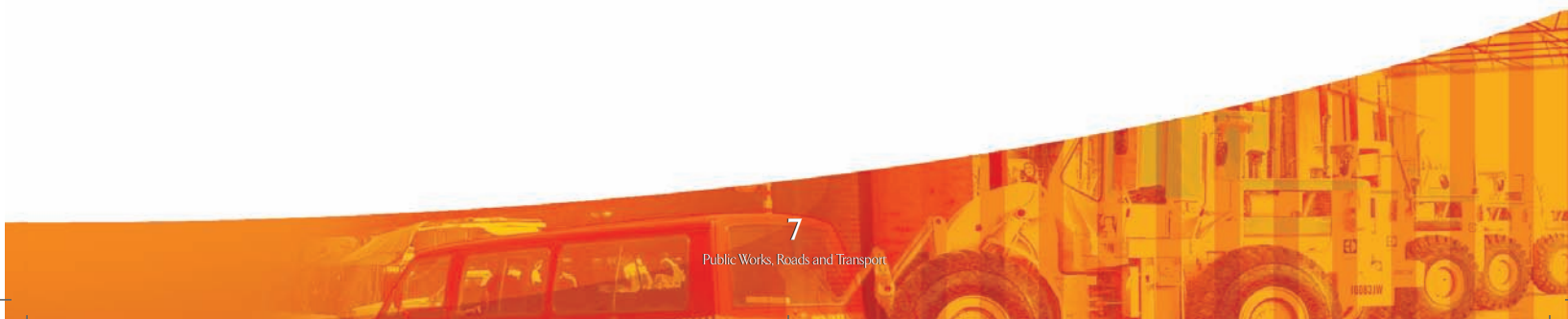
1.6 AIM OF THE VOTE

The core of the business of the department includes the provision of works and roads related infrastructure and safe transport in the Province.

1.7 THE CORE FUNCTIONS OF THE DEPARTMENT

The Department's focal point for 2005/2006 encompasses:

- Maintenance and construction of the provincial road network,
- Public works maintenance and construction for Client Departments
- Property Management
- Implementation of Expanded Public Works and Community Based Programmes
- Public transport and traffic management
- Revenue collection through vehicle licenses, rentals, parking and others.
- Security management for interdepartmental buildings



1.8 KEY STRATEGIC THRUSTS, BUDGET PROGRAMMES AND ACHIEVEMENTS

1.8.1 Key Strategic Thrusts

Throughout 2005/06, the Departments activities were geared towards achieving the following nine priorities areas namely:

- Effective implementation of Expanded Public Works Programme (EPWP)
- Integrated Infrastructure development
- Good governance
- People development
- Provision of Public Transport facilitated
- Improved service delivery
- Effective asset and property management and investment
- Economic development through cooperative governance
- Improved image of the Department

1.8.2 Budget Programmes

The activities of the Department of Public Works, Roads and Transport are organised in the following six programmes:

- Programme 1: Administration
- Programme 2: Public Works
- Programme 3: Roads Infrastructure
- Programme 4: Public Transport
- Programme 5: Traffic Management
- Programme 6: Community Based Programmes and EPWP
- Trading Entity: Road Building Equipment

1.8.3 Brief description of significant achievements

The Department was allocated R895 688m for the 2005/06 financial year. The following significant achievements were attained:

Integrated Infrastructure Summit

The Department championed the Infrastructure Summit in Bloemfontein from the 2nd – 4th November 2005.

The following critical processes emanated from this summit:

- A provincial integrated infrastructure plan has been developed
- The Departmental baseline budget was reviewed to meet infrastructure demand
- There is improved and accelerated communication and coordination on all levels of government
- A task team for the 2010 world cup and beyond infrastructure development has been established.

Roads Infrastructure

The following road construction projects were completed:

- Despite the budget constraints, there was a 5% improvement in the provincial paved road network. This 5% achievement is delineated below:
- Upgrading and official handing over of the Koffiefontein-Oppermansgronde road
- Regravelling of various roads around Bethlehem
- Repair and reseal of the Bloemfontein to Dealesville road

- Sasolburg Vaal Park interchange
- Meqheleng access road and interchange
- 2 804 old road signs repaired
- 49 350 m³ main paved road network maintained.
- 80 513 km main corridor gravel roads bladed.

Public Transport

The subsidised bus contract with Interstate Bus Lines in the Motheo area has been extended for 5 years. The conditions of this contract stipulate the empowerment of taxi and midi bus operators. In compliance with the Taxi Recapitalisation Programme requirements, the provincial taxi industry was successfully formalised. The Free State was the first province to issue operating licenses. The number of conditionally registered taxi associations was successfully reduced from 79 to 49, making it more manageable and enabling effective cooperation and coordination

Expanded Public Works Programme

121 Construction related learners (unemployed youth) were created as follows:

- 30 Construction Learnership Contractor at NQF 2 commenced in August 2005 (Vukuphile Project)
- 60 Constructor Supervisors NQF 4 also commenced in August 2005.
- 31 Construction Contractor Learnerships on the Makwane Access Road commenced in 2005 and are still continuing

20 Construction related learnerships, which form part of the Road Worker Empowerment Learnership Programme, were finalised. This programme, funded through CETA (Skills Development Training), was the first programme of its kind in the public service and had a 100% success rate. All 20 participants were found to be competent. The qualified staff of the Road Worker Empowerment Programme are currently working as fully-fledged SMME contractors for SANRAL handling maintenance projects on the N6 and N8. In addition, the Department was the first to subject unemployed youth to an IT Learnership NQF 4. 15 Learnerships were created in Internal Audit, which was also a first nationally.

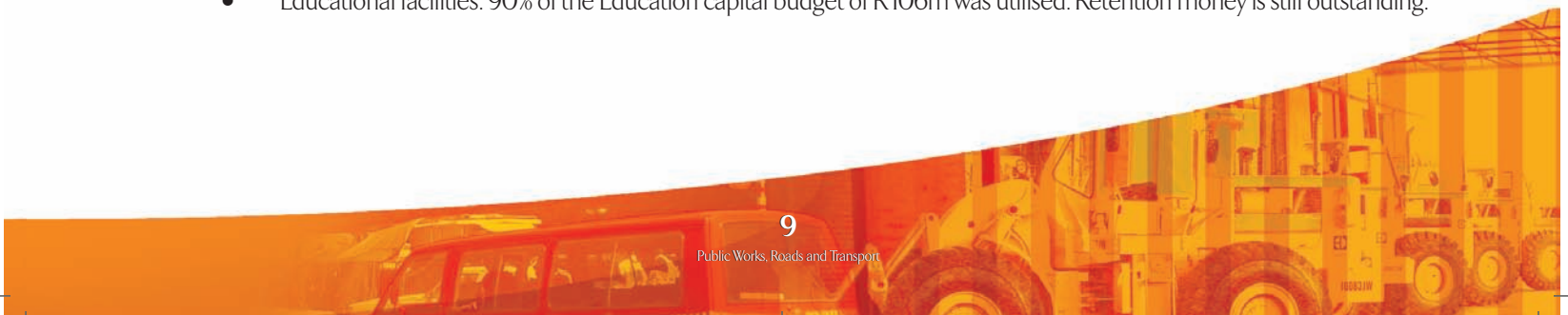
Works Infrastructure

The department completed 34 construction projects to the value of approximately R206m for various client departments.

An urgent request from the Department of Health for 8 Anti-Retro Viral Clinics to be added to existing health facilities was received in October 2005. These projects were completed by means of the Incubator Strategy. Local women and youth were targeted and trained in project management and construction skills without compromising on quality. The total project value of these clinics was R 8m.

The following upgrading projects were completed:

- Houses of political office bearers inclusive of Free State House to the amount of R 17m
- the 4th floor in the Lebohang Building to the amount of R 1,3m
- electrical infrastructure in the Lebohang Building - R 4,7m
- Glen Agricultural College amenities to an amount of R 7,5m
- Houses for medical officers at Thaba 'Nchu Moroka Hospital upgraded
- Educational facilities: 90% of the Education capital budget of R 106m was utilised. Retention money is still outstanding.



Traffic Management

With regards to the Justice and Crime Prevention strategic objectives:

A total of 179 new traffic officials were appointed. A total of 115 new traffic vehicles were acquired, including 20 high-performance vehicles fully equipped with advanced technology to increase visibility of law enforcement on provincial roads and thus, improve road safety.

A decrease of 6% in fatal road accidents was achieved that is, 68 fatal road accidents registered in comparison to 72 fatal accidents in 2004/2005. The Free State's accidents statistics are the second lowest in the country despite the fact that all the main corridors are passing through the Province. This is an indication that Free State law enforcement performance is remarkable and contributes to economic growth.

Trading Entity: Government Garage

The Trading Entity received unqualified audit reports for two consecutive financial years (2003/4 and 2004/5). Throughout the year the Government Garage (GG) consistently had the cheapest average operating cost per unit in the country. To date the GG has a more cost effective daily tariff than those prevailing in the private sector.

EXCO endorsed that the GG be the preferred motor transport service provider to the FSPG and its agencies. During the past financial year, the incorporation of department fleet effectively started: 69 vehicles with a book value of R1.8 m have been transferred to GG. The GG procured 529 new vehicles to the value of R60 m which not only resulted in a considerable decline in maintenance costs, but also increased the accessibility of vehicles and services to user departments. The GG held 10 auctions which disposed of 444 vehicles, generating an income of R 7.5m (averaging R17 474-61 per vehicle).

1.9 STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS

The Department is still faced with major strategic issues that will have an impact on the business of the Department. These strategies include:

- The effective implementation of EPWP; SCM; Interdepartmental Infrastructure Programme process and E-NATIS.
- Compliance with the Construction Property Charters;
- The effective implementation of the Construction Infrastructure Development Board (CIDB) requirements;
- Alignment of the Departmental Strategic plan to the ASGI-SA and GIAMA policy imperatives
- Readiness of the Department to effectively implement the Taxi- Recapitalisation programme
- Ensuring the readiness of the Department for Accrual Accounting

1.10 OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT

The following external factors had a major impact on service delivery during 2005/06:

- The funding aspects of the SMME development were to a great extent not supported by the private sector.
- The ability to implement an accelerated BBBEE in a targeted, biased and sustainable manner was hampered.
- The provision of a road and infrastructure transport system, inspiring an enabling environment for socio-economic development was limited by scarce resources.
- Sustainable and transformed property portfolio.
- Enhanced service delivery to client departments.
- Security management that promotes the safeguarding of state assets.

1.11 OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT

a) Human Resources Management

Implementation of the Employment Equity Plan

348 Employees have been recruited during this financial year. 53% of these were women. Staff numbers also reduced from 4,750 to 4,616- these staff losses have been on salary Levels 2, 3 and 4 which are mainly lower skilled as well as Trainee Provincial Inspectors who did not successfully pass the Traffic Training Course.

The Department is under represented, particular in terms of gender in the SMS, MMS and professional and technical fields, as well as in Traffic and Transport Management in supervisory and management levels.

The department specifically recruited 179 Trainee traffic officers, 90 of which were females. This recruitment drive will ultimately result in reduction of fatalities.

A Community Liaison Officer was appointed to oversee the implementation of both Disability and Youth Development in the Department.

The development of an appropriate structure

An appropriate macro and micro organisational structure has been designed in line with the departmental strategy was approved. The capacity improvement and reorganization initiatives that were effected are aimed at enabling the department to execute its mandate. A dedicated project management approach to service the needs of client departments through Batho Pele initiatives is emphasized. The capacity improvement structure furthermore provides for career progression opportunities especially in the technical and scarce skills occupations.

The strategic positions inclusive of engineers, quantity surveyors, architects, works inspectors, technicians and project managers were advertised during February and March 2006. To emphasize the noble objectives of the Expanded Public Works Programme, a Chief Directorate EPWP was created and is being duly capacitated.

Recognition of outstanding performance

The Performance and Development Management System (PDMS) is utilized as a means of recognizing and managing performance within the Department. A total number of 1202 employees at all levels received performance rewards. The emphasis was aimed at rewarding outstanding performance from the employees concerned. All the performance rewards were implemented with effect from 01 July 2005.



The table below depicts a comparison of officials per performance category in relation to the normal distribution curve:

PERCENTAGE OF OFFICIALS PER PERFORMANCE CATEGORY							
PERFORMANCE CATEGORY	1	2	3	4	5.1	5.2	TOTAL
Distribution 2003/4 (paid 2004/5 financial year)	2.02%	7.25%	63.97%	24.45%	1.40%	0.91%	100%
Distribution 2004/5 (paid 2005/6 financial year)	0.43%	4.02%	68.39%	24.08%	1.85%	1.22%	100%
Normal Distribution Curve (ideal distribution)	5%	5%	75%	10%	4%	1%	100%

Although the performance rewards fell within the 15% norm provided in the Performance and Development Management System, the above comparison depicts a deviation from the normal distribution curve, which is the ideal. However, the department is progressing with regard to inculcating a performance culture.

b) Human resource development

The Department invested R13m for personnel development. Employees were trained in accordance with the Workplace Skills Plan, which is based on both departmental training requirements as well as the development requirements of staff members identified in the Individual Development Plans.

Workplace Skills Plan provided for training of more than 1100 staff members and the awarding of both full-time and part-time bursaries, as well as learnerships.

In this regard, staff members were subjected to training which include courses in construction, traffic management, wearcheck, hydraulics, supply chain management, finance, ABET, mentorship, conflict resolution skills, business writing, customer care, computer training and stress management.

Learnership programmes that are running over financial years 2004/5 and 2005/6 also received priority as a result, 191 learnerships were registered at various SETA's. 135 of these learners are unemployed youth and 89 of them are women. The 135 learnerships focus on Information Technology, Internal Auditing, and various construction related fields.

In addition to the existing 31 bursaries for full time students, the department has granted an additional 24 full time bursaries in the scarce occupation sector, focusing on engineering, quantity surveying, architecture and other technical fields.

An additional 154 part-time bursaries were approved to employees as part of the strategy to develop capacity and enhance the learning culture. In total, the department maintains 427 part-time bursaries and 70 full-time bursaries.

¹ Category 1: Unacceptable performance

Category 2: Performance not fully effective

Category 3: Performance fully effective

Category 4: Performance is slightly above expectations

Category 5.1: Outstanding performance

Category 5.2: Outstanding performance

c) Human rights issues: HIV and AIDS

The Department is implementing the following types of awareness programmes with regard to HIV/AIDS:

- HIV and AIDS progression, HIV and the Law, Marketing VCCT (as Good entry point to good health) and Greater Involvement of People living with HIV and AIDS (GIPA) principle.
- Beyond Awareness Programmes include: Wellness, Nutrition and importance of adhering to the Treatment (Anti-retrovirals) and Home Based Care.

Information Sessions were held in 23 Offices in the different Directorates namely, Roads Infrastructure, Public Works and Traffic Management. A Service Provider on Programme Literacy (ABET) through (SETA), is currently rendering an HIV and AIDS education for road workers.

Women's day was held in partnership with Virgin Active, Sanlam and Bonitas Medical Aid Scheme in August 2005: The theme - "Woman and Health". Content details included: Voluntary Confidential Counselling and Testing (VCCT), Debilitating Diseases (hypertension and Diabetes and Exercises) and Financial Management.

World AIDS day (awareness purposes) was held at Weigh Bridge targeting Truck Drivers and Commercial Sex Workers.

d) Employee Assistance Programme (EAP)

Employee Assistance Programme Officer (EAPO) with counselling and psychology abilities resumed her duties in November 2005. EAP Policy has been developed and is being marketed to various directorates. The wellness talks being addressed amongst others include: Stress Management, Financial Management, Marital and Family Relations and alcohol misuse.

Counselling Service is rendered to those in need namely, HIV/AIDS, Bereavement, Post Traumatic Stress, Labour Relations, Performance Development and Management System, Alcohol Misuse and family related problems. Referrals are done to those problems beyond department's capabilities.

Summary of post vacancies and supernumeraries

Staff Categories	Number				Average Annual change
	2003	2004	2005	2006	
Total staff complement	4852	5037	4688	4616	0.98% down
Number of professional and managerial posts	63	78	89	89	0
Number of professional and managerial posts filled	29	31	45	52	13% up
Number of excess staff	829	978	910*	6	99,6% dow

Key expenditure indicators

Category of expenditure	Percentages or Rands (000's)			Average Annual change
	2003	2004	2005	
Personnel expenditure as % of total expenditure	38%	41%	39%	39%
Expenditure on maintenance of buildings as a % of total expenditure	16%	15%	17%	16%
Expenditure on maintenance of road infrastructure as a % of total expenditure	37%	40%	37%	38%

Progress with promoting SMME's and BEE

Category of expenditure	Percentages or Rand (000's)			Average Annual change
	2003	2004	2005	
Encouragement of Black Economic Empowerment				
Number of contracts to BEE	43	47	34	41
Total value of contracts to BEE	-	-	310,837	
% of total contracts to BEE by value	75%	79%	61%	71.6%
% of total budget to BEE	87%	88%	48%	74%

1.12 DEPARTMENTAL REVENUE AND EXPENDITURE

a) Departmental Revenue

The table below should provide a breakdown of the sources of revenue:

Description	2004/05 Actual	2005/06 Target	2005/06 Actual	% Deviation from target
Tax receipts	152,427	169,639	179,036	-5.5%
Sales of goods and services other than capital assets	46,084	47,405	44,724	5.9%
Transfers received	0	0	0	
Fines, penalties and forfeits	9,594	11,825	11,062	6.5%
Interest, dividends and rent on land	372	142	213	-50.0%
Sales of capital assets	1,054	1,573	1,259	20.0%
Financial transactions in assets and liabilities	4,074	10,900	3,900	63.3%
Total provincial own receipts	213,605	241,484	240,194	0.5%

b) Departmental expenditure

The table below presents the departmental expenditure and the variances:

Programmes	Voted for 2005/06	Roll-overs and adjustments	Virement	Total voted Expenditure	Actual	Variance
Programme 1: Administration + Theft and Losses*	130,794	-700	-1,252	129,629	130,133	-504
Programme 2: Public Works	254,804	2,482	-1	240,011	234,058	5,953
Programme 3 Roads Infrastructure	307,840	51,239	0	376,354	332,946	43,407
Programme 4: Public Transport	17,735	-800	2	18,290	20,951	2,662
Programme 5: Traffic Management	118,161	3,015	1,170	121,176	129,523	-8,347
Programme 6: Community Based Programmes & EPWP	11,118	-970	81	10,229	7,856	2,372
Total	840,452	55,236	1	895,689	855,469	40,219

3 Theft and losses expenditure was R3545m for 05/06 which is included in the actual expenditure of Programme 1: Administration

c) Transfer payments

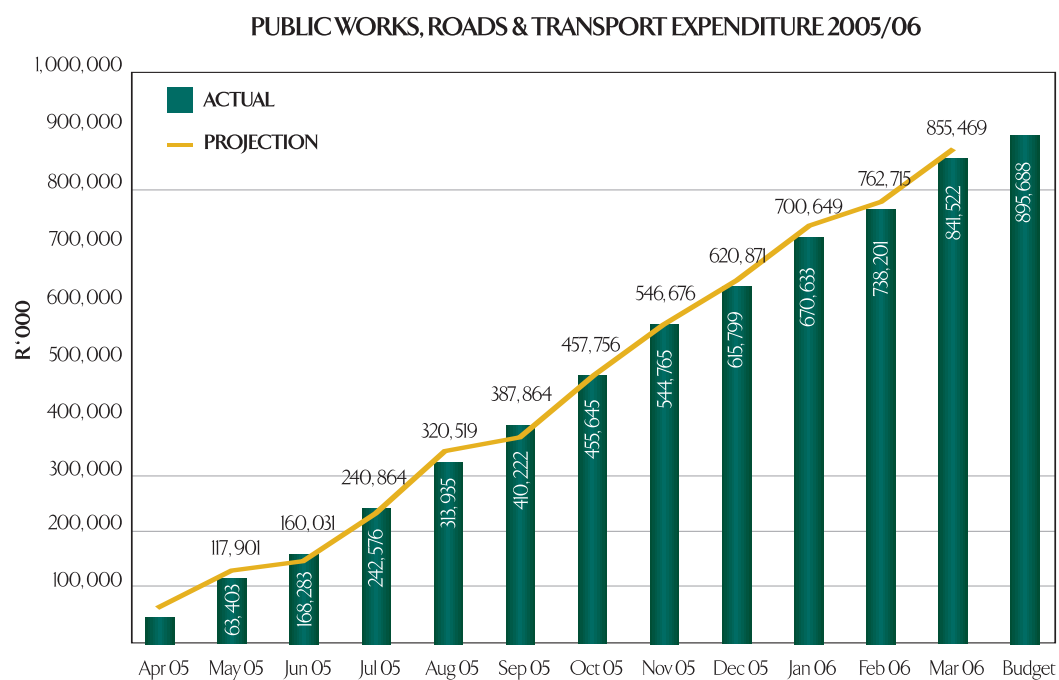
Name of Institution	Amount Transferred (R'000)	Estimate Expenditure (R'000)
Claims against state	458	458
Donations & Gifts/prof inst	0	0
H/H Empl Social Benefit - Cash	2,984	2,984
H/H Social Security PMT	131	131
RSCL:THABO MOFUTSANYANA DISTRICT COUNCIL	442	442
RSCL: LEJWELEPUTSWA DISTRICT MUNICIPALITY	48	48
RSCL: MOTHEO DISTRICT MUNICIPALITY	457	457
RSCL: FEZILE DABI MUNICIPALITY	93	93
RSCL:XHARIEP MUNICIPALITY	56	56

Departmental Expenditure Year end 31 March 2006:

- Budget - year end 31 March 2006 R895 689 000
- Expenditure - year end 31 March 2006 R855 469 000
- Under-spending R 40 219 000

This amounts to 8% of the linear budget not being spent. Even so, because the Jagersfontein - Trompsburg project to the value of R48 million was only budgeted for from December 2005. The budget versus actual projections gives a more accurate picture as can be seen from graph below.

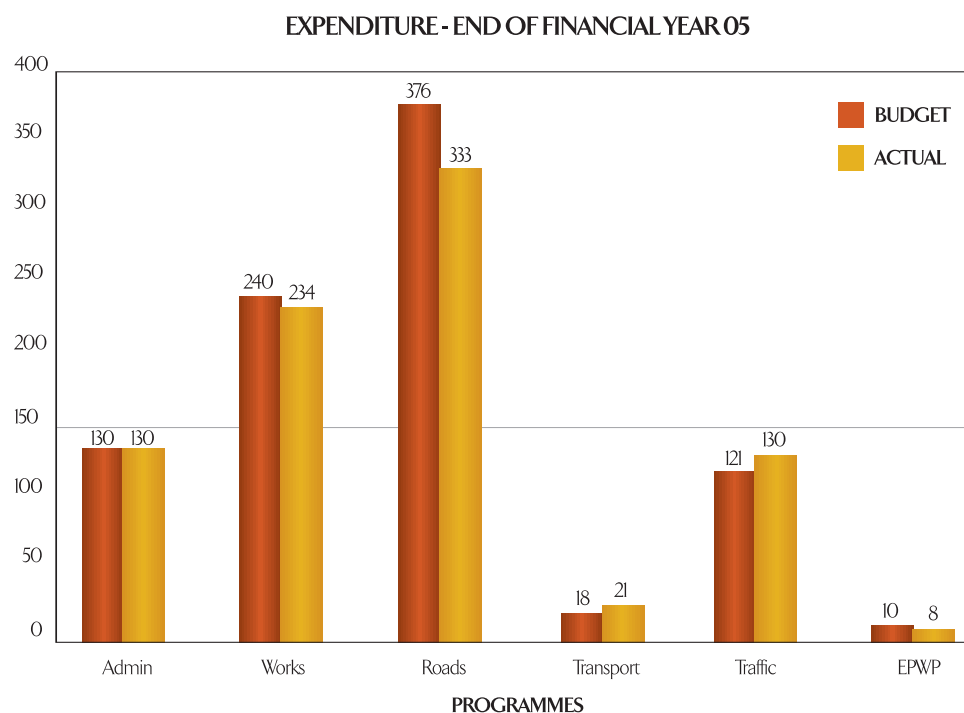
The graph below illustrates the actual Expenditure versus Projections:



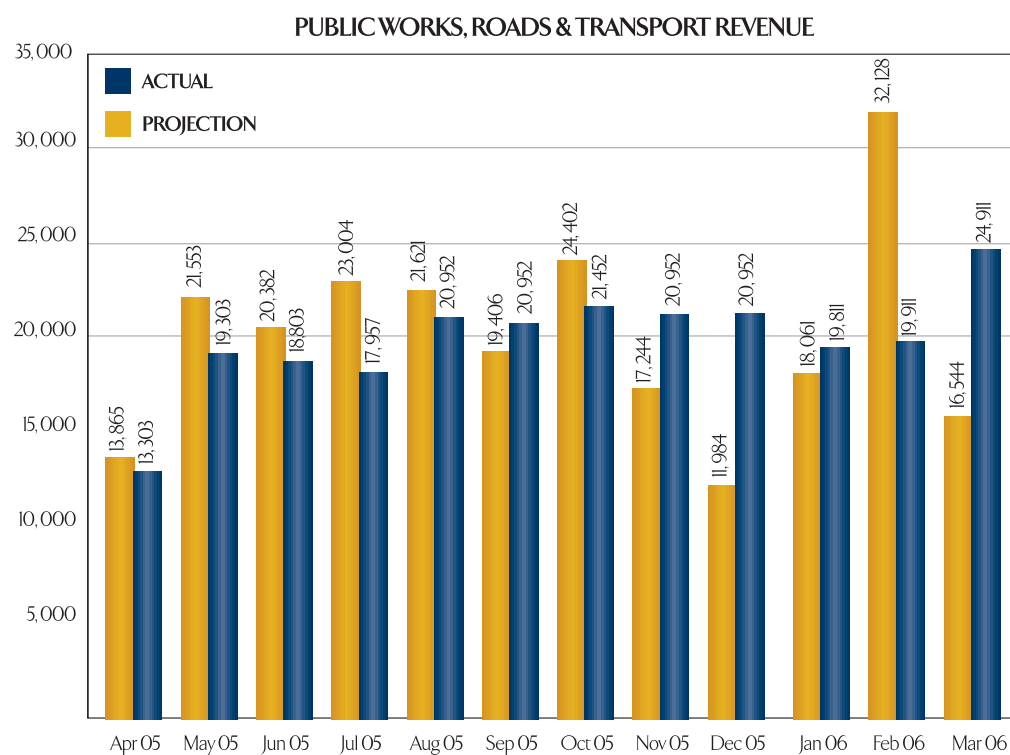
Percentage of budget spent per programme at financial year end:

- Administration: 97.7%
- Public Works: 97.5%
- Roads infrastructure: 88.5%
- Transport Management: 114.6%
- Traffic Management: 106.9%
- Community Based Public Works Programme: 76.8%

The graph below represents the Programmes' spending patterns as at 31 March 2006:



Revenue Collected

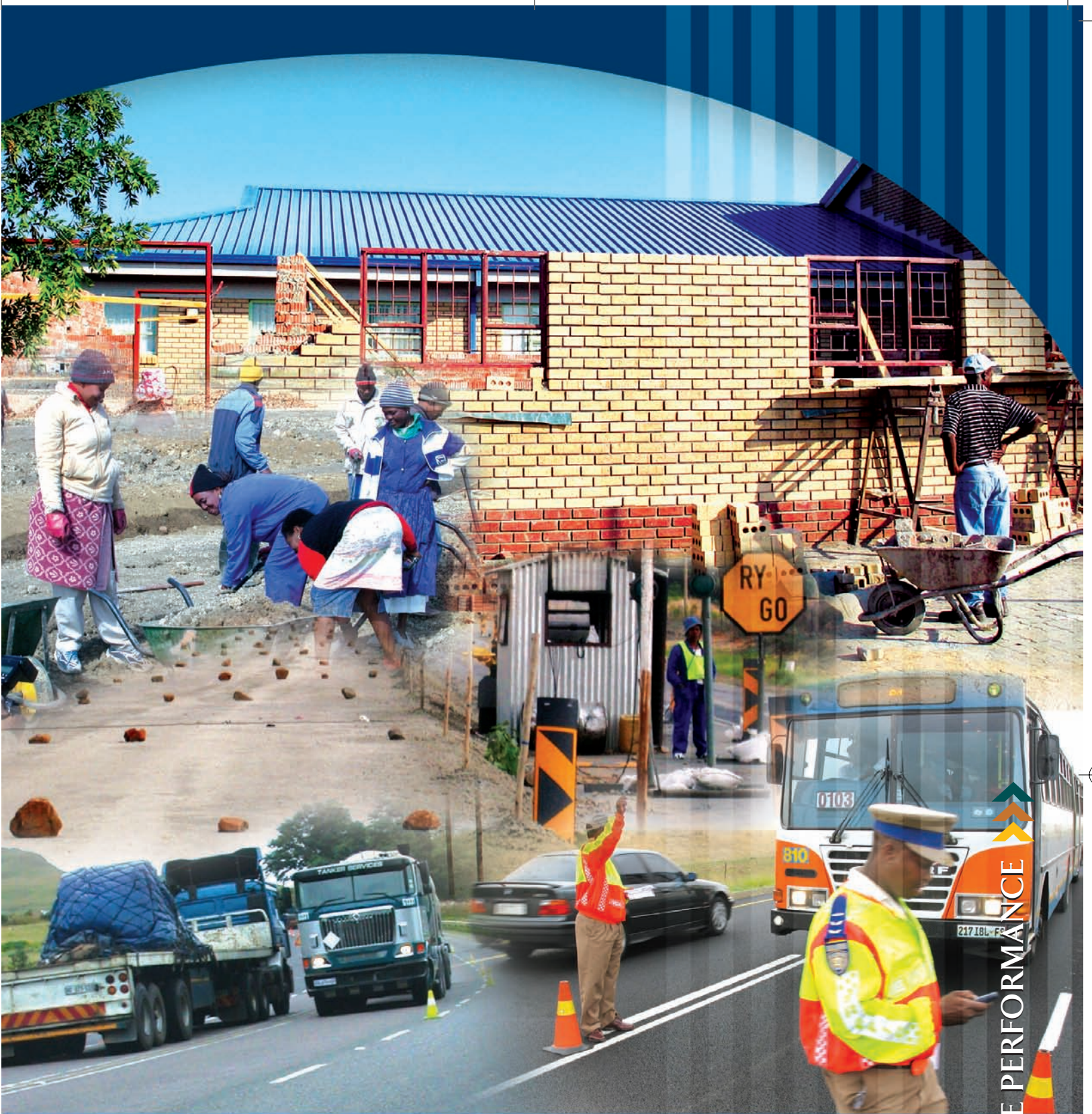


Due to the continued higher than anticipated revenue collection levels, the budget for revenue has been increased to R241 484 000.

Challenges	Intervention Strategies
Reducing the number of days between receipt of invoice and actual payment	Decrease number of waiting days before clearance of payment in the bank was reduced from 3 days to 2 days. Age analysis reports are compiled to monitor payments.
Ensuring fair and just procurement processes are adhered to	Empowering the Supply Chain Management section by filling posts
Accurate reporting of HDI, BEE and SMME procurement figures	Implementation of supplier databases.
Vacant posts	Identified critical post to be filled.

1.13 NATIONAL CONDITIONAL GRANTS AND EARMARKED FUNDS

Provincial Infrastructure						
Department of Public Works, Roads & Transport	Previous actual	Actual	Projections	Total	Budget	Variance
	82,973	6,020	0	76,020	82,983	6,963



SECTION B: PROGRAMME PERFORMANCE

2.1 CHIEF DIRECTORATE PUBLIC WORKS

2.1.1 PROGRAMME 2: PUBLIC WORKS

Public Works Programme is responsible for the provision of accommodation for all Provincial Departments, management of the Provincial property portfolio for the optimum benefit of all those concerned. This programme also renders professional and technical services to client departments in respect of building and related infrastructure.

a) Key Strategic Thrusts and Strategic Objectives

Key Strategic Thrust:	Strategic Objectives
Integrated infrastructure development	<ul style="list-style-type: none"> Develop an integrated infrastructure plan. Ensure the preservation and upgrading of existing infrastructure investment

b) Service delivery achievements

Public Works Roads Transport Infrastructure Projects

Measurable Objective	Project Description	*Budget	% Complete
Upgrading and New Buildings	MPCC Trompsburg	1,8million	100%
	MPCC Zastron	2,3million	100%
	Upgrade Old Presidency	1,2million	95%
	Upgrade Sederhouse office Building	5,5million	78%
	Upgrade Reitz Testing Station	1,2million	54%
	Upgrade Political Residence	18 million	80%

*(NB. Funding for the projects in the table above is controlled by the DPWRT)

Department of Health: Revitalization Grant

NR	Name of Project	Contract Period	Contract Amount	Start Date	Completion Date	Percentage Complete
1	Pelonomi Hospital Block B - Trauma	11 Months	R15 478 383	03 May 04	01 Oct 2005	100%
2	Boitumelo Hospital new nurses residence contract 1	12 Months	R10 381 980	28 Febr 05	15 Dec2005	98%
3	Boitumelo Hospital-contract 2- outpatients and Admin	19 Months	R13 406 397	15 April 05	15 Dec2005	95%
4	Boitumelo Hospital-Contract 3- pharmacy, radiology and theatres	18 Months	R14 998 478	20 Nov 05	20 June 2006	70%
5	Boitumelo Hospital-Contract 5- Doctors' residence	18 Months	R6 130 777	23 Nov 04	30 Nov 2006	97%
6	Boitumelo Hospital-Contract 6- site water and sewer reticulation	12 Months	R5 396 760	26 Sept 04	30 Nov 2006	97%
7	Boitumelo Hospital-Contract 8- Electrical Infrastructure	12 Months	R6 809 759	12 July 06	-	25%

Department of Health: Infrastructure Grant

NR	Name of Project	Contract Period	Contract Amount	Start Date	Completion Date	Percentage Complete
1	National Hosp ward 25-eye clinic	7 months	R840 073	10 July 2005	2005 Sept 27	97%
2	New Community Health Care Centre	19 Months	R9 439 200	25 Nov 2005		70%
3	Itumeleng Hosp-total refurbishment	11 Moths	R3 618 020	22 Sept 2005	2005 Aug 17	100%
4	Contract I New Arv Clinic	9 Months	R1 183 000	10 Dec 2005	2005 Oct31	90%
5	Katleho Hospital-phase I of upgrade-new maternity ward	24 Months	R15 141 607	1 April 2005	2007 April 01	30%
6	Moroka Hospital phase III	12 Months	R6 769 602	5 Feb 2004	2004 March 12	100%
7	Boitumelo Hospital-New warehouse and roofs	18 Moths	R7 299 999	9 Dec 2003	2005 Nov 30	100%

Department of Education: Schools under construction

NR	Name of School	Number of Classrooms	Contract Period	Contract Amount	Start date	Completion Date	Percentage Complete
1	Lourierpark	24	12 Months	R14m	25 Sept 2003		95%
2	Hlaboloha 1st Phase	8	12 Months	R10,5 m	11 April 2005		44%
3	JJ Qhubheka	24	18 Months	R13,4 m		30 June 2005	100%
4	Tshepano 3	24	18 Months	R14,58 m	2004 Dec 31	30 Dec 2005	68%
5	Disasterpark	26	24 Months	R18,9 m	2005 Jan 06	30 Nov 2005	100%
6	Kgotso-Uxolo	30	24 Months	R9,86 m			3%
7	Tumisang	21	18 Months	R9,86 m	March 2005	June 2006	79%
8	Marematlou	24	24 months	R18,2 m	2005 Aug 24	2006 Aug 24	66%
9	SS Phaki	30	20 Months	R13,6 m	2005 March 01	2005 June	100%
10	JC Mothumi 1st Phase	10	12 Months	R7,4 m	2005 March 01	2005 June 20	60%
11	Mokgwabong 1st Phase	6	9 Months	R5,2 m	2005 Oct. 04	2005 Dec	100
12	Polokehong	12	18 Months	R7,2 m		2006 July 05	53%
13	Tawana	15	12 Months	R10,8 m	2004 July 01	2005 April 15	100%
14	Botsime (Rakanang)	3	15 Months	R1,36 m		2006 April 05	100%
15	Emang	6	12 Months	R2,7 m	2005 June 21		35%
16	Thubisi	10	15 Months	-		2006 May 14	48%

Department of Sports, Arts, Culture, Science and Technology

NR	Name of School	Contract Period	Contract Amount	Start date	Completion Date	% Percentage Complete
1	BFN: Willem Postma Upgrade	16 Months	R8 418 642	01 Nov 05	March 2007	92%

2.1.2 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

2.1.3 CAPITAL INVESTMENT

a) Infrastructure projects that are currently in progress

Public Works, Roads and Transport Infrastructure Projects

NR	Name of Project	Contract Period	Contract Amount	Contract Start Date	Expected Completion Date
1	Safety compliance of Medfontein building	12	1.5m	2006/04/01	2007/03/31
2	Upgrade lifts in Medfontein building	12	1.5m	2006/04/01	2007/03/31
3	Upgrade CR Swart Air-conditioning (4 Chillers)	12	8.75m	2006/04/01	2007/03/31
4	Lebohang upgrade roof & repair floors	7-12	12.5m	2006/04/01	2007/03/31
5	One stop Centre PPP Transaction Advisor	12	10m	2006/04/01	2007/03/31
6	Upgr Odendaalsrus, Frankfort RA (internal Staff)	12	2m	2006/04/01	2007/03/31
7	Upgr Of Additional Driver Testing Centre K53	12	7m	2006/04/01	2007/03/31
8	Upgrading of Vehicle Testing Stations K53	12	3.11m	2006/04/01	2007/03/31
	Total:		38.86m		

Client Departments' Infrastructure projects

Department of Health: Revitalization Grant

NR	Name of Project	Contract	Contract Amount Period	Contract Start Date	Expected Completion Date
1	Boitumelo Hosp Phase I, Contract 3 Theatres, X-rays, etc	18 Months	R22,75m	24/08/04	20/06/06
2	Boitumelo Hosp Phase I Contract 4 Maternity	18 Months	R17,39m	15/11/05	15/06/05
3	Boitumelo Hosp Phase I Contract 7, Mechanical Infra	18 Months	R14,219m	15/11/05	15/06/07
4	Boitumelo Hosp Phase I Contract 8 Electrical Infra	12 Months	R6,8m	12/07/05	12/07/06

Department of Health: Infrastructure Grant

NR	Name of Project	Contract Period	Contract Amount	Contract Start date	Expected Completion Date
1	Dealsville CHC	18 Months	R12,47m	26/03/04	25/11/05
2	E Ross Final Phase	48 Months	R40,48m	17/11/05	17/07/09
3	Thebe Final Phase: Harrismith	36 Months	R42,83m	17/11/05	17/11/09
4	Tokolo Final Phase: Heilbron	27 Months	R36,251m	15/11/025	15/04/08
5	Diamant: Jagersfontein	30 Months	R27,189m	30/11/05	30/05/09
6	Odendaalsrus: Thusanong Contract 2: Maternity	15 Months	R15,26m	15/11/05	15/02/07
7	Katleho Contract I: Virginia	24 Months	R15,14m	19/05/05	01/04/07
8	Bloemfontein: Pelonomi Hosp: O & P Workshop	8 Months	R4,3m	15/11/05	15/07/06
9	Bloemfontein: National Hospital: New Palliative Care	4 Months	R1,3m	15/11/05	15/03/05
10	MDR Unit Moroka Dining Hall	9 Months	R1,79m	15/11/05	15/08/06

Department of Education

NR	Name of Project	Contract Period	Contract Amount	Contract Starting date	Expected Start Date
1	Marematlou Sec	24 Months	R18,2m	04/10/04	04/10/06
2	Kgotso-Uxolo Sec	30 Months	R 23,05m	10/10/05	10/04/08
2	Hlaboloha Prim Phase I	12 Months	R10,5m	12/04/05	12/07/06
3	Hlaboloha Prim Phase II	18 Months	R 14,5m	08/02/06	08/08/05
4	Mokgwabong Prim Phase II	18 Months	R16,49m	17/11/05	17/06/05
5	J C Motumi Sec	18 Months	R18,5m	08/02/06	08/08/05
6	Dr M G Mngoma	10 Months	R20,4m	30/11/05	30/09/06
7	E E Monese Sec	24 Months	R24,75m	17/11/05	17/11/07
8	Tumisang Prim	18 Months	R9,86m	21/05/03	31/03/06
9	Tsoeletso Sec	2 Months	R23,8099.00	15/11/05	15/01/05
10	Thubisi Prim	15 Months	R3,6m	18/03/05	18/08/06
11	Voortrekker Sec	8 Months	R1,84m	21/02/06	31/10/06
12	Emang Prim	12 Months	R2,7m	22/06/05	22/06/06
13	42nd Hill: Intabazwe: Qhubeka Prim	12 Months	R3,3m	14/09/05	14/09/06
14	Mmabane Prim	9 Months	R4,17m	16/02/06	16/11/06

Department of Sport, Arts, Culture, Science and Technology

NR	Name of Project	Contract Period	Contract Amount	Contract Starting date	Expected Completion Date
1	Fateng Tse Ntsho Library	15 Months	R3,1m	25/01/05	25/04/06
2	Selossha Library	18 Months	R9,99m	15/11/05	15/05/07
3	Sasolburg Public Library	10 Months	R998561.98	08/07/05	08/05/06
4	Qalabotjha Library	15 Months	R5,031m	23/05/05	23/10/06
5	NALN Museum Upgrading Phase I	30 Months	R12,34m	15/11/05	15/05/08
6	Welkom Library	10 Months	R1,3m	30/11/05	30/09/06

Department of Social Development

NR	Name of Project	Contract Period	Contract Amount	Contract Starting date	Expected Completion Date
1	Bloemfontein: Monument secure centre: Mangaung	12 Months	R5,77m	12/07/05	12/07/06

Department of Tourism, Economic and Environmental Affairs

NR	Name of Project	Contract Period	Contract Amount	Contract Starting date	Expected Completion Date
1	Xhariepdam Entrance Gate: Phase II	24 Months	R10,8m	08/09/05	08 Sept 07

b) Facilities that were closed:

Due to the moratorium in place that all Restaurants and TuckShops should not be leased; the following facilities are not operational:

- Former Qwa-Qwa Parliament Restaurant
- Manapo Hospital TuckShop - Qwa-Qwa
- Elizabeth Ross Hospital TuckShop - Qwa-Qwa
- National Hospital TuckSop (Bloemfontein)
- Lengau Testing Station TuckShop (Bloemfontein)
- Pelonomi Hospital TuckShop (Bloemfontein)
- CR Swart Revolving Restaurant (Bloemfontein)
- CR Swart Ground floor TuckShop (Bloemfontein)
- Lebohang 8th Floor Restaurant (Bloemfontein)
- Captain Dorego TuckShop (Bloemfontein)

2.14 ASSET MANAGEMENT**Immovable Asset****a) Details on to how asset holdings have changed during 2005/2006**

16 Fixed properties in Die Bult Phuthaditjhaba were sold during the past financial year to the value R1 508 604:

b) Measures taken to ensure that the department's asset register remained up-to-date

The department is in the process of developing an electronic comprehensive Asset Register. The following information was discovered through the Deeds' office in Pretoria while compiling the Asset Register: Registered Provincial Properties are 3947 according to Deeds' office records. This number will increase as the information contains only Surveyed and Registered properties in urban areas. Unsurveyed and unregistered properties in Qwa Qwa, Thaba Nchu and Botshabelo are not yet included in this number, and most of those properties are schools, which are in the rural villages.



Movable assets

538 vehicles and loose articles were sold by auction during the 2005/06 period to the amount of R10,845,553. 3 pistols with holsters and 17 rounds of ammunition were handed over to the SAPS to be destroyed. 5 vehicles had been harvested.

During 2005/06, 161 losses to the value of R1,008,654 were reported. 37 cases to a value of R649,176 were written off. The balance of R335,290 is still under investigation.

Movable assets are purchased on LOGIS which is the prescribed computerised procurement system. Report PADW95 of LOGIS is used as the Asset Register for movable assets. It is thus electronically updated.

The Supply Chain Management Directorate had not been instated during the reporting period. Staff for Disposal Management, who will be responsible to check on the department's capital stock, had not been appointed. During the reporting period the department relied on the depreciation factor which is built into the LOGIS system. When the custodian complains about unserviceability or/and when the value has declined to zero, the replacement/disposal procedure starts.

c) The current state of the department's capital stock

Majority of our properties are in bad state as they have not been maintained for a long period of time. It can be said the conditions of our fixed properties are as follows:

- 20% Good
- 30% Fair
- 50% Bad

d) Major maintenance projects that have been undertaken during 2005/2006

Project	Amount	Start Date	End Date	Contract Period
DEPARTMENT OF EDUCATION				
Deneysville: J.J. Khubeka Primary School	R 13 429 200,00	2003-01-06	01-12-05	18 months
Vredefort: S.S. Paki FET School	R 18 896 526,00	2003-07-28	24-05-2005	20 months
Welkom: Mokgwabong Primary School First Phase	R 5,2m	2005-02-07	06-12-2006	9 months
Oranjeville: Metsimaholo				
New Toilet Block, Renovations and Site Works	R 422 948,28	5-01-05	7-10-05	17 weeks
Thaba Nchu Tawana Primary School Thaba Nchu Botsime (Rakanang) Primary	R 10,8m	3-07-27	25/04/05	12 months
School 3 classrooms	R 1,36m	21-01-05	11-10-05	15 months
Bloemfontein Tempe Warehouse Phuthaditjhaba: Bluegumbush : Disasterpark	R 1,9m	11-01-05	15-07-05	10 months
GET Prim School	R 18,9 m	22-01-03	20-10-05	24 months
Harrismith: Pulamadiboho Primary School	R 3,62m	16-03-04	13-09-05	15 months
Phuthaditjhaba: Qwabi: Primary School	R 2,77m	10-12-04	28-06-05	18 months
DEPARTMENT OF SPORTS, ARTS, ETC				
Bloemfontein: Willem Postma Upgrade	R 8,5m	03/10/03	15/04/05	16 months
Bloemfontein Old Presidensie	R 1,57m	11/05/04	12/01/06	18 months
Bloemfontein: Musicon	R 2,76m	25/11/04	25/11/05	12 months
DEPARTMENT OF TOURISM, ENVIRONMENTAL AND ECONOMIC AFFAIRS				
Sandveld Nature Reserve Civil Infrastructure	R 2,09m	03/11/03	01/11/05	45 weeks

Project	Amount	Start Date	End Date	Contract Period
DEPARTMENT OF HEALTH				
Bloemfontein: Pelonomi Hospital : Block B: Trauma	R 16,8m	30/06/03	01/10/05	11 months
Jagersfontein: Itumeleng	R 3,62m	11/03/04	17/08/05	11 months
Thaba Nchu: Moroka Hospital Phase III	R 6,8 m	10/01/03	15/02/06	18 months
Kroonstad Boitumelo Hospital: Contract 2 Outpatients and Admin	R 22,05m	03/10/03	31/03/06	18 months
Kroonstad Boitumelo Hospital: Contact 1 Nurses Home	R 15,972m	02/07/03	12/02/06	24 months
Kroonstad Boitumelo Hospital: Contract 5 Doctors Res.	R 16,32m	23/03/04	21/02/06	21 months
Kroonstad Boitumelo Hospital Contract 6 Site Water & Sewer	R 8,23m	07/04/04	31/03/06	18 months
Kroonstad Boitumelo Hospital Warehouse and Roofs	R 9,37m	06/05/02	28/02/06	18 months
Odendaalsrus: Contract 1 New ARV Clinic	R 1,183m	10/03/05	10/12/05	9 months
Bethlehem: Phekolong: ARV Clinic	R 2,255m	30/09/05	15/03/06	3 months
Bethlehem: Bohlokong: ARV Clinic	R 1,2m	30/9/05	15/03/06	3 months
Marquard: Mamello ARV Clinic	R 2,013m	30/09/05	31/03/06	3 months
Vrede: Bophelong ARV Clinic	R 1,342m	30/09/05	15/03/06	3 months
Hertzogville: Tshwaraganang: ARV Clinic	R 1,42m	30/09/05	31/03/06	3 months
Bultfontein: Phahameng: ARV Clinic	R 1,164m	30/09/05	31/03/06	3 months
Wesselsbron: Albert Luthuli: ARV Clinic	R 1,085m	30/09/05	15/03/06	3 months
Viljoenskroon: PAX ARV Clinic	R 865000,00	30/09/05	15/03/05	3 months
Bloemfontein: National Hospital: Eye Clinic	R 840073,81	04/04/05	27/09/05	7 months
Bloemfontein: Universitas Hosp Transport Offices	R 477 660,00	09/02/05	07/10/05	8 months

e) New projects that will commence in 2006/2007 financial year.

Project	Amount	Start Date	End Date	Contract Period
DEPARTMENT OF EDUCATION				
Marematlou Sec. Virginia	R 19 908 804	19/09/04	26/07/06	24 months
Kgotso-Uxolo Sec.: Reitz	R 23,05m	10/10/05	10/04/08	30 months
Hlaboloha Prim: Bothaville Phase I	R 10,5m	12/04/05	12/07/06	12 months
Hlaboloha Prim: Bothaville Phase II	R 14,5m	08/02/06	08/08/05	18 months
Mokgwabong Prim: Welkom, Phase II	R 16,49m	17/11/05	17/06/07	18 months
J C Motumi Sec: Odendaalsrus Phase 1	R 7,4m	27/01/2005	27/01/2006	12 Months
J C Motumi Sec: Odendaalsrus Phase 2	R 18,5m	08/02/06	08/08/05	18months
Dr M G Mngoma: Welkom	R 20,4m	30/11/05	30/09/06	10 months
E E Monese Sec: Senekal	R 24,75m	17/11/05	17/11/07	24 months
Senekal: Tumisang Prim School	R 9,86m	21/05/03	31/03/06	18 months
Bloemfontein: Polokehong Prim School	R 7,2m	21/01/05	21/07/06	18 months
Bloemfontein: Tsoseletso Sec School	R 238099,14	15/11/05	15/1/05	2 months
Thaba Nchu: Thubisi Prim School	R 3,6m	18/03/05	18/08/06	15 months
Bethlehem: Voortrekker Sec School	R 1,84m	21/02/06		8 months
Qwa-Qwa Tseki	R 988 299,97	7/03/06	7/12/06	9 months
Thaba Nchu : Emang Primary School	R 2,7m	22/6/05	22/06/06	12 months
Qwa-Qwa Manthatisi	R 770 000,00	To Start		3 months
Harrismith: 42nd Hill: Intabazwe:				
Qhubeka Primary School	R 3,3m	14/09/05	14/09/06	12 months
Wesselsbron: Mmabane Primary School	R 4,17m	3/04/06	16/11/06	9 months

DEPARTMENT OF HEALTH				
Community Health Care Dealesville	R 12,47m	26/03/04	25/11/05	18 months
Thebe Final Phase: Harrismith	R 42,83m	17/11/05	17/11/08	36 months
E Ross Final Phase	R 40,38m	17/11/05	17/07/09	48 months
Tokolo Final Phase: Heilbron	R 36,251m	15/11/05	15/04/08	27 months
Diamant: Jagersfontein	R 27,189m	30/11/05	30/05/09	30 months
Odendaalsrus: Thusanong contract 2: Maternity	R 15,26m	15/11/05	15/02/07	15 months
Katleho Contract I: Virginia	R 15,14m	19/05/05	01/04/07	24 months
Bloemfontein: Pelonomi Hosp: O & P Workshop	R 4,3m	15/11/05	15/07/06	8 months
Bloemfontein: National Hospital: New Palliative Care	R 1,3m	15/11/05	15/03/05	4 months
MDR Unit Moroka Dining Hall	R 1,79m	15/11/05	15/08/06	9 months
Boitumelo Hosp Phase I, Contract 3 Theatres, X-rays, etc	R 22,75m	24/08/04	20/06/06	18 months
Boitumelo Hosp Phase I Contract 4 Maternity	R 17,39m	15/11/05	15/06/05	18 months
Boitumelo Hosp Phase I, Contract 7, Mechanical Infra	R 14,219	15/11/05	15/06/07	18 months
Boitumelo Hosp Phase I Contract 8 Electrical Infra	R 6,8m	12/07/05	12/07/06	12 months
Bloemfontein: Medical Depot	R 19,42m	20/12/05	20/12/07	24 months
DEPARTMENT OF SPORTS, ARTS, ETC				
Fateng Tse Ntsho Library: Paul Roux	R 3,1m	25/01/05	25/04/06	15 months
Selossha Library: Thaba Nchu	R 9,99m	15/11/05	15/05/07	18 months
Sasolburg Public Library	R998561,98	08/07/05	08/05/06	10 months
Qalabotjha Library: Villiers	R 5,031m	23/5/05	22/08/06	15 months
NALN Museum Upgrading Phase I: Bfn	R 12,34m	15/11/05	15/05/08	30 months
Library: Welkom	R 1,3m	30/11/05	30/09/06	10 months
DEPARTMENT OF TOURISM, ENVIRONMENTAL AND ECONOMIC AFFAIRS				
Xhariepdam Entrance Gate: Phase II	R 10,8m	08/09/05	08/09/07	24 months
DEPARTMENT OF SOCIAL DEVELOPMENT				
Bloemfontein: Monument secure centre: Mangaung	R 5,77m	12/07/05	12/07/06	12 months
PUBLIC WORKS, ROADS AND TRANSPORT PROJECTS				
Bloemfontein: Lebohang upgrading floors 7-12	R 1137 383,36	22/02/06	22/07/06	5 months

f) Processes in place for Bidding of Projects.

Supply Chain Management principles are adhered throughout the bidding process.

Documentations are drawn up along EPWP guidelines, youth, woman, disabled empowerment drives and with a positive drive towards the transformation of the construction industry (BBBEE, CIDB).

Bid documents are forwarded via the departmental Bid Committee for advertisement and approval by the HOD.

Upon closure, the responsive bids are evaluated and forwarded to the Departmental Bid Committee for recommendation by the Head of Department for approval/disapproval. Thereafter, the successful bidder is given the site then, project execution starts.

Public Works Roads & Transport National Treasury Specific Indicators

The Province's Property Portfolio by Department

State Owned Portfolio	Land			Buildings		
	Number of properties	Number vacant urban properties	Number of unutilised rural properties	Total number of hectares	Number of properties with buildings	Square Meters of building
Health Department					131	
Education Department*						
Social Development Department					36	
Other clients combined	803	4	799		2011	
Unutilised	1051	385	666		21	

The Province's Leased Portfolio by Department

Leased Portfolio	Land		Buildings		Cost to government In R'000
	Number of properties leased	Total number of hectares	Number of buildings	Square Meters of building	
Health Department			206		
Education Department*					
Social Development Department			2		
Other clients combined	153		394		
Unutilised			21		

4 The department is still in the process of finalising the asset register

The condition of government buildings by department

	Condition of State Owned Building (Number and Percentage)										Total
	Very Good		Good		Fair		Poor		Very Poor		
Health Departments	9	5%	19	15%	39	30%	32	25%	32	25%	131
Social Development	3	5%	5	15%	10	30%	9	25%	9	25%	36
Other clients departments combined	102	5%	302	15%	603	30%	502	25%	502	25%	2011
Unutilised	2	5%	3	15%	6	30%	5	25%	5	25%	21

2.2 CHIEF DIRECTORATE ROADS AND TRANSPORT

2.2.1 PROGRAMME 3: ROADS INFRASTRUCTURE

The Roads Infrastructure Programme consists of both the Road and Land Transport Planning and the Road Construction and Maintenance sub-programmes.

a) Key Strategic Thrusts and Strategic Objectives

Key Strategic Thrust:	Strategic Objectives
Integrated infrastructure development	<ul style="list-style-type: none"> Develop an integrated infrastructure plan. Ensure the preservation and upgrading of existing infrastructure investment Explore alternative funding strategies

b) Service delivery achievements

Sub-programmes	Measurable Objectives/Outputs	Service delivery indicators	Actual performance against target	
			Target	Actual
Roads and Land Transport infrastructure Planning Sub-programme	Integrate and aggregate Management Systems - Geographical Information System - Traffic Counting system - Review and update of Accident Management System	Geographical Information System	100%	100%
		Traffic Counting System	100%	100%
		Accident Management System	100%	100%
	Identify and investigate the appropriate strategic road network which supports road safety, tourism, and socio-economic development	Road Infrastructure Plan aligned with National & Provincial Spatial Development Frameworks as well as input from IDP's	Road Infrastructure Plan	100%
	Design Transport Infrastructure in accordance with accepted engineering standards and safety measures.	Designs finalized 6 months prior to construction.	6 Months	100%
	NI-Parys			100%
	NI-Sasolburg			100%
	Reitz-Petrus Steyn			100%
	Odendaalsrus-Bothaville			100%
	Caledon River Bridge			100%
	Springfontein - Bethulie Road			51 %
	Bloemfontein Outer Ring Road			31%
	Commuter Rail-Botshabelo & Thaba-Nchu	Feasibility Study completed	100%	100%
Roads Construction and Maintenance	Ensure the preservation of the road network.	Road around Bethlehem regravelled	60 km	42 km
		High standard interchange provided in Sasolburg	10 km	10 km
		Upgrade access road to Seloshesha	2.5 km	0%
		Upgrade access road to Makwane	13 km	60%
		Reconstruct A54 in Bloemfontein (NI and Eeufees)	4.5 km	35%
		Repair and reseal road between BFN and Dealsville	16 km	16 km
		Regravel roads in Lejweleputswa	22 km	28%
		Maintain main paved road network	35000 m ³	49,350 m ³
		Maintain main corridor gravel roads	86420 km	80,513 km
		Replace road signs old R & W signs	3000 road signs	2, 804

Public Works, Roads and Transport National Treasury Specific Indicators
Roads and Land Transport Planning and Design

Performance Measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	% Deviation from Target	
				Unit	%
Planning					
System Reports	0	3	3	0	0
Feasibility Study	0	1	1	0	0
Design					
Number of Designs Completed	3	12	12	0	0

Construction of road infrastructure by District

Performance Measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	% Deviation from Target	
				Unit	%
Motheo					
Surfaced roads (excluding highways) (no of km)	55	55	45	3	-5%
Xhariep					
Surfaced roads (excluding highways) (no of km)	33	33	0	0	0
Lejweleputswa					
Surfaced roads (excluding highways) (no of km)	96	96	20	0	0
Bridges with span > 2 metre (no.)	0	0	2	0	0
Northern Free State					
Surfaced roads (excluding highways) (no of km)	10	10	45	10	100
Thabo Mofutsanyana					
Surfaced roads (excluding highways) (no of km)	25	25	0	0	0
Gravel roads (no of km)	70	70	0	0	0
Whole Province					
Surfaced roads (excluding highways) (no of km)	219	219	130	13	-6
Gravel roads (no of km)	200	200	0	-130	-65%
Unsurfaced dirt roads (no of km)	0	0	0	0	0
Bridges with span > 2 metre (no.)	1	1	2	-1	

2.2.2 PROGRAMME 4: PUBLIC TRANSPORT

This programme is aimed at developing, establishing and managing an efficient and effective transport system in the Free State with a view to facilitate social and economic growth. The main focus is on the public transport, but as all public transport modes have some form of non-motorised transport at both the origin and destination, specific attention is also given to these modes of transport.

The programme consists of the following sub-programmes namely, Operator Safety and Compliance (Transport Registrar) and Regulation and Control (Transport Management).

a) Key Strategic Thrusts and Strategic Objectives

Key Strategic Thrust:	Strategic Objectives
Provision of public transport facilitated	<ul style="list-style-type: none"> • Develop and implement an integrated provincial transport plan. • Develop and implement a provincial rollout plan for the Recapitalisation. • Develop an intermodal transport facility in line with Urban Renewal Strategy. • Modal integration along defined corridors as well as infrastructure supporting public transport • Development of a rural mobility strategy.

b) Service delivery achievements

Sub-programmes	Measurable Objectives/Outputs	Service Delivery Indicators	Actual performance against target		Comments
			Target	Actual	
Transport Management	Conduct pre-study of Rural Mobility	Pre-study	100%	100%	<ul style="list-style-type: none"> - Pre-feasibility study completed in December 2005. Xhariep shown to be the critical area lacking mobility from the study. A rural mobility study to be done of the Xhariep area. - A pre-feasibility study aimed to investigate "The development of the Bloemfontein-Botshabelo-Thaba-Nchu Maseru Corridor" which entailed the investigation towards establishing commuter rail between Bfn-Botshabelo-Thaba-Nchu was done.
	Establish Intermodal facility	Intermodal facility in BFN	100%	50%	- Conceptual design completed. Business plan to NDOT to request funds for the project also to include urban renewal of Bloemfontein Central Business District.
	Convert taxi permits to operator licenses	Operator licenses	100%	98%	- To date 4,625 permits for conversion to operating licenses are awaiting upliftment. 1,774 Operating licenses have been issued. A total of 6,536 applications for mini-bus permits were received.

Sub-programmes	Measurable Objectives/ Outputs	Service Delivery Indicators	Actual performance against target		Comments
			Target	Actual	
Transport Management	Implement taxi re-capitalization project	Taxi re-capitalization process		85%	- A total of 947 Be Legal Campaign Operating Licenses were issued. These are ready for the Recapitalisation roll out which need not undergo the conversion process. A total of 7,483 operators are ready for recapitalisation process. There is a total of 4,100 permits for 4+1's which does not form part of the recapitalisation process at this stage.
	Transform Maluti bus service to ensure integration with taxis	Phase 2 implemented for effective integration of buses and taxis in Thabo Mofutsanyana	100%	0%	- Maluti Bus Service in the Thabo Mofutsanyana area was extended from 01 September 2005 to August 31 2007 subject to certain conditions. - The company has failed to meet their obligations, the Department; TEEA and FDC are exploring ways to salvage or terminate this contract.
Transport Registrar	Institutional management	Number of fully registered Taxi associations completed	77	100%	Only conditional registration has been awarded. Full registration status will only be awarded once the process of converting the taxi permits to the operating licenses, and all other registration requirements have been compiled with, viz, the possession of the vehicle Certificate of Fitness (COF) and the registration with the SA Revenue Services.
		Taxi Associations (Reduction in the number of Taxi Associations due to merger agreements)	10	90%	The number of taxi associations has been reduced from 77 to 41 following the merger processes in respect of a One Town-One Association principle. The remaining 8 Associations constitute opposed to merger deals.
	Empower the associations, operators and marshals in the Taxi Industry.	A capacitated and well trained public transport industry	10	5	Taxi operators have been trained on financial management, tax related matters and customer relations. Strategies to fasttrack skills development in IT. The target was not reached as the Training Coordinator resigned in October 2005.

2.2.3 PROGRAMME 5: TRAFFIC MANAGEMENT

The aim of this programme is to establish and maintain a safe and efficient road traffic system through traffic regulation, traffic policing, traffic safety programmes, functional training and administrative support.

a) Key Strategic Thrusts and Strategic Objectives

Key Strategic Thrust:	Strategic Objectives
Improved service delivery.	<ul style="list-style-type: none"> Facilitate the establishment of an integrated traffic management system along defined corridors.

b) Service delivery achievements

Sub-programmes	Outputs	Service delivery indicators	Actual performance against target	
			Target	Actual
Traffic College	Provide courses and training for existing personnel and new recruits	Training provided for existing personnel		95%
Road Safety	Educate community and promote road safety	Training of new recruits		85%
		2 Educational roadblocks per month	24	15 Road Blocks
		2 Talk shows per month	24	98 pedestrian campaigns and radio talk shows were conducted.
		4 Advertisements per annum	4	4 Advertisements
		4 Conferences and workshops annum	4	1 Conferences
		4 School visits per month	48	320 schools were visited. 89 scholar patrol training sessions were undertaken
Law Enforcement	Ensure effective and efficient traffic policing, reduce accident rate and implement road incident management system	2 Speed management per month per district	120	698 cases prosecuted for speed violation
		5 Overload control per week per district	260	1167 case prosecute for overloading (Kroonstad, Senekal)
		Unroadworthy vehicles		44 case prosecuted for unroadworthy vehicle
		Incident management system on all major corridors	All major corridors	N3, N5

Public Works, Roads and Transport National Treasury Specific Indicators

Resources for traffic management by district

Districts of Province	Number		
	2002/03	2004/05	2005/06
Motheo			
Traffic officers	88	98	135
Administrative staff	9	8	8
Highway patrol vehicles	4	1	1
Xhariep			
Traffic officers	37	47	78
Administrative staff	0	0	0
Highway patrol vehicles	0	1	1
Lejweleputswa			
Traffic officers	64	74	80
Administrative staff	1	1	1
Highway patrol vehicles	0	1	1
Fezile Dabi			
Traffic officers	40	48	93
Administrative staff	2	2	3
Highway patrol vehicles	1	1	0
Thabo Mofutsanyana			
Traffic officers	79	69	145
Administrative staff	2	2	2
Highway patrol vehicles	1	1	1
Whole Province			
Traffic officers	337	386	486
Administrative staff	14	13	14
Highway patrol vehicles	4	5	5

Traffic management outcomes for the province

Performance Measure	Actual Outputs 2004/05	Target Actual Outputs 2005/06	Outputs 2005/06	Deviation from Projected	
				Unit	%
Number of accidents reported	4531	-5%	4609	78	2.8%
Number of accidents involving mini-buses or buses	29	-5%	49	20	68%
Number of fatalities	680	-5%	853	173	79.7%
Number of serious injuries	938	-5%	292	194	31.1%

Sub-Programme Traffic Law Enforcement

Measurable Objective	Performance Measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
					Unit	%
Input						
Number of traffic officials per km of surfaced road in province	Ratio	26:1	25:1	16:1		
Number of officers per highway patrol vehicle	Ratio	2	2	2	2	
Process						
Number of hours speed-traps operated	Number	10 100	7000	10950		
Number of roadblocks held	Actual number	470	500	897		
Output						
Number of unroadworthy vehicles impounded	Actual number	0	0	0		
Number of licenses suspended	Actual number	6	10	0		
Number of licenses confiscated	Actual number	8	10	0		
Efficiency						
Number of registered vehicles per traffic officer	Number	1201	961	987		
Percentage of fines issued paid	%	25%	25%	25%		
Outcome						
Number of accidents reported	Number	4531	-5%	4609	78	2.08%
Number of accidents involving mini-buses or buses	Number	29	-5%	49	20	68%
Number of fatalities	Number	680	-5%	853	173	79.7%
Number of serious injuries	Number	938	-5%	292	194	31.1%

Sub programme Road Safety Education

Measurable Objective	Performance Measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
					Unit	%
Input						
Number of staff providing road safety education programmes at schools	Number	13	13	12	12.6	7.7%
Number of staff providing road safety education programmes to public transport operators	Number	16	13	12	13.6	4.1%
Number of hours speed-traps operated	Number	10 100	7000	10950	0	0
Number of roadblocks held	Actual number	470	500	897	0	0
Process	Number					
Schools involved in road safety education programmes	Percentage	277	277	277	277	0%
Number of courses run for public transport operators	Number	40	45	48	44	4.4%
Outcome						
Number of pedestrians killed	90	232	207	209	20.9%	

Sub programme Transport Administration and licensing

Measurable Objective	Performance Measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
					Unit	%
Quality						
Number of license fraud cases prosecuted	Number	2	0	3	3	
Efficiency						
% of licenses paid on time	Percentage		100%	97.08%	14 000	2.929
Administration costs as % of total license revenue	Percentage	25%	20%	20%		
Outcome						
Increased Revenue collection	Amount	R201m	R225m	R240m	15	6%

Sub programme Overload Control

Measurable Objective	Performance Measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
					Unit	%
Input						
Number of weigh bridges	Number	3	3	3	0	0
New weigh bridges to be constructed	Number	0	0	0	0	0
Process						
Hours weigh-bridges to be operated	Hours/week	24hrs/day/ week	16hrs x 7/day/week	24hrs x 7/day/week	8hrs x 7day week	30%
Number of transport vehicles inspected	Number		50 485	50 485		
Output						
Percentage of vehicles overloaded (i.e. over the 5% tolerance)	%		0	8%		
Percentage of vehicles impounded	%		0	44%		
Efficiency						
Number our hours weighbridges operated as % of total hours in year	Number	30	60%	37.4		
Number of vehicles inspected per hour	Number	15	15	15		

2.3 CHIEF DIRECTORATE EXPANDED PUBLIC WORKS PROGRAMME

2.3.1 PROGRAMME 6: COMMUNITY BASED AND EXPANDED PUBLIC WORKS PROGRAMMES

The Expanded Public Works Programme (EPWP) is aimed at the reorientation of existing public sector expenditure to draw significant numbers of the unemployed into productive work, so that workers gain skills while they work, and also increase their capacity to earn an income.

It is a strategic intervention designed to make a significant contribution to reducing unemployment and providing livelihoods for the poor, women, youth and people with disabilities in the Province. The EPWP involves interventions in four sectors, namely: Infrastructure; Economic; Social, and Environmental and Cultural sectors.

a) Key Strategic Thrusts and Strategic Objectives

Key Strategic Thrust:	Strategic Objective
Effective implementation of EPWP	Comply with EPWP Principles.

b) Service delivery achievements

Sub-programmes	Measurable Objectives/Outputs	Actual performance against target	
		Target	Actual
Community Based Programmes	Thaba-Nchu - Renovation of Comm. Centre (Eureka)	100%	80%
	Jacobsdal - Access road	100%	100%
	Smithfield - Renovation of Comm. Hall	100%	70%
	Boshof - Renovation of Comm. Hall	100%	73%
	Jacobsdal - Renovation of Comm. Hall	100%	70%
	Boshof Crèche	100%	100%
	Oppermansgrond Skool Street Access Road	100%	100%
	Road maintenance - Thabo Mofutsanyana	100%	90%
	Edenburg - Renovations 2 Community Halls	100%	70%
	Petrusburg Community Halls	100%	65%
	Cloetespark Hall Renovations	100%	45%
	Rouxville Community Halls Maintenance	100%	68%
	Hobhouse Maintenance Community Hall	100%	80%

Sub-programmes	Strategic Objective	Service Delivery Indicators	Actual Performance against the Target	
			Target	Actual
Expanded Public Works Programme	Comply to EPWP principles	Infrastructure Sector		
		Number of job opportunities	2300	3,317
		% of employment days going to Youth	40%	45%
		% of Employment going to Females	60%	49%
		No. of Learnerships	50	117
		Number of youth employed (18 to 35 yrs)	560	429
		Number of Women employed	1500	254
		Number of people with disabilities employed	20	8
		Number of person-days of standard EPWP training received	2,3000	2080
		Number of Person-days of OTHER NON-ACCREDITED training received	1200	969
		Number of Emerging Contractors being developed	50	65
		Number of projects aligned to EPWP	31	50

Sub-programmes	Strategic Objective	Service Delivery Indicators	Actual performance
Expanded Public Works Programme	Comply to EPWP principles	Social Sector	
		Number of jobs Created	3,078
		Number of youth employed (18 to 35 yrs)	1,757
		Number of Women employed	2,524
		Number of people with disabilities employed	17
		Number of person-days of standard EPWP training received	1,406
		Number of Person-days of OTHER NON-ACCREDITED training received	8,866
		Environment, Culture and Economic Sectors	
		Number of jobs opportunities	384
		% of employment days going to Youth	42%
		% of Employment going to Females	3%
		Number of youth employed (18 to 35 yrs)	162
		Number of Women employed	10

c) Specific challenges and responses

Specific challenges and responses

Challenge	Intervention Strategies
Commitment to EPWP targets v/s accelerated service delivery	Workshops in conjunction with National Department of Public Works are being held with an aim to develop EPWP strategic Plan with clear targets
Monitoring and Evaluation (poor or under reporting)	Build capacity within department to deliver and also trained all the various departmental sector representatives and their Data Capturers on the utilization of the EPWP Reporting Template... Monthly meeting are used to enhance understanding of EPWP by sector departments.

2.4 TRADING ENTITY: ROAD BUILDING EQUIPMENT

The primary long term objective of the Road Building Equipment Division is an equipment fleet and repair service available to all levels of government throughout the territory of the Free State. Services to Local Authorities and Schools take place on a regular basis and experimental pilot services on EPWP projects and Free State Roads contracts have indicated potential for the future.

a) Key Strategic Thrusts and Strategic Objectives

Key Strategic Thrust:	Strategic Objectives
Good governance	<ul style="list-style-type: none"> Evaluate the effectiveness of internal controls in line with corporate governance principles
Improved Service Delivery	<ul style="list-style-type: none"> Monitor implementation of Batho Pele at all service points
Economic development promoted	<ul style="list-style-type: none"> Ensure the implementation of BEE programmes and targets.

Measurable Objectives

Measurable objective:	Service Delivery Indicators
Monitor implementation of Batho Pele principles at all service points	<ul style="list-style-type: none"> 15% improvement of fleet age Number of HDI's utilized in the provisioning of spares and panel beating and other services 80% Rental and kilometer invoices collected within 90 days Application for pool vehicles reduced to 2 hours
Ensure the implementation of BEE programmes and targets	
Evaluate the effectiveness of internal controls in line with corporate governance principles. Improve delivery time, turn-around times	



b) Service delivery achievements

Sub-programmes	Outputs	Service Delivery Indicators	Actual Performance against Target	
			Target	Actual
Road Building Equipment	Provide 80% of the primary client's equipment needs.	Monthly Supply/ Demand Analysis RM&C	80% overall	Supply capacity 101% on selected key equipment. Equipment occupation 96% of available
	Align the fleet composition with the needs of the primary client and the external market	Dispose of irreparable and superfluous equipment.	Get rid of identified equipment	Fleet size reduced from 2147 to 1508 over the last four years
		Purchase new equipment	Prioritized purchases	6 New platform trucks in 2005/6 5 year replacement schedule drawn up
	Expand service delivery to other spheres of government	Establishment of a core fleet dedicated to the non-departmental market	Revenue collected from the non departmental market	Quotes prepared: 45 Services delivered: 26 Revenue generated: R581,297
	Establish a comprehensive personnel skills development plan	Progress with interim goals	Development of the database Training Provided	Phases 1 and 2 completed. Final phase in progress 10 Handymen wrote ABET exams: 100% success rate



SECTION C: REPORT OF THE AUDIT COMMITTEE

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT

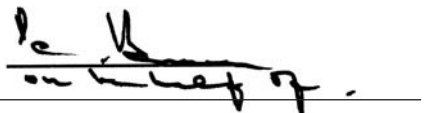
REPORT OF THE AUDIT COMMITTEE for the year ended 31 March 2006

EVALUATION OF THE OUTCOME OF THE 2005/06 AUDIT AND ANNUAL FINANCIAL STATEMENTS BY THE AUDIT COMMITTEE

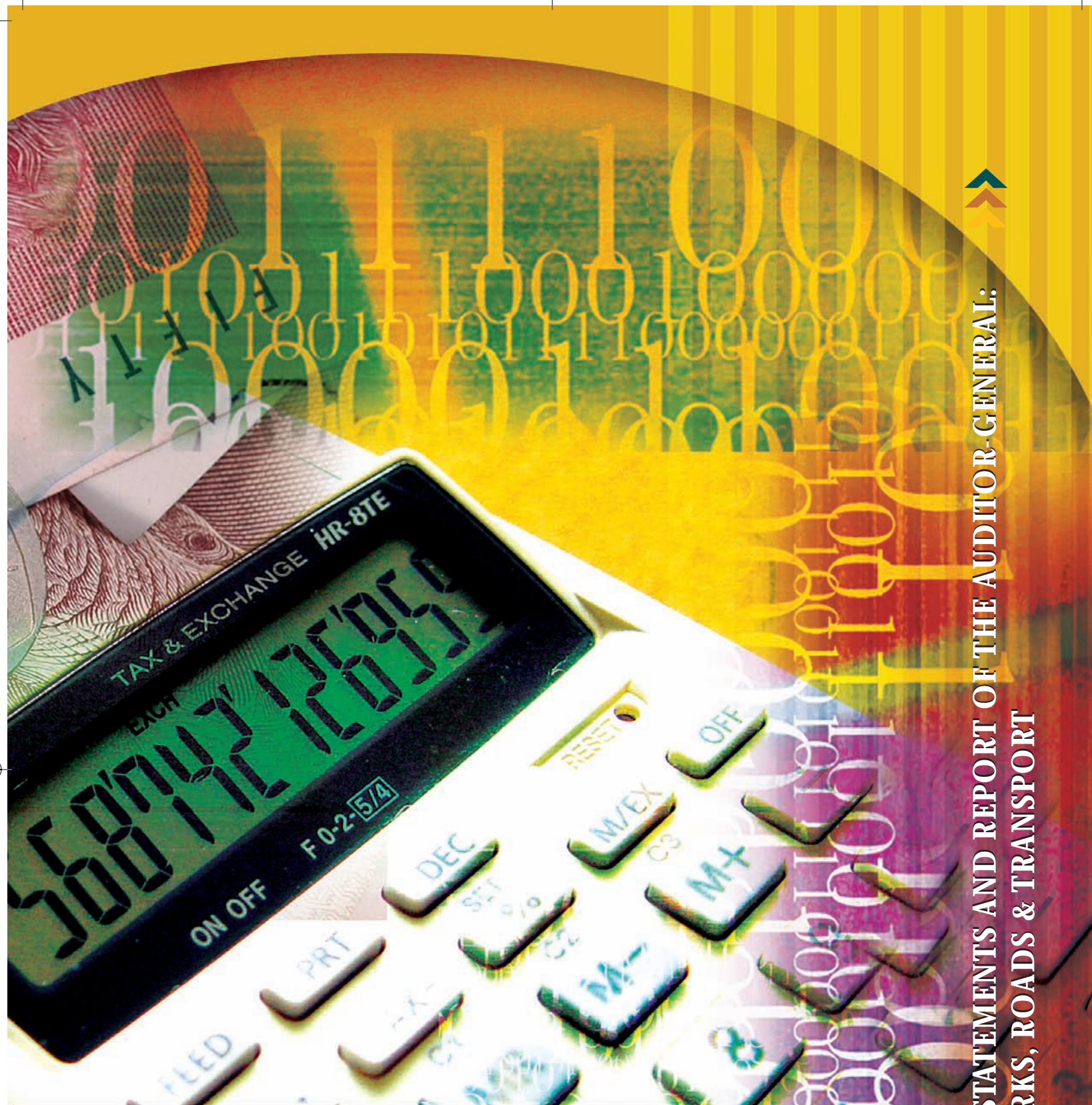
In terms of section 4.3 of the audit committee charter, we report as follows:

- The audit as performed by the Auditor-General, was to our knowledge fair and reasonable, and in accordance with the annual financial statements submitted to them.
- The financial statements submitted were complete and consistent, with the information known to the audit committee members.
- The financial statements reflected appropriate accounting principles as laid down by the Public Finance Management Act, section 40 (l)(b).
- Attention was paid to complex and/or unusual transactions.
- There was focused on judgemental areas, for example those involving valuation of assets and liabilities, environmental liabilities and other commitments and contingencies.
- We also accessed the fairness of the financial statements and disclosures and obtained explanations from management and internal auditors, whether generally accepted accounting principles have been consistently applied.
- Of particular concern was the fact that six matters were mentioned for qualification and thirteen emphasis of matter points were listed.
- On closer scrutiny, it was found that some of these matters were generic or systemic issues, which the department had already started to address.
- The Auditor-General did not perform non-audit functions for the department.
- It is the opinion of the audit committee, that management understands the control environment and that management is in the process of addressing shortfalls as identified in the audit report, through the internal audit component and management processes.

Yours faithfully



CHAIR PERSON: AUDIT COMMITTEE



SECTION D: FINANCIAL STATEMENTS AND REPORT OF THE AUDITOR-GENERAL: PUBLIC WORKS, ROADS & TRANSPORT

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DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
VOTE 9

REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006

Report by the Accounting Officer to the Executive Authority and Provincial Legislature of the Republic of South Africa.

1 GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

- Important policy decisions and strategic issues facing the department

The existence of the Department is mainly but not exclusively to provide integrated and sustainable infrastructure while simultaneously ensuring safe, reliable and affordable transport.

The six programmes underpins the financial year under review. Note should be taken that the EPWP programme is reported under Programme 6 for the financial year as in the previous year. The justification for the above-mentioned situation is to ensure alignment of the programme structure of the Department as proposed in the National Guidelines which phenomena promotes comparability.

The Department is confronted by daunting strategic issues that impact on the business of the Department. Critical to these strategic issues is the effective implementation of the following strategic policy imperatives ratified during the previous and current financial year:

- The effective implementation of EPWP;
- The effective implementation of SCM;
- Compliance with the Construction Charter;
- Compliance with the Property Charter;
- The effective implementation of the Construction Infrastructure Development Board (CIDB) requirements;
- The effective implementation of Government Garage Management to become the preferred supplier for all Government Departments in the province;
- The effective implementation of the IDIP process;
- Alignment of the Departmental Strategic plan to the ASGI-SA policy imperatives;
- Alignment of the Departmental Strategic plan to GIAMA policy imperatives;
- Alignment of Departmental strategies, goals and objectives to ensure that all targets set in FSGDS is achieved;
- Alignment of Departmental policies and procedures to ensure that the objectives of the Cluster system is achieved;
- To ensure the readiness of the Department to effectively implement the Taxi- Recapitalisation programme;
- The effective implementation of E-Natis;
- Ensuring the readiness of the Department for Accrual Accounting.

The Department has during the year under review aligned its organisational structure to ensure that the Department is appropriately positioned to deliver upon its mandate and policy objectives as described above, significantly ensuring improved Integrated Infrastructure- and Service delivery.

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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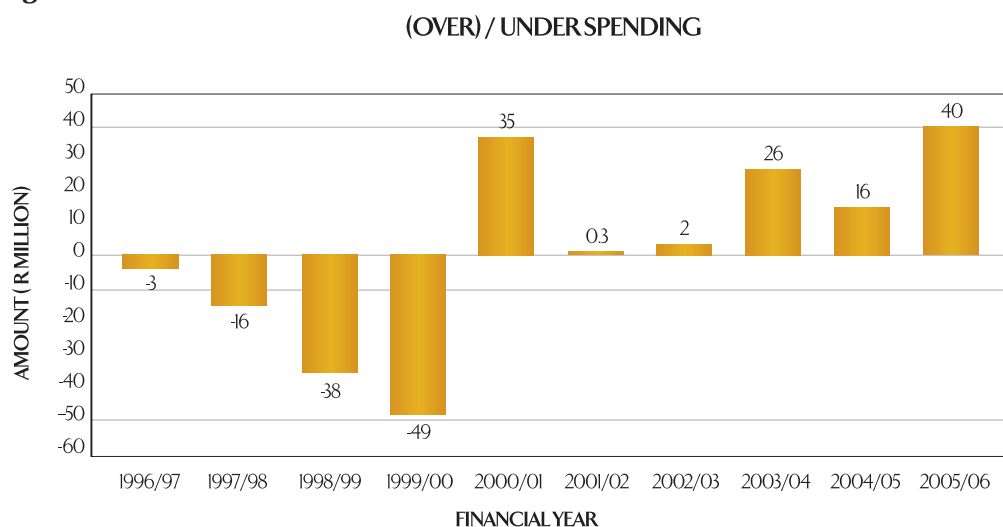
REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006

Comment on significant events that have taken place during the year

Realising that infrastructure is the heartbeat of our economy, the Department by direction of the Economic Cluster held an Infrastructure Summit during November 2005. The aim of the summit was broadly to diagnose the current practices of infrastructure delivery and by doing so to develop strategies to ensure that infrastructure delivery is enhanced through promoting the practice of integrated infrastructure planning. The Honourable State President, Mr. Thabo Mbeki also graced this auspicious occasion and encouraged the province to put the plan into action.

In tandem with the objectives mentioned supra, robust endeavours are made to change the face of Public Transport. To encourage this, the National Department of Transport issued a policy imperative that October should be viewed as public transport month and that all motorists be encouraged to use public transport. The month of October 2005 was celebrated in the province and the Honourable Minister of Transport, Mr. Jeff Radebe, participated in the celebration.

Spending trends



- Reasons for under spending

The original vote for the Department according to the 2005/06 Budget Statement amounted to R840 452 million. During November 2005, a roll-over request for infrastructure projects to the value of R7 236 million was approved by Provincial Treasury, as well as an additional R48 million allocated specifically for the Trompsburg - Jagersfontein Road in the Xhariep District, resulting in the Adjusted appropriation amounting to R 895 688 million. The Department was not in the position to spend the additional allocated R48 million before the financial year-end due to various factors. The detailed designs for the road was not complete and upon scrutiny it was found that the road was planned as a low speed (80km/h) road but studies proved that it would be more viable to change it to a higher speed (110-120km/h) road. In addition to this the Free State Province experienced abnormally high rainfall for during January, February and March 2006 and this further caused delays in infrastructure projects delivery, both building and roads projects.

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
VOTE 9

REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006

The under spending of R 40 219 million however, is made up as follows:

Under-Expenditures on the following programmes:

- Programme 1 - Administration: R 3 041million;
- Programme 2 - Public Works: R 5 953million;
- Programme 3 - Roads Infrastructure: R 43 407 million;
- Programme 6 - Community Based Public Works: R 2 372 million.

Over-Expenditures on the following programmes:

- Programme 4 - Transport Management: R 2 662 million;
- Programme 5 - Traffic Management: R 8 347 million.

Thefts and losses incurred amounted to R 3 545 million which was not budgeted for.

One of the main reasons for the under-spending on the infrastructure spending programmes can be ascribed to the inclement weather experienced during the last 3 months of the financial year. The rainfall of the province for this period equals the rainfall during 1988 and in 1998 as floods were declared. Upon closer scrutiny of the under-spending of Roads Infrastructure an attributing factor is the additional allocation of R48 million received during November 2005 for a specific road, however from the appropriation statement it is evident that the Department overspent on capital funds to the amount of R11 632 million due to emergency work that had to be done on the roads resulting from the excessive rainfall.

On the other two programmes, Administration and Community Based Public Works, the under-spending is mainly be ascribed to the slow filling of vacant positions caused by inept internal processes and the alignment of our structure to the new imperatives of policies.

The over-spending in Transport Management is ascribed to the fact that the formalisation of the Taxi-industry gained significant momentum through the changing of the operator licences to route-based licences. To facilitate this process, the Department had to subsidise some processes and this was not adequately budgeted for. In addition to this the launch of Transport month during October 2005 saw additional expenditure which was not foreseen in the budgeting processes. The Department, through Government Garage also purchased high speed vehicles to ensure effective law enforcement. Traffic Management saw the increase of staff by approximately 159, to enhance law enforcement and with this their equipment such as motor vehicles had to be increased and this caused some over-expenditure. In addition to this the Traffic Administration programme saw the increase of expenditure relating to SITA data lines more than double, and this is mainly due to the preparation for the implementation of e-Natis which is a web-based system and requires enhanced e-communication systems. In addition to this all one-man offices were changed to two-man offices due to the risk to staff and to enhance service delivery.

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006

- **Impact on programmes and service delivery**

The under-spending on the infrastructure programmes has caused a delay in infrastructure delivery, but the Department has already re-prioritised its programmes to ensure that the projects are not excessively delayed and that projects are still delivered within a reasonable time.

The over-spending on Transport and Traffic Management was incurred to ensure that service delivery is enhanced and that law enforcement could be done in an efficient manner.

- **Actions taken or planned to avoid recurrence.**

Enhanced project management, pro-active planning and budgetary controls are some of the ways in which the Department would seek to avoid recurrence. It should however be borne in mind that some factors are beyond the control of the Department.

2. SERVICE RENDERED BY THE DEPARTMENT

2.1 The services rendered by the Department includes the following:

The responsibilities of the Department of Public Works, Roads and Transport include functions ranging from asset management to maintenance of the road and provincial building infrastructure of the province. To accomplish these various functions the department is structured into six directorates, of which four can be seen as separate business entities and two as service departments. Two trading entities, Government Garage and Road Building Equipment also fall under the administration of the department.

The Department provides mainly six types of services:

- a) Transport management,
- b) Road network maintenance and construction,
- c) Public works maintenance and construction,
- d) Traffic Management and Revenue collection,
- e) Property Management; and
- f) Security management.

Safe and efficient transportation fall under Transport, while the provision of safe infrastructure and asset management falls under Roads and Public works respectively. The Department also provides a provisioning of inventory within the Department.

The Chief Directorate Administration provides amongst others financial support and controls to the department as well as the management of our most important asset which is personnel. A Directorate of Finance and Revenue Management

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006

deals with the collection of primarily Road Traffic Act regulated revenue, but it should be noted that this has been reported under Program 5: Traffic Management, under the sub-program Traffic Administration and Licensing, to ensure that the Annual Report is in line with the Budget Statement as published and National Prescripts.

2.2 **Tariff policy**

Money prescribed by law

Departmental tariffs are reviewed annually. The determining factors are:

- a) The Free State tariff structure in comparison with other provinces, especially neighbouring provinces. The rational is to prevent migration of people to provinces with more favourable tariffs.
- b) The inflation rate, as indicated in the Medium Term Expenditure Framework documents.

For the 2005/06 financial year the tariffs charged by the Free State were just below the national average. This is due to the geographical location of the province, which increases the risk of migration. Management is of the opinion our tariff policy is geared to the long-term sustainability of this provincial resource.

On average the tariffs increased by 4,5 % from the 2004/05 year.

Trading accounts

The basic principle of cost recovery is adhered to in the calculation of trading account tariffs.

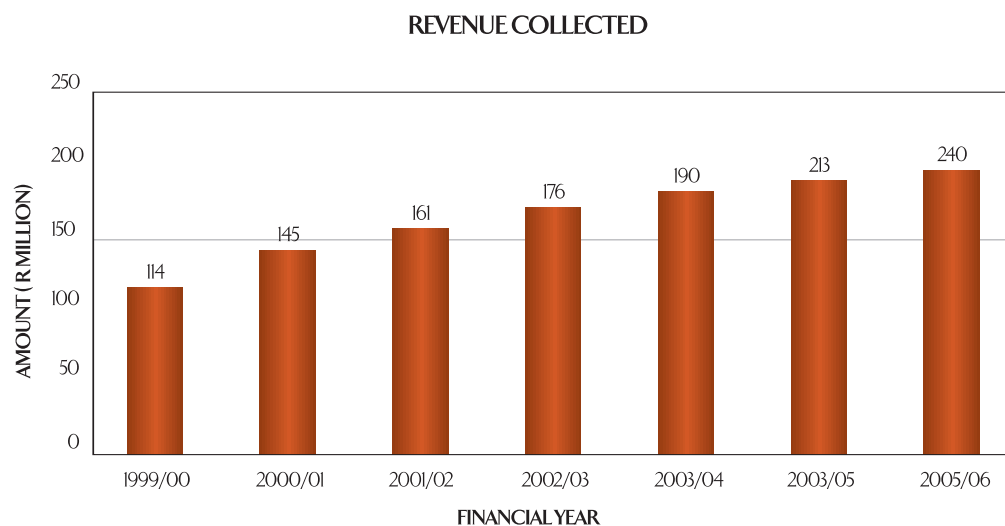
Rental Property

This Department maintains a policy of levying market related tariffs for all leaseholds. These tariffs are determined by qualified property evaluators on an annual basis except where rental escalation is determined by running contractual agreements.

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006

REVENUE COLLECTION TRENDS



2.3 Free Services

No free services, that would have yielded significantly revenue had a tariff been charged, are provided.

2.4 Inventories

No inventories on hand at year-end.

3 CAPACITY CONSTRAINTS

A skills audit conducted by the Department in the prior financial year has identified a serious shortage of technical skills in the Department, specifically, in engineering, financial and information technology. A comprehensive training plan has been compiled to address such shortages. To address this issue in the long term, the bursary selection focused on the skills needs of the Department. The Department has also advertised numerous positions in these fields over the past months and is in the process of filling these identified critical positions.

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4. UTILISATION OF DONOR FUNDS

No donor funds were received for the year under review.

5. TRADING ENTITIES

As per the revised definition by Treasury for Related parties, the information pertaining to Government Garage and Road Building Equipment have not been included in the Annual Financial Statements as it does not qualify as a related party as defined.

6. ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

Transfer Payments have been paid to district councils for RSC Levies, and claims against the state from households i.e. pothole claims etc. as prescribed by the Standard Chart of Accounts adopted during the financial year (see Annexure 1F to the Annual Financial Statements for further details)

7. CORPORATE GOVERNANCE ARRANGEMENTS

The department of Public Works, Roads and Transport adhered to the principles and practices of good corporate governance during the last three financial years. This trend is set to continue, with the department focusing on the fine-tuning of certain corporate governance elements and the introduction of other. Where possible governance principles as prescribed by the KingII report has been implemented, but the Department has for now mainly focussed on elements as prescribed in s 38 & 40 of the Public Finance Management Act.

The following elements of governance will remain the focus for the coming year:

a) Accountability

Annual performance contracts will be entered into with senior management of the department. The details of these contracts are based on the strategic and business plans for the 2006/07-year.

b) Discipline

Disciplinary processes within the department are aligned to both National and Provincial frameworks and are geared towards ensuring service delivery. The department will strive towards consistent and just application of our disciplinary processes during the 2006/07-year.

c) External Reporting

Monthly reporting, focusing primarily on financial issues, will still continue during the new-year. The department will however increase its focus on reliable and accurate projections of expenditure and revenue. This increase vigilance will serve a dual purpose. In the first instance, this will control the risk of incurring unauthorised expenditure in relation to overspending of the

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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Vote. Secondly, wasteful expenditure, in the form of interest penalties due to incorrect cash requisitions, will also be limited.

Quarterly reporting, introduced by the department since the 2000/01-year, is set to continue on the same format for the coming year.

The department is continuously striving to improve its annual report, specifically relating to the qualifications and matter of emphasis reflected in the audit report. The department is convinced that the approach followed of ensuring management's focus on operational success will translate to financial reporting success in the near future.

d) Internal Control

The audit committee and internal audit function was fully functional for the 2005/06- year, and is still in the process of developing a comprehensive risk management database, that will be used to enhance the risk management plan of the Department. It should be noted that due to the complexity of the Department the development of a comprehensive risk management database is a cumbersome process but that will yield results in forthcoming years.

e) Standards of behaviour

Management is expected to exercise leadership by conducting themselves in accordance with high standards of behaviour, as an example and role model for others within the entity.

The code of conduct applicable to the department is entrenched in the public sector code of conduct as envisaged by the Public Service Commission. The department promotes the principles of integrity, objectivity and honesty.

8. DISCONTINUED ACTIVITIES/ACTIVITIES TO BE DISCONTINUED

No activities identified during the year under review.

9. NEW/PROPOSED ACTIVITIES

No new activities identified, the Department will seek to focus on existing activities to ensure that internal processes are streamlined and through this service delivery is enhanced.

10. EVENTS AFTER THE REPORTING DATE

During the prior year the Department received a claim against it to the value of R50 million for an accident that occurred on one of our provincial roads. On 24 June 2005, the Honourable Judge concluded that the Department is accountable and responsible to the claimant for any damages suffered during the accident. The amount claimed from the Department was

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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for the year ended 31 March 2006

decreased from R 50 million to R19 million. The legal team appointed for the case has however lodged a notice of appeal. The appeal is still to be heard and the Department will duly report.

11. PERFORMANCE INFORMATION

The Department of Public works, Roads and Transport has implemented a quarterly evaluation approach as required by the PFMA. Program managers are evaluated in terms of business plans developed from the strategic objectives of the department as defined by the Executive Authority.

In addition to this a Program of Action monitoring model has been implemented by the Office of the Premier and monthly reports are submitted for evaluation. All reporting is aligned to the FSGDS and grouped for the relevant cluster reporting. The Department is also in the process of capacitating a Research and Monitoring unit that will focus on effective reporting and evaluation.

12. PROPAC RESOLUTIONS

Resolution Number	Reference to previous audit report and PROPAC resolutions	Subject	Findings on progress
18/2004	Natis Debtors	Bi-monthly reporting on debt collected for theses debtors	Due to legal processes it was found that the debt collectors would not be able to collect the debt on behalf of the Department. The department is in the process of investigating alternative collection mechanisms
	Firearms and ammunition controls	Control measures to be updated and implemented with regards to firearms and ammunition as issued in the department.	The Department is in the process of aligning its processes to the Firearms Control Act and will implement the procedures upon completion of this process.
21/2005	Audit on Security Systems	Report on gap analysis done i.t.o. security systems. Also to report on nature & extent of payment made and status of court case.	The Department has reported to the Committee on the matters mentioned and is in the process of developing an action plan to ensure that Security is improved in the Provincial Government Buildings.
81/2005	Safeguarding of Assets	Department to submit copy of policy to Treasury.	The Department complied with the request.

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REPORT OF THE ACCOUNTING OFFICER
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	Supporting documentation	Adequacy of supporting documentation for audit purposes was questioned.	Where possible the department has ensured that adequate supporting documents are attached to payments. In the case of recurrent contract payments, contracts are placed on file for inspection by the Auditors when requested.
84/2005	Promotion of s34 of the Prevention and Combating Corrupt Activities Act, 2004	Accounting Officers to report to the Committee on how this legislation is promoted in his/her Department.	The department has reported to the Committee in this regard.
85/2005	Capacity Building	Department to submit qualifications of the Accounting Officer and the Chief Financial Officer	The department complied with the request
86/2005	Unauthorised/ Irregular, ruitless & Wasteful Expenditure	Department to submit a schedule to Provincial Treasury on a monthly basis and ensure that all reasonable steps are taken to avoid these.	The department complied with the request.
87/2005	Policy for granting overseas study assistance	Department to ensure that such assistance is closely monitored.	The Department has developed a tool to ensure that such assistance is closely monitored and overseas travel must receive the explicit approval of the Executing Authority on the recommendation of the Accounting Officer.
89/2005	Late payment of creditors	The department to provide Treasury with steps taken to ensure that payments are done within 30 days.	The Department has developed a monitoring tool and this has been submitted to Provincial Treasury
91/2005	Directives from Executing Authorities which has financial implications	The department to handle all these directives i.t.o. s64 of the PFMA	A circular to this effect has been issue to inform all staff and any such directives will be reported to Treasury as required.

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REPORT OF THE ACCOUNTING OFFICER
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2004/05 Annual Financial Statements	Appropriation Statement	Audit Trail relating to virements and shifting of funds. Clarity on the process and delegations were requested.	The Department responded to the Committee and its response was accepted.
	Revenue	Records retention weaknesses at Registration authorities	The department responded to the Committee and its response was deemed fit.
	Expenditure	Supporting evidence not available for audit purposes	The Department responded to the Committee and its response was deemed fit.
	Conditional grant Expenditure	Projects funded by grants to be specified separately from projects funded and approval to be obtained from Provincial or national treasury. Also top specify control measure s to ensure such approval for the current year.	The Department responded to the Committee and its response was deemed fit.
	Community Based Public Works Programmes	Supporting evidence for capital expenditure and proof of the state of projects to have been submitted.	The Department responded to the Committee and its response was deemed fit.
	Payables	Confirmations of balances not received.	The Department responded to the Committee and its response was deemed fit.
	Housing Loan Guarantees	Significant number of released guarantees and the control measures surrounding processes to confirm existing guarantees.	The Department responded to the Committee and its response was deemed fit.
	Lease Commitments	Accuracy on the amount of lease commitments reported	The Department responded to the Committee and its response was deemed fit
	Receivables for services delivered / Traffic fines	Accuracy and completeness of Traffic Fine debtors and system to manage traffic fines.	The Department responded to the Committee and its response was deemed fit

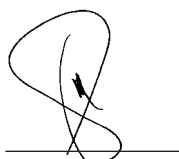
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	Receivables for services delivered / Natis Debtors	Completeness, Accuracy and existence of Natis Debtors not been verified.	The Department responded to the Committee and its response was deemed fit
	Administration of State Property	Property Register incomplete and Lease agreements not available for verification	The Department responded to the Committee and its response was deemed fit
	Assets	Electronic Asset register not modified for constructed assets and general controls surrounding the movement of assets of concern.	The Department responded to the Committee and its response was deemed fit
	Government Transport	Effective management of Government vehicles not being exercised	The Department responded to the Committee and its response was deemed fit
	Irregular Expenditure	Finalisation of long outstanding issues	The Department responded to the Committee and its response was deemed fit

Approval

The Annual Financial Statements set out on pages 69 to 120 have been approved by the Accounting Officer.



Adv. M.S. Msibi
Accounting Officer
31 May 2006



AUDITOR-GENERAL

REPORT

OF THE

AUDITOR-GENERAL

TO THE

FREE STATE LEGISLATURE

ON THE

**FINANCIAL STATEMENTS OF VOTE 9 - DEPARTMENT OF PUBLIC WORKS, ROADS AND
TRANSPORT**

FOR

THE YEAR ENDED 31 MARCH 2006

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REPORT OF THE AUDITOR-GENERAL TO THE FREE STATE LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE 9 - DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT FOR THE YEAR ENDED 31 MARCH 2006

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 69 to 120, for the year ended 31 March 2006, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996, read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA). The fixed asset opening balances have not been audited because of the timing of guidance from the National Treasury of South Africa to the departments relating to the treatment, valuation and disclosure of fixed assets. These financial statements are the responsibility of the accounting officer.

2. SCOPE

The audit was conducted in accordance with the International Standards on Auditing read with General Notice 544 of 2006, issued in Government Gazette no. 28723, dated 10 April 2006 and General Notice 808 of 2006, issued in Government Gazette no. 28954, dated 23 June 2006. Those standards require that the audit be planned and performed to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements
- assessing the accounting principles used and significant estimates made by management
- evaluating the overall financial statement presentation

I believe that the audit provides a reasonable basis for my opinion.

3. BASIS OF ACCOUNTING

The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury of South Africa, as described in accounting policy note 11 to the financial statements.

4. QUALIFICATION

4.1 Shifting of budgeted funds

After promulgation of the provincial Adjustment Appropriation Act, 2005, (Act No. 9 of 2005) the department effected shifting of budgeted funds within the main divisions of its vote to the amount of R7 774 000. A detailed audit trail in respect of these shifts could not be produced by the Basic Accounting System, (BAS) and management also did not retain a manual audit trail in support thereof. Due to the extent of the shifting, the Auditor-General could not recreate such an audit trail and was therefore not able to verify that shifting of budgeted funds had been adequately approved and accurately and completely accounted for.

4.2 Revenue

Due to the fact that adequate documentation could not be obtained in support of revenue collected at certain registration authorities of the department, the occurrence and accuracy of revenue transactions to the amount of R5 686 176 could not be verified.

4.3 Leased property

Due to a lack of acceptable supporting evidence in the form of signed lease agreements with landlords, it was not possible to verify the validity and accuracy of property lease payments to the sum of R7 910 292 and the accuracy of the lease commitments in respect of buildings and other fixed structures to the value of R600 039 404 as disclosed in note 25 to the financial statements.

4.4 Confirmation of receivables

The correct valuation, existence and disclosure of receivable accounts with a total balance of R15 846 845 could not be verified due to a lack of adequate third party confirmation of these balances. Alternative procedures performed also revealed that these accounts had not been settled subsequent to the financial year-end.

4.5 Receivables for departmental revenue

It was not possible to verify the completeness, existence and accurate valuation of the receivables for departmental revenue to the amount of R70 322 000, as disclosed in note 26 to the financial statements, due to the fact that the information systems utilised by the department to administer these receivables could not produce a reliable audit trail in respect of the financial year-end totals. As a result of this scope limitation on the audit of receivables for departmental revenue, the accuracy of the provision of R28 449 000 in respect of the doubtful rental and NATIS debtors could also not be verified.

4.6 Fixed assets

It was not possible to verify the correct valuation, existence and rights to asset acquisitions as disclosed in annexure 3 to the financial statements due to the following:

- (a) Fixed assets could not be reconciled to the asset registers of the department, as clear identification markings were not indicated on these assets.
- (b) In terms of the applicable accounting practice, the value of additions to buildings and other fixed structures should only represent the total cost of completed infrastructure projects. To the contrary, additions to land and buildings as disclosed in the financial statements include all capital infrastructure expenditure incurred by the department during the year under review.
- (c) The department, as appointed custodian for provincial property, should also account for the value of capital improvements made to provincial property by other provincial departments. No processes were, however, in place to enable the department to identify capital improvements made by other departments and it has therefore not been accounted for as additions to assets.
- (d) Asset additions in kind to the amount of R46 386 000 as disclosed in the financial statements, relate to assets acquired by the department that was not captured in its asset registers by means of the automated processes of the prescribed electronic asset register (LOGIS). The department identified these assets and included it in the registers by processing it as additions in kind at an estimated value. It was not possible to confirm the reasonableness of these valuations due to a lack of supporting evidence relating to the basis used for the estimation.

5. QUALIFIED AUDIT OPINION

In my opinion, except for the effect on the financial statements of the matters referred to in paragraph 4, the financial statements present fairly, in all material respects, the financial position of the Department of Public Works, Roads and Transport at 31 March 2006 and the results of its operations and its cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury of South Africa and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA).

6. EMPHASIS OF MATTER

Without further qualifying the audit opinion, attention is drawn to the following matters:

6.1 Non-compliance with laws and regulations

6.11 Supporting documentation

The unavailability of supporting evidence and reliable audit trails as reported on in paragraph 4 of this report placed a scope limitation on our audit and resulted in the contravention of the following legislation:

- a) Section 40(l) of the PFMA which states: "The accounting officer for a department, trading entity or constitutional institution must keep full and proper records of the financial affairs of the department, trading entity or constitutional institution in accordance with any prescribed norms and standards"
- b) Section 41 of the PFMA which states: "An accounting officer for a department, trading entity or constitutional institution must submit to the relevant treasury or the Auditor-General, such information, returns, documents, explanations and motivations as may be prescribed or as the relevant treasury or the Auditor-General may require"
- c) Regulation 17.11 of the Treasury Regulations, 2005, which states: "All the transactions of an institution must be supported by authentic and verifiable source documents, clearly indicating the approved accounting allocation"

6.12 Income Tax Act, 1962 (Act No. 58 of 1962) as amended

Four officials were identified on a sample basis, that have been employed by the department and received a benefit of cheap residential accommodation for which no fringe benefit was declared in terms of section 2(d) of the Seventh Schedule attached to the Income Tax Act, 1962. This resulted in the incorrect SITE and PAYE being deducted from the salaries of these officials.

6.13 Treasury Regulations, 2005

- (a) Contrary to Treasury Regulation 3.2.1, no proof could be provided that the department had developed and implemented a fraud prevention plan.
- (b) Nine instances were identified on a sample basis where daily takings of the department were not banked by the following business day, as required by Treasury Regulation 15.5.1
- (c) It was identified on a sample basis that discretionary deductions made from the salary of two officials exceeded the maximum limit of 40 percent of these officials' basic salary, as stipulated in Treasury Regulation 23.3.6.

6.2 Financial management

6.2.1 Updating of accounting records

During the compilation of the financial statements various adjustments were made that was not captured on BAS. As a result the department's BAS trial balance does not agree to the amounts as disclosed in the financial statements.

6.2.2 Procurement

The following issues were identified relating to procurement and the awarding of bids by the department in respect of own as well as client departments' contracts. The Auditor-General could not verify that irregular expenditure had not been incurred by either the department or client departments as a result of the weaknesses identified in the following paragraphs (a) and (b):

(a) Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) (PPPFA)

- (i) Section 2(l)(f) of the PPPFA prescribes that contracts must be awarded to the tenderer who scores the highest points unless objective criteria in addition to those contemplated in paragraphs (d) and (e) of the act justifies the award to another tenderer.

In respect of one contract that was not awarded to the bidder that scored the highest points in terms of the PPPFA, and which has resulted in expenditure of R2 971 309 for the current financial year, the department did not provide adequate proof that the criteria used to award the contract was in addition to the criteria which was already considered in terms of paragraph (d) and (e) of the PPPFA.

- (ii) Contrary to the PPPFA, two instances involving contracts to the value of R29 446 017 was awarded to bidders whose contracted price exceeded the value of the bid category as advertised. In terms of the PPPFA bids are not acceptable when they do not in all respects comply with the specifications and conditions of the bid as set out in the tender documentation.

(b) Preferential Procurement Regulations, 2001 (PPR) and Treasury Regulations

- (i) Contrary to section 12(2) of the PPR, in respect of three contracts to the value of R43 635 989, it was identified that preference points have been given to the contractors awarded the bid even though the declaration under oath which forms part of the tender documentation was not signed.
- (ii) Contrary to Treasury Regulation 16A9.1(d), it was identified that a contract to the value of R19 424 511 has been awarded with no proof by the department that a tax clearance certificate had been obtained by the contractor to whom the bid was awarded.

(c) National Treasury circulars (NTC)

- (i) Contrary to National Treasury's recommendations in NTC 3/4/3/2/10, dated 10/05/2005, the department evaluated the acceptability of certain bids based on deviation of the bid price from a predetermined estimate.
- (ii) Contrary to the instructions of National Treasury in NTC 3/4/3/2/10, dated 27/10/2004, in eight instances where the accounting officer deviated from the recommendations of the bid committee in awarding of a bid, the reasons for such deviation had not been communicated to the Auditor-General.

(d) Departmental Supply Chain Management (SCM) policy

- (i) The departmental SCM policy stipulates in par 2.2.8.2 that the accounting officer may, should it be impractical to invite competitive bids for specific procurement, for example in urgent and emergency cases, procure the required goods or services by other means, such as price quotations or negotiations on fixed price lists.

On a sample basis, the following were identified relating to the utilisation of the urgent and emergency prescript of the departmental SCM:

- In respect of one transaction involving expenditure of R162 745, the department was not able to substantiate its claim that the expense was an emergency according to the SCM definition.
- In respect of 21 transactions involving expenditure of R2 438 494, the department did not provide evidence that sufficient other means had been utilised to procure the goods as no comparative quotations had been obtained before authorisation of the expense.

- (ii) It was identified on a sample basis that, contrary to the prescripts of paragraph 2.2.8.1 of the departmental SCM policy, at least three quotations had not been obtained in four instances involving expenditure to the sum of R159 720.

(e) Subsistence and travelling

On a sample basis, 16 subsistence and travelling transactions were identified involving payments to the amount of R70 565 for which no pre-approval for the incurrence of the expense could be provided.

6.2.3 Asset management and reporting

Due to the non-compliance with departmental and national prescripts relating to the management and reporting of assets, the following weaknesses were identified with regard to asset management in the department:

- (a) Regional asset registers of the department were not complete and updated.
- (b) The department has not entered into lease agreements with officials who occupy state-owned residential property where nominal rentals are levied in terms of section xvi of annexure B attached to Public Service Co-ordinating Bargaining Council (PSCBC) resolution 3 of 1999.
- (c) No proof could be obtained that the department had reconciled its property register to a list of tenants to ensure that office space is optimally used and that lease agreements are entered into with tenants to avoid illegal occupation of government property.
- (d) Based on a deed search performed it was identified that the property register of the department is not a complete record of all property registered in the name of the Free State Provincial Government.
- (e) The department did not submit the records for travelling undertaken in seven of the government vehicles allocated to the department, that were audited on a sample basis. As a result, it was not possible to verify that travelling with these vehicles had been effectively monitored and controlled.
- (f) The Auditor-General was not able to physically verify five government vehicles allocated to the department selected on a sample basis. As a result it was not possible to verify the existence or condition of these vehicles.

6.2.4 Segregation of duties

Due to staff constraints at regional level, the department was not able to effectively segregate certain incompatible functions relating to revenue and cash management at registration authorities. Staff constraints on a supervisory level also resulted in supervisory controls at certain of the registration authorities of the department not occurring as frequently as necessary in order to alleviate the risks associated with the inadequate segregation of duties.

6.2.5 Internal audit

- (a) Contrary to Regulation 3.2.7 of the Treasury Regulations, 2005, no proof could be obtained that the internal audit division had compiled an annual internal audit plan approved by the audit committee and that the internal audit division reported to the audit committee in terms of the annual plan on a quarterly basis. It could also not be verified that in the absence of the annual plan, the activities of the internal audit unit addressed the needs and risks of the department in the most effective manner.

- (b) The internal audit division of the department did not have a written and approved audit approach and methodology to ensure that quality standards are set and consistently maintained in respect of all internal audit work performed by the division.

6.2.6 Confidentiality of learner drivers' tests

It came to the attention of the Auditor-General that the learner drivers' tests and answer sheets are being sold to students that attend certain driving schools. Although the case that was identified was not of tests that were sold in this province, these tests are generic and are also implemented in other provinces. The integrity of the tests have been compromised and will result in learners' licenses being awarded to members of the public that do not have sufficient knowledge of the traffic laws and regulations of the country, which places the safety of other road users in jeopardy.

6.3 Non-compliance with the applicable accounting practice

Contrary to the prescripts of the applicable accounting practice, the department has not restated its comparative leave provision to distinguish between the categories for normal and capped leave and its comparative figures for lease commitments in the newly defined annual categories.

6.4 Performance information

The information related to the auditee's performance against predetermined objectives is subject to audit by the Auditor-General in terms of section 20(2)(c) of the PAA. Complete performance information to be included in the annual report of the department could not be provided to the Auditor-General at the time of the audit and we were therefore unable to consider this information.

6.5 Human resource management

The departmental human resource plan did not contain specific details on how the department plans address human resource issues and also did not include an environmental, work place or gap analysis. The departmental plan was based on the generic template for all government departments but all the information required by the template was not recorded therein. Therefore it is not certain that the plan will be an effective tool to address the department's human resources needs.

7 SUBMISSION OF THE FINANCIAL STATEMENTS

Although the accounting officer submitted the financial statements of the department to the Auditor-General before the target date of 31 May 2006 as required in terms of section 40(l)(c) of the PFMA, a significant number of supporting evidence was presented to the Auditor-General on 15 July 2006. This information had to be considered for audit purposes and resulted in a delay of the finalisation of the audit report.

8. APPRECIATION

The assistance rendered by the staff of the Department of Public Works, Roads and Transport during the audit is sincerely appreciated.

B J K van Niekerk

B J K van Niekerk for Auditor-General
Bloemfontein
22 August 2006



DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
VOTE 9

ACCOUNTING POLICIES
for the year ended 31 March 2006

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2005.

1. PRESENTATION OF THE FINANCIAL STATEMENTS

11 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid or when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

12 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

13 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

14 Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

A comparison between actual and budgeted amounts per major classification of expenditure is included in the appropriation statement.

2. REVENUE

2.1 Appropriated funds

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the appropriated funds made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
VOTE 9

ACCOUNTING POLICIES
for the year ended 31 March 2006

Total appropriated funds are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund, unless approval has been given by the Provincial Treasury to rollover the funds to the subsequent financial year. These rollover funds form part of retained funds in the annual financial statements. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is paid into the Provincial Revenue Fund when received, unless otherwise stated. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2.1 Tax revenue

Tax revenue consists of all compulsory unrequited amounts collected by the department in accordance with laws and or regulations (excluding fines, penalties & forfeits).

Tax receipts are recognised in the statement of financial performance when received.

2.2.2 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the statement of financial performance when the cash is received.

2.2.3 Fines, penalties & forfeits

Fines, penalties & forfeits are compulsory unrequited amounts which were imposed by a court or quasi-judicial body and collected by the department. Revenue arising from fines, penalties and forfeits is recognised in the statement of financial performance when the cash is received.

2.2.4 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the statement of financial performance when the cash is received.

2.2.5 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the statement of financial performance when the cash is received.

2.2.6 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds. Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
VOTE 9

ACCOUNTING POLICIES
for the year ended 31 March 2006

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the statement of financial performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

2.2.7 Gifts, donations and sponsorships (transfers received)

All cash gifts, donations and sponsorships are paid into the Provincial Revenue Fund and recorded as revenue in the statement of financial performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in the annexures to the financial statements.

2.3 Local and foreign aid assistance

Local and foreign aid assistance is recognised in the financial records when notification of the donation is received from the National Treasury or when the department directly receives the cash from the donor(s). The total cash amounts received during the year is reflected in the statement of financial performance as revenue.

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the annual financial statements

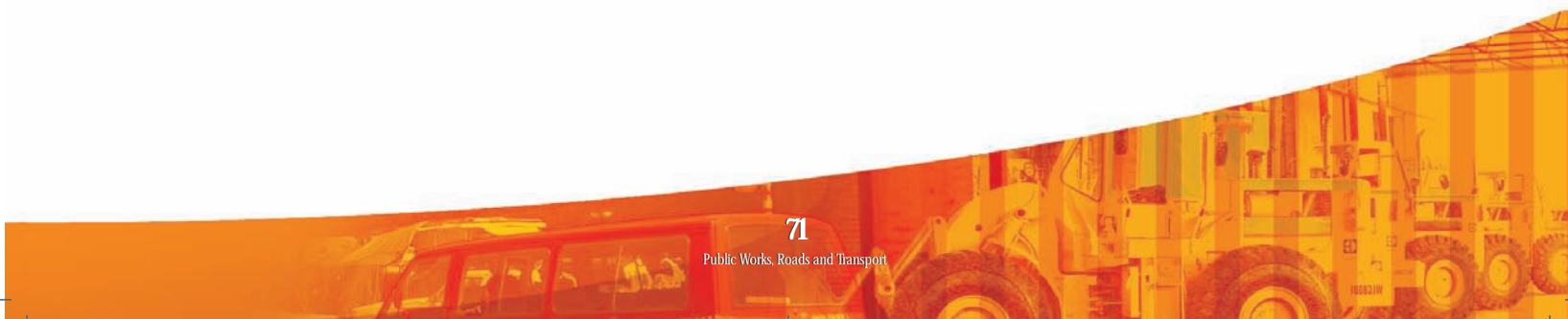
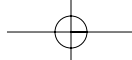
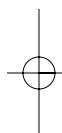
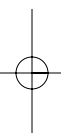
The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the statement of financial performance. A receivable is recognised in the statement of financial position to the value of the amounts expensed prior to the receipt of the funds.

A payable is raised in the statement of financial position where amounts have been inappropriately expensed using local and foreign aid assistance. Unutilised amounts are recognised in the statement of financial position.

3. EXPENDITURE

3.1 Compensation of employees

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). Capitalised compensation forms part of the expenditure for capital assets in the statement of financial performance. All other payments are classified as current expense.



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Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system.

3.11 Short term employee benefits

Short term employee benefits comprise of leave entitlements (capped leave), thirteenth cheques and performance bonuses. The cost of short-term employee benefits is expensed as salaries and wages in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the notes to the financial statements. These amounts are not recognised in the statement of financial performance.

3.12 Long-term employee benefits

3.12.1 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.12.2 Post employment retirement benefits

The department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the Provincial Revenue Fund and not in the financial statements of the employer department.

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used on a capital project.

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3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures.

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5 Unauthorised expenditure

When discovered unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is recognised in the statement of financial performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the statement of financial performance on the date of approval.

3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.7 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

3.8 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

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ACCOUNTING POLICIES
for the year ended 31 March 2006

3.9 Expenditure for capital assets

Payments made for capital assets are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year)..

4. ASSETS

4.1 Asset Registers

Assets are recorded in the in an asset register, at cost, on receipt of the item. Cost of an asset is defined as the total cost of acquisition. Assets produced in previous financial periods, may be stated at fair value, where determinable or R1, in instances where the original cost of acquisition or fair value cannot be established. No revaluation or impairment of asset is currently recognised in the asset register. Projects (of construction/development) running over more than one financial year relating to assets, are only brought into the asset register on completion of the project and at the total cost incurred over the duration of the project.

Annexure 4 and 5 of the disclosure notes, reflect the total movement in the asset register of assets with a cost equal to and exceeding R5000 (therefore capital asset only) for the current financial year. The movement is reflected at the cost as recorded in the asset register and not the carrying value, as depreciation is not recognised in the financial statements under the modified cash basis of accounting. The opening balance reflected on Annexure 4 and 5 will include items produced in prior accounting periods and the closing balance will represent the total cost of the register for capital assets on hand.

4.2 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

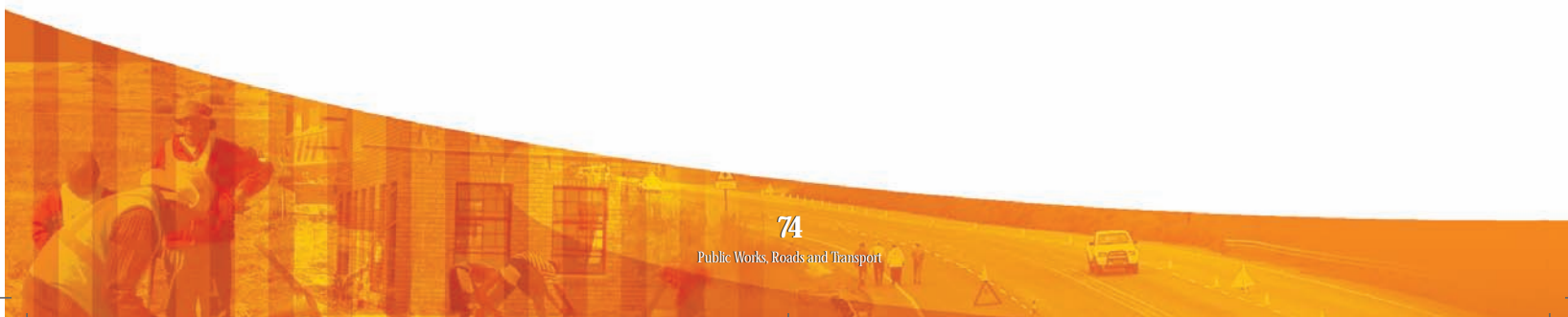
4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made.

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party.

Revenue receivable not yet collected is included in the disclosure notes. Amounts that are potentially irrecoverable are included in the disclosure notes.



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ACCOUNTING POLICIES
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4.5 Investments

Capitalised investments are shown at cost in the statement of financial position. Any cash flows such as dividends received or proceeds from the sale of the investment are recognised in the statement of financial performance.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.6 Loans

Loans are recognised in the statement of financial position at the nominal amount. Amounts that are potentially irrecoverable are included in the disclosure notes.

5. DEBTORS

Debts are written off when identified as irrecoverable. No provision is made for irrecoverable amounts.

6. LIABILITIES

6.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are recognised at historical cost in the statement of financial position.

6.2 Lease commitments

Lease commitments represent amounts owing from the reporting date to the end of the lease contract. These commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

Operating and finance lease commitments are expensed when the payments are made. Assets acquired in terms of finance lease agreements are disclosed in the annexures to the financial statements.

6.3 Accruals

Accruals represent goods/services that have been received, but where no invoice has been received from the supplier at the reporting date, or where an invoice has been received but final authorisation for payment has not been effected on the system.

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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ACCOUNTING POLICIES
for the year ended 31 March 2006

6.4 Contingent liabilities

A contingent liability is a possible obligation 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 department; or

A contingent liability is 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.

Contingent liabilities are included in the disclosure notes.

6.5 Commitments

Commitments represent goods/services that have been approved and/or contracted, but where no delivery has taken place at the reporting date.

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

7. NET ASSETS

7.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are transferred to the Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

7.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made and recognised in a previous financial year becomes recoverable from a debtor.

8. RELATED PARTY TRANSACTIONS

Related parties are departments that control or significantly influence the department in making financial and operating decisions. Specific information with regards to related party transactions is included in the disclosure notes.



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ACCOUNTING POLICIES
for the year ended 31 March 2006

9. KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department.

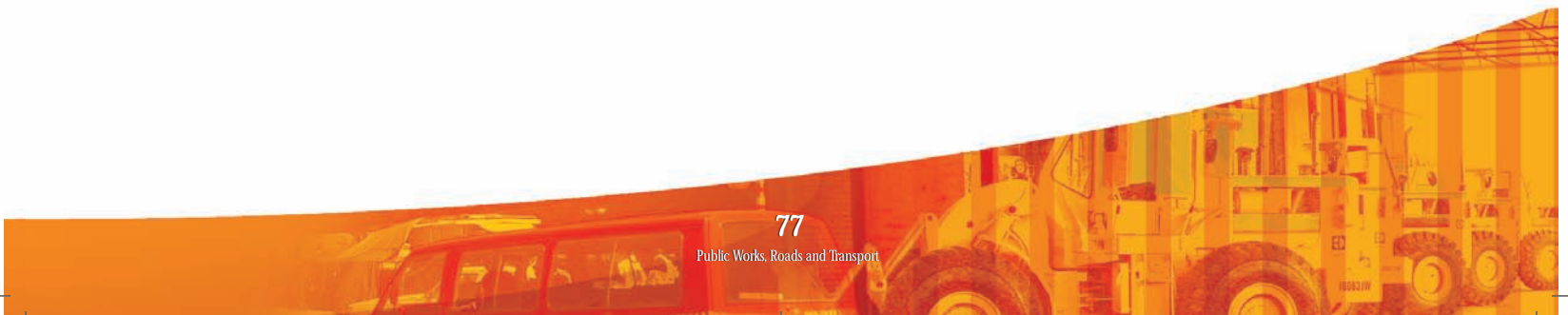
Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

10. PUBLIC PRIVATE PARTNERSHIPS

A public private partnership (PPP) is a commercial transaction between the department and a private party in terms of which the private party:

- Performs an institutional function on behalf of the institution; and/or
- acquires the use of state property for its own commercial purposes; and
- assumes substantial financial, technical and operational risks in connection with the performance of the institutional function and/or use of state property; and
- receives a benefit for performing the institutional function or from utilizing the state property, either by way of:
 - consideration to be paid by the department which derives from a Revenue Fund;
 - charges fees to be collected by the private party from users or customers of a service provided to them; or
 - a combination of such consideration and such charges or fees.

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.



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APPROPRIATION STATEMENT
for the year ended 31 March 2006

Appropriation per programme									
		2005/06						2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	126,765	(440)	(465)	125,860	125,377	483	99.6%	118,867	111,077
Transfers and subsidies	374	1	-	375	165	210	44.0%	395	360
Payment for capital assets	2,955	439	-	3,394	1,046	2,348	30.8%	3,462	3,032
2. Public Works									
Current payment	208,985	(1,288)	(17,275)	190,422	189,937	485	99.7%	168,847	170,381
Transfers and subsidies	348	21	-	369	1,481	(1,112)	401.4%	55	1,284
Payment for capital assets	47,953	1,267	-	49,220	42,640	6,580	86.6%	47,681	42,656
3. Road Infrastructure									
Current payment	193,169	5,791	17,275	216,235	156,147	60,088	72.2%	207,280	202,544
Transfers and subsidies	2,635	-	-	2,635	1,684	951	63.9%	1,669	2,373
Payment for capital assets	163,275	(5,791)	-	157,484	175,116	(17,632)	111.2%	114,762	116,655
4. Public Transport									
Current payment	16,839	(55)	1,354	18,138	20,815	(2,677)	114.8%	17,429	12,741
Transfers and subsidies	18	-	-	18	26	(8)	144.4%	22	17
Payment for capital assets	78	55	-	133	110	23	82.7%	775	309
5. Traffic Management									
Current payment	119,943	(40)	-	119,903	128,052	(8,149)	106.8%	114,013	110,569
Transfers and subsidies	933	-	-	933	1,173	(240)	125.7%	320	893
Payment for capital assets	300	40	-	340	298	42	87.6%	231	3,102
6. Community Based Public Works Programme									
Current payment	10,968	(160)	(889)	9,919	3,311	6,608	33.4%	13,168	8,448
Transfers and subsidies	10	-	-	10	9	1	90.0%	7	6
Payment for capital assets	140	160	-	300	4,537	(4,237)	1512.3%	-	3,417
7.. Thefts and Losses									
Current payment	-	-	-	-	3,545	(3,545)	0.0%	-	2,700
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
Payment for capital assets	-	-	-	-	-	-	0.0%	-	-
Subtotal	895,688	-	-	895,688	855,469	40,219	95.5%	808,983	792,564
Statutory Appropriation									
Current payment									
Transfers and subsidies									
Payment for capital assets									
TOTAL	895,688	-	-	895,688	855,469	40,219	95.5%	808,983	792,564
Reconciliation with Statement of Financial Performance									
Add:									
Prior year unauthorised expenditure approved with funding				33,373				-	
Departmental receipts								12,605	
Local and foreign aid assistance received								1,560	
Actual amounts per Statements of Financial Performance (Total revenue)				929,061				823,148	
Add:									
Local and foreign aid assistance					33,373				1,560
Prior year unauthorised expenditure approved									
Prior year fruitless and wasteful expenditure authorised									
Actual amounts per Statements of Financial Performance (Total expenditure)					888,842				794,124

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APPROPRIATION STATEMENT
for the year ended 31 March 2006

Appropriation per Economic classification									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	372,527	(15,807)	(7,044)	349,676	347,191	2,485	99.3%	340,494	331,005
Goods and services	304,142	19,615	7,044	330,801	235,453	95,348	71.2%	260,038	244,640
Interest and rent on land	-	-	-	-	40,994	(40,994)	0.0%	39,072	37,538
Financial transactions in assets and liabilities	-	-	-	-	3,546	(3,546)	0.0%	-	5,277
Transfers & subsidies									
Provinces & municipalities	1,070	(3)	-	1,067	1,096	(29)	102.7%	547	1,096
Public corporations & private enterprises	-	-	-	-	-	-	0.0%	11	4
Non-profit institutions	5	-	-	5	-	5	0.0%	-	-
Households	3,243	25	-	3,268	3,442	(174)	105.3%	1,910	3,833
Payment for capital assets									
Buildings & other fixed structures	208,199	(4,600)	-	203,599	216,838	(13,239)	106.5%	140,585	150,606
Machinery & equipment	6,167	770	-	6,937	6,793	144	97.9%	25,902	18,335
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-
Software & other intangible assets	135	-	-	135	-	135	0.0%	402	222
Land & subsoil assets	200	-	-	200	116	84	58.0%	22	8
Total	895,688	-	-	895,688	855,469	40,219	95.5%	808,983	792,564

Statutory Appropriation									
Details of direct charges against the National/Provincial Revenue Fund	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
List all direct charges against the National/Provincial Revenue Fund									
President and Deputy President salaries									
Member of executive committee / parliamentary officers/legislature									
Judges and magistrates salaries									
Sector education and training authorities (SETA)									
National Skills Fund									
Total									

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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APPROPRIATION STATEMENT
for the year ended 31 March 2006

	Programme per subprogramme	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1	Office of the Mec									
	Current payment	4,465	-	-	4,465	3,761	704	84.2%	3,817	3,771
	Transfers and subsidies	10	-	-	10	8	2	80.0%	8	8
	Payment for capital assets	8	-	-	8	6	2	75.0%	-	
1.2	Management									
	Current payment	3,181	-	-	3,181	4,485	(1,304)	141.0%	1,627	1,372
	Transfers and subsidies	9			9	6	3	66.7%	4	4
	Payment for capital assets	41			41	6	35	14.6%	49	31
1.3	Corporate Support									
	Current payment	110,265	(400)	(465)	109,400	111,391	(1,991)	101.8%	86,872	82,864
	Transfers and subsidies	336	1	-	337	141	196	41.8%	375	274
	Payment for capital assets	2,577	429	-	3,006	1,006	2,000	33.5%	278	174
1.4	Programme Support									
	Current payment	8,854	(40)	-	8,814	5,740	3,074	65.1%	26,551	23,070
	Transfers and subsidies	19	-	-	19	10	9	52.6%	8	74
	Payment for capital assets	329	10	-	339	28	311	8.3%	3,135	2,827
	Total	130,094	-	(465)	129,629	126,588	3,041	97.7%	122,724	114,469

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Current payments									
	Compensation of employees	44,086	(3,601)	(465)	40,020	36,787	3,233	91.9%	39,973	34,642
	Goods and services	82,679	3,161	-	85,840	88,590	(2,750)	103.2%	78,894	76,435
	Transfers & subsidies									
	Provinces & municipalities	149		-	149	117	32	78.5%	129	166
	Public corporations & private enterprises				-		-	0.0%	6	4
	Non-profit institutions	5			5		5	0.0%		
	Households	220	2	-	222	48	174	21.6%	260	190
	Payments for capital assets									
	Buildings & other fixed structures	-	-	-	-		-	0.0%	-	42
	Machinery & equipment	2,820	438	-	3,258	1,046	2,212	32.1%	3,072	2,777
	Software & other intangible assets	135		-	135	-	135	0.0%	390	213
	Total	130,094	-	(465)	129,629	126,588	3,041	97.7%	122,724	114,469

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APPROPRIATION STATEMENT
for the year ended 31 March 2006

Detail per programme 2 - Public Works for the year ended 31 March 2006										
	Programme per subprogramme	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1	Programme Support									
	Current payment	2,940	(503)	-	2,437	1,234	1,203	50.6%	1,111	541
	Transfers and subsidies	3			3	45	(42)	1500.0%		-
2.2	Works Infrastructure									
	Current payment			-	-	12	(12)	0.0%	98,487	84,314
	Transfers and subsidies			-	-	-	-	0.0%	55	771
	Payment for capital assets		-	-	-		-	0.0%	500	1,559
2.3	Other Infrastructure									
	Current payment	98,547	(463)	(7,925)	90,159	96,655	(6,496)	107.2%	250	1,267
	Transfers and subsidies	233	21		254	856	(602)	337.0%		
	Payment for capital assets	47,877	970	-	48,847	41,920	6,927	85.8%	33,680	29,758
2.4	Property Management									
	Current payment	56,688	(286)	-8,000	48,402	45,304	3,098	93.6%	42,379	40,161
	Transfers and subsidies	11	-	-	11	10	1	90.9%	-	6
	Payment for capital assets	13	261		274	60	14	94.9%		
2.5	Security Management									
	Current payment	50,810	(36)	-1,350	49,424	46,732	2,692	94.6%	26,620	44,098
	Transfers and subsidies	101	-	-	101	570	(469)	564.4%	-	507
	Payment for capital assets	63	36	-	99	460	(361)	464.6%	13,501	11,339
	Total	257,286	-	(17,275)	240,011	234,058	5,953	97.5%	216,583	214,321

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Current									
	Compensation of employees	129,456	(3,625)	(7,000)	118,831	118,816	15	100.0%	113,614	116,921
	Goods and services	79,529	2,337	(10,275)	71,591	30,126	41,465	42.1%	16,161	15,922
	Interest and rent on land	-	-	-	-	40,994	(40,994)	0.0%	39,072	37,538
	Financial transactions in assets and liabilities				-	1	(1)	0.0%		
	Transfers & subsidies									
	Provinces & municipalities	296			296	375	(79)	126.7%	-	348
	Households	52	20	-	72	1,106	(1,034)	1536.1%	55	936
	Capital									
	Buildings & other fixed structures	47,013	1,350	-	48,363	41,373	6,990	85.5%	33,600	37,869
	Machinery & equipment	940	(82)		858	1,267	(409)	147.7%	14,081	4,787
	Total	257,286	-	(17,275)	240,011	234,058	5,953	97.5%	216,583	214,321

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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APPROPRIATION STATEMENT
for the year ended 31 March 2006

Detail per programme 3 - Road Infrastructure										
for the year ended 31 March 2006										
	Programme per subprogramme	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
3.1	Programme Support									
	Current payment	1,768	(8)	-	1,760	1,218	542	69.2%	1,162	1,001
	Transfers and subsidies	3		-	3	2	1	66.7%	1	2
	Payment for capital assets	65	8	-	73	72	1	98.6%	155	47
3.2	Planning									
	Current payment	2,131	(30)	-	2,101	1,760	341	83.8%	2,673	2,543
	Transfers and subsidies	10		-	10	4	6	40.0%	10	7
	Payment for capital assets	160	60	-	220	101	119	45.9%	15	8
3.3	Design									
	Current payment	14,140	(5,365)	-	8,775	3,991	4,784	45.5%	10,662	10,216
	Transfers and subsidies	13	-		13	11	2	84.6%	10	58
	Payment for capital assets	160	7,335	-	7,495	13,935	(6,440)	185.9%	7	
3.4	Construction									
	Current payment	-	10,300	-	10,300	1,138	9,162	11.0%	2,500	-
	Transfers and subsidies				-	-	-	0.0%		
	Payment for capital assets	161,139	(13,300)	-	147,839	119,018	28,821	80.5%	106,450	109,288
3.5	Maintenance									
	Current payment	175,130	894	17,275	193,299	148,040	45,259	76.6%	190,283	186,207
	Transfers and subsidies	2,609		-	2,609	1,667	942	63.9%	1,648	2,306
	Payment for capital assets	1,751	106	-	1,857	41,990	(40,133)	2261.2%	8,135	7,312
3.6	Road Building Equipment									
	Current payment	-	-	-	-	-	-	0.0%	-	2,577
	Total	359,079	-	17,275	376,354	332,947	43,407	88.5%	323,711	321,572

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Current									
	Compensation of employees	102,594	(7,260)	-	95,334	95,017	317	99.7%	92,090	94,206
	Goods and services	90,575	13,051	17,275	120,901	61,130	59,771	50.6%	115,190	105,761
	Financial transactions in assets and liabilities				-		-	0.0%		2,577
	Transfers & subsidies									
	Provinces & municipalities	306	24	-	330	294	36	89.1%	240	324
	Households	2,329	(24)	-	2,305	1,390	915	60.3%	1,429	2,049
	Capital									
	Buildings & other fixed structures	161,139	(5,950)		155,189	170,938	(15,749)	110.1%	106,985	109,278
	Machinery & equipment	1,936	159		2,095	4,062	(1,967)	193.9%	7,755	7,369
	Land & subsoil assets	200	-	-	200	116	84	58.0%	22	8
	Total	359,079	-	17,275	376,354	332,947	43,407	88.5%	323,711	321,572

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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APPROPRIATION STATEMENT
for the year ended 31 March 2006

Detail per programme 4 - Public Transport for the year ended 31 March 2006										
	Programme per subprogramme	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1	Programme Support									
	Current payment	6,950	285	770	8,005	8,541	(536)	106.7%	6,377	4,075
	Transfers and subsidies	14			14	19	(5)	135.7%	7	12
	Payment for capital assets	28	55		83	82	1	98.8%	600	181
4.2	Infrastructure									
	Current payment				-	-	-	0.0%	6,057	4,883
4.3	Empowerment Institutional Management									
	Current payment	4,689		540	5,229	6,526	(1,297)	124.8%	4,995	3,783
	Transfers and subsidies	4			4	7	(3)	175.0%	15	5
	Payment for capital assets	50			50	28	22	56.0%	175	128
4.4	Regulation and Control									
	Current payment	5,200	(340)	44	4,904	5,748	(844)	117.2%		-
	Total	16,935	-	1,354	18,289	20,951	(2,662)	114.6%	18,226	13,067

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Current									
	Compensation of employees	6,075	-	1,310	7,385	7,417	(32)	100.4%	6,120	4,079
	Goods and services	10,764	(55)	44	10,753	13,398	(2,645)	124.6%	11,309	8,662
	Transfers & subsidies									
	Provinces & municipalities	18			18	26	(8)	144.4%	10	13
	Public corporations & private enterprises				-	-	-	0.0%	5	-
	Households				-	-	-	0.0%	7	4
	Capital									
	Machinery & equipment	78	55		133	110	23	82.7%	763	300
	Software & other intangible Assets	-			-	-	-	0.0%	12	9
	Total	16,935	-	1,354	18,289	20,951	(2,662)	114.6%	18,226	13,067

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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APPROPRIATION STATEMENT
for the year ended 31 March 2006

Detail per programme 5 - Traffic Management for the year ended 31 March 2006										
	Programme per subprogramme	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1	Programme Support									
	Current payment	3,742	(894)		2,848	2,817	31	98.9%	64,335	62,941
	Transfers and subsidies	4			4	4	-	100.0%	218	756
	Payment for capital assets		30		30	-	30	0.0%	40	5
5.2	Safety Engineering									
	Current payment	-			-	-	-	0.0%	696	288
	Payment for capital assets				-	-	-	0.0%	30	-
5.3	Traffic Law Enforcement									
	Current payment	72,053	1,371		73,424	76,338	(2,914)	104.0%	6,796	4,334
	Transfers and subsidies	792			792	942	(150)	118.9%		8
	Payment for capital assets	266	10		276	268	8	97.1%		3,000
5.4	Road Safety Education									
	Current payment	5,005	-517		4,488	4,911	(423)	109.4%	1,036	564
	Transfers and subsidies	13			13	12	1	92.3%	95	
	Payment for capital assets				-	-	-	0.0%		12
5.5	Transport Administration and Licensing									
	Current payment	39,143			39,143	43,986	(4,843)	112.4%	41,150	42,442
	Transfers and subsidies	124			124	215	(91)	173.4%	7	129
	Payment for capital assets	34			34	30	4	88.2%	161	85
	Total	121,176	-	-	121,176	129,523	(8,347)	106.9%	114,564	114,564

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Current									
	Compensation of employees	86,545	-1,101		85,444	86,614	(1,170)	101.4%	82,458	79,441
	Goods and services	33,398	1,061		34,459	41,438	(6,979)	120.3%	31,555	31,128
	Interest and rent on land				-		-	0.0%		
	Financial transactions in assets and liabilities				-		-	0.0%		
	Transfers & subsidies									
	Provinces & municipalities	291	-27		264	275	(11)	104.2%	161	239
	Dept agencies & accounts				-		-	0.0%		
	Universities & Technikons				-		-	0.0%		
	Foreign governments & international organisations				-		-	0.0%		
	Public corporations & private enterprises				-		-	0.0%		
	Non-profit institutions				-		-	0.0%		

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APPROPRIATION STATEMENT
for the year ended 31 March 2006

Households	642	27		669	898	(229)	134.2%	159	654
Capital									
Buildings & other fixed structures	47	-	-	47	47	-	100.0%		
Machinery & equipment	253	40		293	251	42	85.7%	231	3,102
Biological or Cultivated assets				-		-	0.0%		
Software & other intangible assets				-		-	0.0%		
Land & subsoil assets				-		-	0.0%		
Total	121,176	-	-	121,176	129,523	(8,347)	106.9%	114,564	114,564

Detail per programme 6 - Community Based Public Works Programme for the year ended 31 March 2006										
	Programme per subprogramme	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1	Programme Support									
	Current payment	4,968	-160	-889	3,919	3,311	608	84.5%	13,168	8,448
	Transfers and subsidies	10			10	9	1	90.0%	7	6
	Payment for capital assets	140	160		300	257	43	85.7%		
6.2	Community Development									
	Current payment				-	-	-	0.0%		
	Transfers and subsidies				-	-	-	0.0%		
	Payment for capital assets				-	-	-	0.0%	-	3,417
6.3	Poverty Eradication									
	Current payment	6,000			6,000		6,000	0.0%		
	Transfers and subsidies				-		-	0.0%		
	Payment for capital assets				-	4,280	(4,280)	0.0%		
	Total	11,118	-	(889)	10,229	7,857	2,372	76.8%	13,175	11,871

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Current									
	Compensation of employees	3,771	-220	-889	2,662	2,540	122	95.4%	6,239	1,716
	Goods and services	7,197	60		7,257	771	6,486	10.6%	6,929	6,732
	Transfers & subsidies									
	Provinces & municipalities	10			10	9	1	90.0%	7	6
	Capital									
	Buildings & other fixed structures				-	4,480	(4,480)	0.0%		3,417
	Machinery & equipment	140	160		300	57	243	19.0%		
	Total	11,118	-	(889)	10,229	7,857	2,372	76.8%	13,175	11,871

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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APPROPRIATION STATEMENT
for the year ended 31 March 2006

Detail per programme 7 - Thefts & Losses for the year ended 31 March 2006										
	Programme per subprogramme	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
7.1	Thefts & Losses Written Off									
	Current payment				-	3,545	(3,545)	0.0%		2,700
	Total	-	-	-	-	3,545	(3,545)	0.0%	-	2,700

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Current									
	Financial transactions in assets and liabilities				-	3,545	(3,545)	0.0%		2,700
	Transfers & subsidies									
	Total	-	-	-	-	3,545	(3,545)	0.0%	-	2,700

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2006

1. DETAIL OF TRANSFERS AND SUBSIDIES AS PER APPROPRIATION ACT (AFTER VIREMENT):

Detail of these transactions can be viewed in note 9 (Transfers and subsidies) and Annexure 1 (A-K) to the Annual Financial Statements.

2. DETAIL OF SPECIFICALLY AND EXCLUSIVELY APPROPRIATED AMOUNTS VOTED (AFTER VIREMENT):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. DETAIL ON FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

Detail of these transactions per programme can be viewed in note 8 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

4. EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER VIREMENT):

Per programme:	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Approp. %
Programme name				
Administration	129 692	126 588	3 041	2%
Underspending occurred due to slow appointments and alignment of our structure to new policy imperatives.				
Programme name				
Public Works	240 011	234 058	5 953	2%
Inclement weather experienced during the last three months of the financial year caused delays in various infrastructure projects, hence the under-spending.				
Programme name				
Roads Infrastructure	376354	332947	43407	12%
Inclement weather experienced during the last three months of the financial year caused delays in various infrastructure projects, hence the under-spending.				
Programme name				
Transport Management	18 289	20 951	(2 662)	(115)%
Formalization of taxi Industry had to be subsidised and the launch of Transport month was not foreseen in normal budgetary processes.				

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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2006

Programme name				
Traffic Management	121 176	129 523	(8 347)	(107)%
Increase in the number of staff to enhance law enforcement and the implementation of e-Natis saw an increase in the rental of SITA data lines.				
Programme name				
Community Based	10 229	7 857	2 372	23%
Public Works Programme				
Underspending occurred due to slow appointments and alignment of our structure to new policy imperatives.				
Programme name				
Thefts & Losses	0	3 545	(3 545)	
Thefts & Losses, but writing off of irregular expenditure of prior years also approved				

4.2 Per economic classification
Current expenditure

Compensation of employees
Goods and services
Interest and rent on land
Financial transactions in assets and liabilities
Unauthorised expenditure approved

Transfers and subsidies

Provinces and municipalities
Departmental agencies and accounts
Universities and technikons
Public corporations and private enterprises
Foreign governments and international organisations
Non-profit institutions
Households

Payments for capital assets

Buildings and other fixed structures
Machinery and equipment
Heritage assets
Biological assets
Software and other intangible assets
Land and sub soil assets

R ' 000

(1170)
(6 979)

(11)

(229)

0
42

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2006

	Note	2005/06 R'000	2004/05 R'000
REVENUE			
Annual appropriation	1	895 688	808 983
Appropriation for unauthorised expenditure approved		33 373	-
Departmental revenue	2	-	12 605
Local and foreign aid assistance	3	-	1 560
TOTAL REVENUE		<u>929 061</u>	<u>823 148</u>
EXPENDITURE			
Current expenditure			
Compensation of employees	4	347 191	331 005
Goods and services	5	235 453	244 640
Interest and rent on land	6	40 994	37 538
Financial transactions in assets and liabilities	7	3 546	5 277
Total current expenditure		627 184	618 460
Transfers and subsidies	8	4 538	4 933
Expenditure for capital assets			
Buildings and other fixed structures	9	216 838	150 606
Machinery and equipment	9	6 793	18 335
Software and other intangible assets	9	-	222
Land and subsoil assets	9	116	8
Local and foreign aid assistance	3	-	1 560
Unauthorised expenditure approved	10	33 373	-
Total expenditure for capital assets		257 120	170 731
TOTAL EXPENDITURE		<u>888 842</u>	<u>794 124</u>
SURPLUS/(DEFICIT)		40 219	29 024
Add back unauthorised expenditure	10	11 010	2 762
SURPLUS/(DEFICIT) FOR THE YEAR		<u>51 229</u>	<u>31 786</u>
Reconciliation of Surplus/(Deficit) for the year			
Voted Funds	15	51 229	19 181
Departmental Revenue	16	-	12 605
SURPLUS/(DEFICIT) FOR THE YEAR		<u>51 229</u>	<u>31 786</u>

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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STATEMENT OF FINANCIAL POSITION
at 31 March 2006

	Note	2005/06 R'000	2004/05 R'000
ASSETS			
Current assets		205 001	249 397
Unauthorised expenditure	10	144 276	168 121
Fruitless and wasteful expenditure	11	171	1
Cash and cash equivalents	12	17 775	65
Prepayments and advances	13	69	178
Receivables	14	42 710	81 032
TOTAL ASSETS		205 001	249 397
LIABILITIES			
Current liabilities		204 161	248 091
Voted funds to be surrendered to the Revenue Fund	15	134 687	178 805
Departmental revenue to be surrendered to the Revenue Fund	16	2 507	-
Bank overdraft	17	-	4 806
Payables	18	66 967	64 480
TOTAL LIABILITIES		204 161	248 091
NET ASSETS		840	1 306
Represented by:			
Recoverable revenue		840	1 306
TOTAL		840	1 306

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2006

	Note	2005/06 R'000	2004/05 R'000
Recoverable revenue			
Opening balance		1306	1859
Transfers		(466)	(553)
Debts revised	14.3	-	(299)
Debts recovered (included in departmental revenue)		(466)	(428)
Debts raised		-	174
Closing balance		<u>840</u>	<u>1306</u>

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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CASH FLOW STATEMENT
for the year ended 31 March 2006

	Note	2005/06 R'000	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Annual appropriated funds received	11	909 596	774 441
Appropriation for unauthorised expenditure received	10	33 373	-
Departmental revenue received		238 938	212 551
Local and foreign aid assistance received	3	-	1 560
		<u>1181 907</u>	<u>988 552</u>
Net (increase)/decrease in working capital		75 601	13 667
Surrendered to Revenue Fund		(346 943)	(213 605)
Current payments		(627 184)	(618 460)
Transfers and subsidies paid		(4 538)	(4 933)
Net cash flow available from operating activities	19	<u>278 843</u>	<u>165 221</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets		(257 120)	(170 731)
Proceeds from sale of capital assets	2	1 259	1 054
(Increase)/decrease in other financial assets		-	(57)
Net cash flows from investing activities		<u>(255 861)</u>	<u>(169 734)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(466)	(553)
Increase/(decrease) in non-current payables		-	(30)
Net cash flows from financing activities		<u>(466)</u>	<u>(583)</u>
Net increase/(decrease) in cash and cash equivalents		22 516	(5 096)
Cash and cash equivalents at the beginning of the period		(4 741)	355
Cash and cash equivalents at end of period	20	<u>17 775</u>	<u>(4 741)</u>

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

1 Annual Appropriation

11 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act for Provincial Departments (Voted funds):**

	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation received 2004/05
	R'000	R'000	R'000	R'000
Administration	129 629	119 293	10 336	122 724
Public Works	240 011	244 883	(4 872)	216 583
Roads Infrastructure	376 354	384 847	(8 493)	323 711
Public Transport	18 289	16 130	2 159	18 226
Traffic Management	121 176	127 900	(6 724)	114 564
Community Based Public Works Programme	10 229	16 543	(6 314)	13 175
Theft & Losses				
Prior year Funds not requested/not received				(34 542)
Total	895 688	909 596	(13 908)	774 441

Provide explanation of material variances including whether or not application will be made for a **rollover**.

	Note	2005/06 R'000	2004/05 R'000
12 Conditional grants			
Total grants received	Annex 1A	255 204	200 375
Provincial grants included in Total Grants received		172 221	108 793

** It should be noted that the Conditional grants are included in the amounts per the Total Appropriation in Note 11.

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

2. Departmental revenue to be surrendered to revenue fund

Description

(Specify material amounts separately)

	Notes	2005/06	2004/05
		R'000	R'000
Tax revenue		179 036	152 427
Sales of goods and services other than capital assets	2.1	44 724	46 084
Fines, penalties and forfeits		11 062	9 594
Interest, dividends and rent on land	2.2	213	372
Sales of capital assets	2.3	1 259	1 054
Financial transactions in assets and liabilities	2.4	3 900	4 074
Total revenue collected		240 194	213 605
Less: Departmental Revenue Budgeted limited to the actual amount received	16	240 194	201 000
Departmental revenue collected		-	12 605

2.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department

Administrative fees

Sales of scrap, waste and other used current goods

Total

44 722	46 084
2	-
44 724	46 084

2.2 Interest, dividends and rent on land

Interest

Rent on land

Total

185	372
28	-
213	372

2.3 Sale of capital assets

Land and subsoil assets

Total

1 259	1 054
1 259	1 054

2.4 Financial transactions in assets and liabilities

Nature of loss recovered

Loans

Receivables

Other Receipts including Recoverable Revenue

Total

1 020	2 981
2 880	1 093
3 900	4 074

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

3 Local and foreign aid assistance

31 Assistance received in cash: Other	2005/06 R'000	2004/05 R'000
Local		
Revenue	-	1560
Expenditure		
Capital	-	1560
Closing Balance	-	-

4 Compensation of employees

4.1 Salaries and Wages

Basic salary	249 831	243 332
Performance award	5 820	5 426
Service Based	373	19 409
Compensative/circumstantial	10 521	6 826
Periodic payments	177	1844
Other non-pensionable allowances	36 003	6 005
	<u>302 725</u>	<u>282 842</u>

4.2 Social contributions

4.2.1 Employer contributions

Pension	31 357	34 937
Medical	12 962	13 013
Bargaining council	133	132
Insurance	14	81
	<u>44 466</u>	<u>48 163</u>

Total compensation of employees

347 191 331 005

Average number of employees

4 475 4 688

5 Goods and services

Note

Advertising	2 840	1985
Attendance fees (including registration fees)	6 315	3 901
Bank charges and card fees	881	508
Bursaries (employees)	2 449	1114
Communication	9 051	7 772
Computer services	10 221	8 723
Consultants, contractors and special services	20 246	42 066
Courier and delivery services	20	21

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

	Note	2005/06 R'000	2004/05 R'000
Tracing agents & Debt collections		3	4
Drivers' licences and permits		4	1
Entertainment		1 298	1 417
External audit fees	5.1	2 618	2 161
Equipment less than R5000		1 906	2 405
Inventory	5.2	21 111	19 398
Legal fees		2 266	643
Maintenance, repairs and running cost		18 253	33 247
Operating leases		23 994	36 215
Personnel agency fees		65	3
Photographic services		40	1
Plant flowers and other decorations		25	22
Printing and publications		0	8
Resettlement cost		1 720	159
School & boarding fees		8	0
Subscriptions		46	0
Owned leasehold property expenditure		66 227	58 891
Transport provided as part of the departmental activities		55	0
Travel and subsistence	5.3	36 994	22 775
Venues and facilities		13	0
Protective, special clothing & uniforms		6 453	1 200
Training & staff development		331	0
		235 453	244 640
5.1 External audit fees			
Regulatory audits		2 618	2 161
Total external audit fees		2 618	2 161
5.2 Inventory			
Construction work in progress		36	36
Domestic consumables		842	528
Agricultural		691	833
Learning and teaching support material		19	0
Food and Food supplies		494	257
Fuel, oil and gas		13 001	11 545
Other consumables		22	41
Parts and other maintenance material		1 490	1 002
Stationery and printing		4 179	4 602

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

	Note	2005/06 R'000	2004/05 R'000
Road construction and supplies		333	539
Medical supplies		4	15
		<u>21 111</u>	<u>19 398</u>
5.3 Travel and subsistence			
Local		36 523	22 720
Foreign		471	55
Total travel and subsistence		<u>36 994</u>	<u>22 775</u>
6. Interest and rent on land			
Rent on land		40 994	37 538
Total interest and rent on land		<u>40 994</u>	<u>37 538</u>
7 Financial transactions in assets and liabilities			
Material losses through criminal conduct	7.1	585	1 404
Other material losses written off	7.2	1 786	2 678
Debts written off	7.3	1175	1195
		<u>3 546</u>	<u>5 277</u>
7.1 Material losses through criminal conduct			
Nature of losses			
Incident	Disciplinary Steps taken/ Criminal proceedings		
Material losses through criminal conduct	None	<u>585</u>	<u>1 404</u>
7.2 Other material losses			
Nature of losses			
Losses: Stock		3	82
Vehicle Accident - Own Damage		15	19
Road Building Equipment Loss		-	2 577
Other claims		1 768	0
		<u>1 786</u>	<u>2 678</u>
7.3 Debts written off			
Nature of debts written off			
Transfer to debts written off			
Salary Overpayment		257	182
Tax		32	15
Damage State Property		629	0
100% Housing Guarantees		48	66

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	Note	2005/06 R'000	2004/05 R'000
Creditors		8	421
Departmental		-	1
Salary Deductions		48	67
Bursary		113	202
Subsistence and Transport		2	2
Telephone		-	3
Dishonoured Cheques		23	161
Subsidised Vehicles		12	50
Accumulated Interest		3	25
		<u>1175</u>	<u>1195</u>
8. Transfers and subsidies			
Provinces and municipalities	Annex 1B	1 096	1 096
Public corporations and private enterprises	Annex 1C	-	4
Households	Annex 1D	3 442	3 833
Unauthorised expenditure approved by Parliament		<u>4 538</u>	<u>4 933</u>
9. Expenditure for capital assets			
Buildings and other fixed structures	Annex 3	216 838	150 606
Machinery and equipment	Annex 3	6 793	18 335
Land and subsoil assets	Annex 3	116	8
Software and other intangible assets	Annex 4	-	222
Total		<u>223 747</u>	<u>169 171</u>
10. Unauthorised expenditure			
10.1 Reconciliation of unauthorised expenditure			
Opening balance		168 121	165 359
Unauthorised expenditure - current year		11 010	2 762
Amounts approved by Parliament/ Legislature (with funding)		(33 373)	-
Expenditure for capital assets		(33 373)	-
Prior years irregular expenditure condoned		(1 482)	-
Unauthorised expenditure awaiting authorisation		<u>144 276</u>	<u>168 121</u>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

		2005/06 R'000	2004/05 R'000
10.2	Analysis of Current Unauthorised expenditure		
Incident	Disciplinary steps taken/ criminal proceedings	2005/06 R'000	
Overspending - Programme 4	None	2 662	
Overspending - Programme 5	None	8 348	
		11 010	
11	Fruitless and wasteful expenditure		
11.1	Reconciliation of fruitless and wasteful expenditure		
	Opening balance	1	-
	Fruitless and wasteful expenditure - current year	170	1
	Current	170	1
	Fruitless and wasteful expenditure awaiting condonement	171	1
11.2	Analysis of Current Fruitless and wasteful expenditure		
Incident	Disciplinary steps taken/ criminal proceedings		
Administration	Under Investigation	170	
		170	
12.	Cash and cash equivalents		
	Consolidated Paymaster General Account	17 551	-
	Cash receipts	148	-
	Cash on hand	76	65
	Cash with commercial banks	17 775	65
13	Prepayments and advances		
	Description		
	Travel and subsistence	69	178
		69	178

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

					2005/06 R'000	2004/05 R'000
14.	Receivables					
		Less than one year	One to three years	Older than three years	Total	Total
	Staff debt 14.1	2 229	965	532	3 726	3 599
	Other Debtors 14.2	-	2,701	-	2 701	33 383
	Claims recoverable Annex 5	31 567	4 716	-	36 283	44 050
		33 796	8 382	532	42 710	81 032
14.1	Staff Debt					
	Bursaries Debt				359	417
	GG Accidents Debt				24	24
	State Guarantees Debt				87	32
	Telephone Debt				19	20
	Ex-Employee Debt				1 729	2 236
	Employee Debt				513	341
	Dishonoured Cheques Debt				102	130
	Losses/Damages Debt				841	336
	Subsidised Vehicle Debt				52	63
					3 726	3 599
14.2	Other debtors					
	Income Accrued				-	33 305
	Settlement Accounts				3 344	44
	Recoverable revenue interest				(643)	(353)
	Claims: Road Cost Account				-	387
					2 701	33 383
14.3	Debts revised					
	Debts revised				-	(299)
					-	(299)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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				2005/06 R'000	2004/05 R'000
15.	Voted funds to be surrendered to the Revenue Fund				
	Opening balance			178 805	194 166
	Transfer from Statement of Financial Performance			51 229	19 181
	Funds received in excess of amount voted			13 908	(34 542)
	Net cash flow profit of Trading Entity			2 035	-
				<u>245 977</u>	<u>178 805</u>
	Less Paid during the year			111 290	-
	Closing balance			<u>134 687</u>	<u>178 805</u>
16.	Departmental revenue to be surrendered to the Revenue Fund				
	Transfer from Statement of Financial Performance			-	12 605
	Departmental revenue budgeted limited to the actual				
	Revenue received	2		240 194	201 000
	Paid during the year			<u>(237 687)</u>	<u>(213 605)</u>
	Closing balance			<u>2 507</u>	<u>-</u>
17	Bank overdraft				
	Consolidated Paymaster General Account			-	4 806
				<u>-</u>	<u>4 806</u>
18.	Payables - current				
	Description	Notes	30 Days	30+ Days	2005/06 Total
					2004/05 Total
	Amounts owing to other entities	Annex 6		66 568	66 568
	Advances received	18.1		-	-
	Clearing accounts	18.2		239	239
	Other payables	18.3		160	160
				<u>66 967</u>	<u>66 967</u>
18.1	Advances received				
	Advances from Public Entities: Warranty Advances			-	56
				-	56

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

	2005/06 R'000	2004/05 R'000
18.2 Clearing accounts		
Description		
Suspense Accounts: Salaries	-	(182)
Advances from Public Entities: Telkom	-	12
Advances from Public Entities: Suspense Accounts	-	31
Advances from Public Entities: Clearing Accounts	133	192
Rental Deposits	30	30
Advances from Public Entities: Prodiba	76	298
	<u>239</u>	<u>381</u>
18.3 Other payables		
Description		
Inter - Departmental control account	160	4 122
Road Cost Account	-	368
	<u>160</u>	<u>4 490</u>
19. Net cash flow available from operating activities		
Net surplus/(deficit) as per Statement of Financial Performance	51 229	31 786
Non-cash movements	240 194	201 000
(Increase)/decrease in receivables - current	38 322	(23 137)
(Increase)/decrease in prepayments and advances	109	(15)
(Increase)/decrease in other current assets	23 675	(2 763)
Increase/(decrease) in payables - current	2 487	36 820
Proceeds from sale of capital assets	(1 259)	(1 054)
Surrenders to Revenue Fund	(346 943)	(213 605)
Expenditure on capital assets	257 120	170 731
Voted funds received in excess of amount voted	13 908	-
Voted funds not requested/not received	-	(34 542)
Net cash flow generated by operating activities	<u>278 843</u>	<u>165 221</u>
20. Reconciliation of cash and cash equivalents for cash flow purposes		
Consolidated Paymaster General account	17 551	(4 806)
Cash receipts	148	-
Cash on hand	76	65
	<u>17 775</u>	<u>(4 741)</u>

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

		Note	2005/06 R'000	2004/05 R'000
21	Contingent liabilities			
	Liable to			
	Motor vehicle guarantees	Annex 2A	41	41
	Housing loan guarantees	Annex 2A	5 123	5 140
	Claims against the department	Annex 2B	47 807	62 618
			<u>52 971</u>	<u>67 799</u>
22.	Commitments			
	Current expenditure			
	Approved and contracted		663	932
	Capital expenditure			
	Approved and contracted		41 327	27 284
	Total Commitments		<u>41 990</u>	<u>28 216</u>
23.	Accruals			
	Listed by economic classification			
		30 Days	30+ Days	Total
	Compensation of employees			Total
	Goods and services	-	8 749	8 749
	Buildings and other fixed structures	-	4 877	4 877
		-	13 626	13 626
				<u>10 608</u>
	Listed by programme level			
	Programme 1: Administration		8 576	6 931
	Programme 2: Public Works		4 606	3 304
	Programme 3: Roads Infrastructure		444	373
			<u>13 626</u>	<u>10 608</u>
24.	Employee benefits			
	Leave entitlement		8 400	71 438
	Thirteenth cheque		11 707	10 650
	Performance awards		3 748	3 521
	Capped leave commitments		58 760	-
			<u>82 615</u>	<u>85 609</u>

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

25. Lease Commitments

25.1 Operating leases

	Land	Buildings and other fixed structures	Machinery and equipment	2005/06 Total	2004/05 Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	74 129	1 313	75 442	77 329
Later than 1 year and not later than 5 Years	-	267 939	2 011	269 950	189 247
Later than five years	-	257 971	-	257 971	609
Total present value of lease liabilities	-	600 039	3 324	603 363	267 185

26. Receivables for departmental revenue

Tax revenue		
Sales of goods and services other than capital assets	60 263	247 495
Fines, penalties and forfeits	10 059	3 464
	<u>70 322</u>	<u>250 959</u>

28. Irregular expenditure

28.1 Reconciliation of irregular expenditure		
Opening balance	3 183	3 183
Amounts condoned	(1 483)	
Current expenditure	(1 483)	
Irregular expenditure awaiting condonement	<u>1 700</u>	<u>3 183</u>

Analysis

Prior years	<u>1 700</u>	<u>3 183</u>
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28.2 Irregular expenditure

Incident	Disciplinary steps taken/ criminal proceedings		
Payment to the firm Castor Ladder (Qwa Qwa Tender Board Delegation not adhered to.	None	-	26
Lochner Construction - Variation Orders not approved by Tender Board.	None	-	219
Oranje Hospital Sports Ground maintenance Extension of contract FST 37.	None	-	565
Variation not approved by Tender Board. Del. 18 not adhered to.	None	-	50
Extension of contract required. FST 37par. 7.11.	None	-	377

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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		2005/06 R'000	2004/05 R'000
Cutting of trees. Tender Board approval needed. FST 37, del. 4 not adhered to.	None	-	14
Rental Building. Tender Board Del. 18 not adhered to.	None	-	18
Tender Board training CBPWP personnel. Phillip Sanders resort - Workshop PWP section. S20 of Exchequer act of 1994 not adhered to.	None	-	16
Rental Building. Tender Board Del. 18 not adhered to.	None	-	23
Cutting of trees. Tender Board approval needed.	None	-	66
FST 37, del not adhered to.	None	-	17
Education Works	None	-	50
Maluti Bus Service	None	1700	1700
		<u>1700</u>	<u>3 183</u>

29. Key management personnel

	No. of Individuals		
Political office bearers (provide detail below)			
Officials	1	802	622
Level 15 to 16	1	956	839
Level 14	4	1582	1384
Family members of key management personnel	2	191	
		<u>3 531</u>	<u>2 845</u>

30. Provisions

Potential irrecoverable debts

Staff debtors	532	-
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Provisions

Rental Debtors	302	2 764
Natis Debtors	28 147	230 912

Total	<u>28 981</u>	<u>233 676</u>
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DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT			2004/05	
	Division of Revenue Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Division of Revenue Act Infrastructure Grant	82 983	-	-	-	82 983	82 983	76 356	92.0%	85 998	85 998
Infrastructure Grant Floods Provincial Conditional Grants	-	-	-	-	-	-	-	0.0%	5 584	5 584
	120 000	4 221	-	48 000	172 221	172 221	129 775	75.4%	108 793	108 793
	202 983	4 221		48 000	255 204	255 204	206 131		200 375	200 375

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1B
STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER		SPENT			2004/05	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by municipality	Amount spent by municipality		% of available funds spent by municipality
							R'000	R'000		R'000
Consumer Affairs	-		-	-	-	0.0%			39	
Motheo (RSCL)	375		-6	369	457	123.8%			214	
Nothern Free State (RSCL)	82		-2	80	93	116.3%			51	
Eastern Free State (RSCL)	387		113	500	442	88.4%			142	
Lejweleputswa (RSCL)	57		-14	43	48	111.65%			31	
Xhariep (RSCL)	41		28	69	56	81.2%			40	
Central District Municipality	-		-	-	-	0.0%			31	
	942		119	1 061	1 096	521.35%			548	

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 1C
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE			2004/05
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Capital R'000	Current R'000
Public Corporations								
Transfers			5	5		0.0%		
Total			5	5		0.0%		

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ANNEXURE 1D
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2004/05
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
Transfers							
Households	-	-	1 074	1 074	458	42.6%	575
Employee Social Benefit	855	-	1 199	2 054	2 984	145.3%	1 160
Social Security	-	-	131	131		0.0%	35
Payment/ Refunds	-	-	18	18		0.0%	45
	855		2 422	3 277	3 442		1 815

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ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2006 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2005	Guarantees issued during the year	Guarantees released/paid/ cancelled/reduced during the year	Guaranteed interest for year ended 31 March 2006	Closing balance 31 March 2006	Realised losses not recoverable
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Motor vehicles								
			41				41	-
			41				41	
SBSA	Housing		413		69		344	
Nedbank Ltd	Housing		151	214	-		365	
First Rand Bank								
Ltd : FNB	Housing		742	507	184		1,065	
ABSA	Housing		1,422		1,044		378	
Old Mutual								
Finace Ltd	Housing		17				17	
People Bank								
Ltd	Housing		500	-	41		459	
Old Mutual								
Bank Div	Housing		614	349			963	
GSB Mutual								
Bank	Housing		448				448	
Hlano Financial								
Services	Housing		-	32			32	
FS Dev Corp	Housing		33	508			541	
Unique Finance	Housing		511		289		222	
Various	Housing		289				289	
			5 140	1 610	1 627	-	5 123	
Total		-	5 181	1 610	1 627	-	5 164	

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2006

Nature of Liability	Opening Balance 01/04/2005 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31/03/2006 R'000
Claims against the department Other claims	62 618		14 811		47 807
Total	62 618		14 811		47 807

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 3

CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	197	216 838	-	217 035
Dwellings	185	-	-	185
Non-residential buildings	-	-	-	-
Other fixed structures	-	216 838	-	216 838
Heritage assets	12	-	-	12
MACHINERY AND EQUIPMENT	16 630	53 179	-	69 809
Transport assets	4 600	3 184	-	7 784
Specialised military assets	-	-	-	-
Computer equipment	4 157	1 545	-	5 702
Furniture and office equipment	3 874	922	-	4 796
Other machinery and equipment	3 999	47 528	-	51 527
LAND AND SUBSOIL ASSETS	-	116	1 259	(1 143)
Land	-	116	1 259	(1 143)
Mineral and similar non regenerative resources	-	-	-	-
INVESTMENT PROPERTY				
Investment property				
CULTIVATED ASSETS				
Cultivated assets				
TOTAL CAPITAL ASSETS	16 827	270 133	1 259	285 701

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 3.1
ADDITIONS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31
MARCH 2006

	Cash	In-Kind	Total
	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	216 838-		216 838
Dwellings			
Non-residential buildings			
Other fixed structures	216 838		216 838
Heritage assets			
MACHINERY AND EQUIPMENT	6 793-	46 386	53 179
Transport assets	3 184		3 184
Specialised military assets			
Computer equipment	1 391-	154	1 545
Furniture and office equipment	848-	74	922
Other machinery and equipment	1 370-	46 158	47 528
LAND AND SUBSOIL ASSETS	116		116
Land	116		116
Mineral and similar non regenerative resources	-		-
INVESTMENT PROPERTY			
Investment property			
CULTIVATED ASSETS			
Cultivated assets			
TOTAL CAPITAL ASSETS	223 747-	46 386	270 133

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 3.2

DISPOSALS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Carrying Amount	Profit/(loss) Cash on Disposal	
	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES			
Dwellings			
Non-residential buildings			
Other fixed structures			
Heritage assets			
MACHINERY AND EQUIPMENT			
Transport assets			
Specialised military assets			
Computer equipment			
Furniture and office equipment			
Other machinery and equipment			
LAND AND SUBSOIL ASSETS	1 259	1 259	
Land	1 259	1 259	
Mineral and similar non regenerative resources			
INVESTMENT PROPERTY			
Investment property			
CULTIVATED ASSETS			
Cultivated assets			
TOTAL CAPITAL ASSETS	1 259	1 259	

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 3.3

CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Additions	Disposals	Total Movement
	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	150 606		150 606
Dwellings			
Non-residential buildings			
Other fixed structures	150 606		150 606
Heritage assets			
MACHINERY AND EQUIPMENT	18 335	7	18 328
Transport assets	9 088		9 088
Specialised military assets	-		-
Computer equipment	2 810	3	2 807
Furniture and office equipment	1 198		1 198
Other machinery and equipment	5 239	4	5 235
LAND AND SUBSOIL ASSETS	8	-	8
Land	8	-	8
Mineral and similar non regenerative resources			
INVESTMENT PROPERTY			
Investment property			
CULTIVATED ASSETS			
Cultivated assets			
TOTAL CAPITAL ASSETS	168 949	7	168 942

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 4

SOFTWARE AND OTHER INTANGIBLE ASSETS MOVEMENT SCHEDULE AS AT 31 March 2006

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Patents, Copyrights, Brand Names & Trademarks		-	-	-
Computer Software		-	-	-
Masterheads & Publishing Titles		-	-	-
Recipes, Formulas, Prototypes, Designs & Models		-	-	-
Service & Operating Rights	-	-	-	-
Airport landing rights		-	-	-
Import/export licences		-	-	-
Fishing Quotas		-	-	-
Utility rights		-	-	-
Mineral extraction rights		-	-	-
TOTAL	-	-	-	-

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
VOTE 9

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 4.1
ADDITIONS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH
2006

	Cash	In-Kind	Total
	R'000	R'000	R'000
Patents, Copyrights, Brand Names & Trademarks			-
Computer Software			-
Masterheads & Publishing Titles			-
Recipes, Formulas, Prototypes, Designs & Models			-
Service & Operating Rights	-	-	-
Airport landing rights			-
Import/export licences			-
Fishing Quotas			-
Utility rights			-
Mineral extraction rights			-
TOTAL	-	-	-

ANNEXURE 4.2
DISPOSALS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Cost/Carrying Amount	Cash	Profit/loss on Disposal
	R'000	R'000	R'000
Patents, Copyrights, Brand Names & Trademarks			-
Computer Software			-
Masterheads & Publishing Titles			-
Recipes, Formulas, Prototypes, Designs & Models			-
Service & Operating Rights	-	-	-
Airport landing rights			-
Import/export licences			-
Fishing Quotas			-
Utility rights			-
Mineral extraction rights			-
TOTAL	-	-	-

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
VOTE 9

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 4.3

CAPITAL INTANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Additions	Disposals	Total Movement
	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES			
Patents, Copyrights, Brand Names & Trademarks			-
Computer Software	222		222
Masterheads & Publishing Titles			-
Recipes, Formulas, Prototypes, Designs & Models			-
Service & Operating Rights	-	-	-
Airport landing rights			-
Import/export licences			-
Fishing Quotas			-
Utility rights			-
Mineral extraction rights			-
TOTAL	222	-	222

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
VOTE 9

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 5
INTER-GOVERNMENT RECEIVABLES

Government Entity	Unconfirmed balance outstanding		Confirmed balance outstanding		Total	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Department of Tourism			22	2,255	22	2,255
Dept of Safety and Security			306	1	306	1
National Dept of Public Works			-	179	-	179
Dept of Agriculture			-	552	-	552
FS Provincial Treasury			11 650	33 370	11 650	33,370
FS Dept of Health			15 886	2	15 886	2
National Dept of Housing			-	3	-	3
FS Dept. of Local Government & Housing			642	160	642	160
FS Dept. of Sports, Arts & Culture			724	1	724	1
FS Dept of Social Development			5	4	5	4
BASDCS			337	-	337	-
Dept of Home Affairs			16	-	16	-
National Dept of Transport			1,907	2,613	1,907	2,613
FS Dept of Education			1	-	1	-
	-	-	31 496	39 140	31 496	39 140
Other Government Entities						
SITA			1	460	1	460
Matjabeng Municipality			4 716	4 436	4 716	4 436
Naledi Municipality			4	-	4	-
National Pensions			-	14	-	14
Kopanong Municipality			66	-	66	-
	-	-	4 787	4 910	4 787	4 910
TOTAL	-	-	36 238	44 050	36 238	44 050

DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT
VOTE 9

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 6
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Unconfirmed balance outstanding		Confirmed balance outstanding		TOTAL	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
National						
Correctional						
Service			-	196	-	196
FS Tourism			-	441	-	441
FS Dept of						
Health			348	444	348	444
North West						
Government			-	268	-	268
FS Provincial						
Treasury (Dept						
of Education						
advance)			42 877	17 226	42 877	17 226
National Dept of						
Transport			21 034	35 070	21 034	35 070
SANRAL						
(Incl. Arrive be-						
Legal and						
Shovakaluva.			2 309	5 908	2 309	5 908
Total	-	-	66 568	59 553	66 568	59 553



ROAD BUILDING EQUIPMENT

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ROAD BUILDING EQUIPMENT TRADING ENTITY

ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006

GENERAL INFORMATION

Accounting Officer

Adv MS Msibi

Chief Financial Officer

Me D O'Brien

Director

Mr RL Botha

Registered Office

C/o Rhodes and Harvey Avenue

Bloemfontein

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Postal Address

PO Box X20548

Bloemfontein

9300

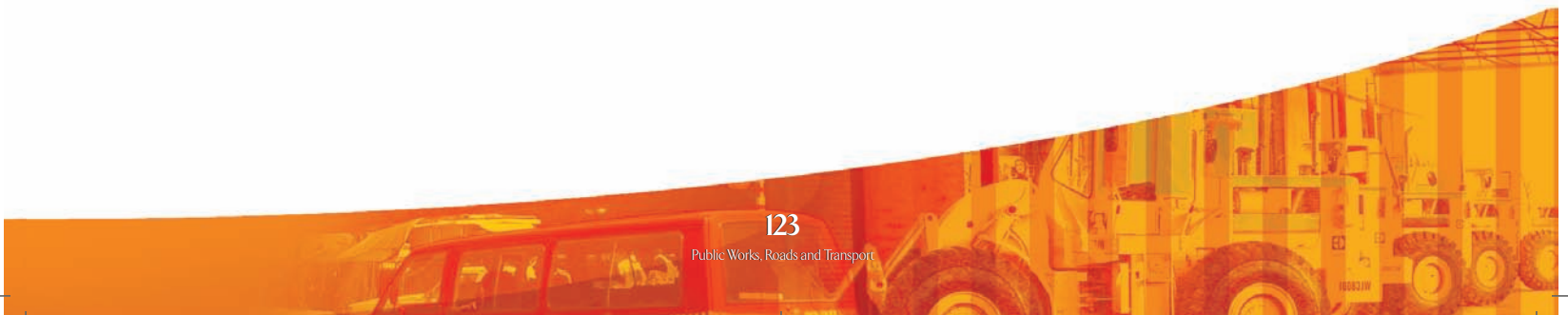
Contact Numbers

Tel: (051) 400 5200

Fax: (051) 448 1737

Auditors

Office of the Auditor General



ROAD BUILDING EQUIPMENT TRADING ENTITY

ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006

We are pleased to report the financial results for the year ended 31 March 2006. The figures presented are in line with management's policies and expectations.

2006 HIGHLIGHTS

The following represents the highlights for the 2005/06 year:

- Profitability

The net profit for the year amounted to R3,335 million, compared to the R7,605 million profit of the previous year.

In general the tariffs offered by Road Building Equipment are much lower than those found in the private sector. The following table shows the comparisons for some types of equipment:

Equipment Type	Road Building Equipment	Private Sector Rates Rates
Grader - 15ton	R244.22 per hour	R400 to R506 per hour
Truck Tipper 3.8m	R360 per day + R2.71 per km	R1 450 per day + R4 per km
Truck Platform 7t	R425 per day + R2.01 per km	R3 500 to R4 000 per day + R5 per km
Compactor Roller	R163.02 per day	R690 per day
Backactor TLB	R120.57 per hour	R234 to R295 per hour

The low tariffs represent a challenge for the Management of Road Building Equipment. In the coming year, action will be taken in order to get the rates of Road Building Equipment in line with the private sector, thus ensuring that Road Building Equipment becomes even more profitable on its own.

- Average Equipment Availability

The Directorate Road Building Equipment attained an average equipment availability of 97% during the past year. The initial target was set for 80% availability.

CHALLENGES

The following represents the challenges facing the Management of Road Building Equipment:

- Maintenance of replacement fund

The Replacement Fund was created three years ago in order to provide for the replacement of equipment and vehicles.



ROAD BUILDING EQUIPMENT TRADING ENTITY

ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006

The following table shows the total of the Replacement Fund and the accumulated depreciation for the past three years:

Financial year	Replacement fund	Accumulated depreciation R 000	(Shortfall) /Surplus R 000
2003/04	8 431	79 893	(71 462)
2004/05	16 036	77 485	(61 449)
2005/06	19 371	76 600	(57 229)

From the above table it is evident that a shortfall of R57,229 million exists. During the past year no Capital Augmentation was received from the Department of Public Works, Roads & Transport. The shortfall represents a serious problem for management, as there are currently not enough funds available to keep the fleet updated and relevant to the needs of its customers.

- Fleet rightsizing program

During the past year, 6 new LDV's of 62 worn out equipment were disposed of.

Decisive action will need to be taken by Management as the majority of the capital equipment are in their second lives. The graders in the fleet have, on average, completed more than 21 000 hours of work. Ninety eight percent of the graders are older than ten years. This compares badly with the fleets found in the private sectors as well as the fleets found in other provinces.

- Data lines and Electronic Data Processing

As in the past years, the entity again experienced severe problems with the SITA Network as well as with the departmental equipment. The entity is entirely dependant upon Information Technology, Information Technology Support as well as a reliable Wide Area Network in order to function properly.

All equipment data, placement, utilisation, expenditures, personnel utilisation and activities are processed electronically to generate invoices for equipment users, management reports, equipment statistical reports, expenditure allocation reports and reconciliation with BAS reports.

FINANCIAL OVERVIEW

Revenue

Road Building Equipment's total revenue relating to the hiring of equipment increased from R32,713 million to R36,367 million.

The reason for the increase is due to an increase in tariffs charged for the equipment, as well as an increase in fleet utilization. The trading entity's main client is the Directorate Road Maintenance & Construction, which makes up 99% of the total income received for rental of equipment. The income of Road Building Equipment is therefore greatly limited to whatever funds are allocated, by way of budget, to Road Maintenance and Construction.

ROAD BUILDING EQUIPMENT TRADING ENTITY

ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006**Expenses**

The operating expenditure increased with R4,237 million. Main reasons for this increase are:

- Increase in personnel expense due to the yearly increase in salaries.
- Much more repairs have been done, compared to the prior year.
- Higher fuel costs due to the higher fuel price.

OPERATIONAL REVIEW**1. Inspections**

The following inspections have been performed by the traveling superintends during the past year: (per district)

	Graders	Tractors	Trucks	Small Equipment	TOTAL
MOTHEO					
D5, Bloemfontein	10	1	54	36	101
D8, Ladybrand	8	2	18	19	47
D16, Dewetsdorp	4	4	34	42	84
D22, Thaba N'chu	5	2	19	20	46
TOTAL	27	9	125	117	278
XHARIEP					
D6, Fauresmith	4	0	18	45	67
D7, Rouxville	6	0	28	60	94
D14, Trompsburg	4	0	24	34	62
D20, Petrusburg	4	0	21	22	47
TOTAL	18	0	91	161	270
LEJWELE-PUTSWA					
D4, Winburg	6	2	22	20	50
D9, Boshof	9	1	29	30	69
D15, Bothaville	7	0	18	20	45
D17, Hoopstad	10	0	11	24	45
TOTAL	32	3	80	94	209

ROAD BUILDING EQUIPMENT TRADING ENTITY

ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006

	Graders	Tractors	Trucks	Small Equipment	TOTAL
THABO MOTFUTSAN-YANE					
D3, Bethlehem	3	1	5	4	13
D10, Harrismith	10	5	13	41	69
D11, Vrede	4	0	9	13	26
D12, Senekal	5	0	3	15	23
D18, Ficksburg	3	3	1	11	18
D21, Qwa Qwa	2	2	7	8	19
TOTAL	27	11	38	92	168
NORTHERN FREE STATE					
D1, Kroonstad	10	0	17	30	57
D2, Heilbron	6	0	16	31	53
D13, Reitz	5	0	20	27	52
D19, Frankfort	5	0	20	33	58
TOTAL	26	0	73	121	220
GRAND TOTAL	130	23	407	585	1145

2. The availability of Key-Equipment: (per District)

	MOTHEO	XHARIEP	LEJWELE- PUTSWA	THABO MOTFUTSAN-YANE	NORTHERN FREE STATE	AVERAGE
Motor Graders	93%	89%	92%	94%	80%	89.6%
Front-end loader	99%	94%	97%	98%	100%	97.6%
Crawler dozer	92%	100%	-	99%	86%	94.3%
Tractors	100%	-	84%	100%	-	94.7%
Trucks	98%	93%	96%	91%	90%	93.6%
Water sprinkler truck	-	100%	100%	100%	100%	100%
Back-actor	100%	100%	-	85%	96%	95.3%
TOTAL	97%	96%	94%	95%	92%	94.8%

As a 80% availability was targeted by Management during the past year, the abovementioned shows that in all districts the target was met.

ROAD BUILDING EQUIPMENT TRADING ENTITY

ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006**3. Repairs done on Wright I40G Graders: (per district)**

	MOTHEO	XHARIEP	LEJWE-PUTSWA	THABO MOFUTSANYANE	NORTHERN FREE STATE	TOTAL
Turbo chargers	0	0	1	0	0	1
Injectors	9	9	26	15	27	86
Universal joints	10	2	0	1	2	15

4. Number of preventative repairs done by private firms: (per district)

	THABO MOFUTSANYANE	NORTHERN FREE STATE	MOTHEO	XHARIEP	LEJWELE-PUTSWA	TOTAL
TA-Services (Graders)	9	19	12	6	8	64

5. Workshops

I40G Grader transmission repairs	8
I40G Grader engine repaired on contract	Wright I40G x 2, Komatsu's X 2
Total MBI's	61

The personnel situation in the workshops:

SECTION	Bloemfontein	Kroonstad	Bethlehem	TOTAL
Fitting & Turning Section	1	0	0	1
Welder Section	2	1	0	3
Transmission & hydraulic Section	1	0	0	1
Vehicle Section	5	1	0	6
Construction plant section	3	2	0	5
Electrical section	2	1	0	3
Panel beating section	1	0	0	1
TOTAL	15	5	0	20

ROAD BUILDING EQUIPMENT TRADING ENTITY

ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006**Machines being repaired:**

	Bloemfontein	Kroonstad	Winburg/ Bethlehem	TOTAL
Being repaired	131	315	42	488
Written off	99	74	90	263

6. Equipment Pool

	POOL 1 Kroonstad	POOL 3 Bethlehem	POOL 4 Winburg	POOL 5 Bloemfontein	TOTAL
Private repairs as a percentage of departmental repairs					45.52%
Equipment movements by mechanical horse	88	126	184	145	543
Major repairs requested	103	40	106	254	503
Major repairs approved	17	12	43	62	134
MB15's				61	61
Major repairs not approved	12	24	48	49	133
Major repairs reclassified as medium repairs	74	4	13	104	195

ROAD BUILDING EQUIPMENT TRADING ENTITY

ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006

7. EQUIPMENT NOT AVAILABLE ON REQUEST:

EQUIPMENT	ALPHA CODE	NUMBER NOT AVAILABLE
Paving Breaker	BPH	19
Compactor roller	CRA	8
Dozer 20,30,50 t	DCB,C,D	1
Wheel dozer	DWB	5
Genset 5 kVA	EGA	0
Grader 15t	GRB	41
Excavator TLB	HEA	25
Excav 20&30 t	HED & E	0
Veldcutter	MC	11
Mixer concrete	MCA	0
Pump 2.4 cu.m	PUB	0
Roller steel vibrate	RVA & B	1
Trailer fuel 500l	SFA	3
Grader Unit	SGA	9
Trailer rehab	SRA&B	5
Trailer water 600l	SWA	2
Trailer water 5000l	SWB	3
Truck LDV	TLD	8
Truck platform 7t	TPD	40
Truck tipper 2m	TTA	2
Tipper 3 - 3,8m	TTB,C	9
Tipper 5m	TTD	15
Truck water 6000l	TWA	0
W/S 12&18kl	TWB & C	1
Bus 10's	VBA	2
P/bus 25-40's	VBC & D	1
Wheel loader 2m	WLB	0
Loader 3m	WLC	4
Tractor 70 kW	WTA	10
Tractor 150 kW	WTB & C	1
Dozer	DCA	0
Bitumen Cutter	BAC	0
Truck Artisan LDV	TLM	0
		0
TOTAL		226

ROAD BUILDING EQUIPMENT TRADING ENTITY

ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006

The following should be taken into account when the abovementioned table is viewed:

- That although a specific type of equipment was not available on the specific day of the request, the equipment is usually available on a later date.
- There has been a very high request for especially graders during the first couple of months of 2006, due to the rains and floods in certain areas within the Free State.

8. PERSONNEL

	MOTHEO	XHARIEP	LEJWELE-PUTSWA	THABO MOFUTSANYANE	NORTHERN FREE STATE	TOTAL
Personnel on severance package	None	None	None	None	None	None
On pension	None	None	None	1VWH	None	1VWH
Medical disability	None	None	None	None	None	None
Resignations	None	None	1VWH B4	1 Artisan foreman	None	1VWH
						1 Artisan foreman
Deaths	None	1 H/Man (D7)	1 Sweiser B4 1 H/Man	None	None	2 H/man 1 Welder
Number of vacant posts	Handy Man DI6 VWH DI6 Artisan DI6	1 VM(DI4) 1 Fakt (D7) 2 VWH (D7, D6)	Handyman DI7, D4 VWH DI7, D4	4 Artisan foreman (D3, DI0, DI1, DI8)	None	5 VWH 3 Handyman 6 Artisans

CONCLUSION

The Management of Road Building Equipment sees the 2005/2006-year as a very successful year, despite several challenges that were faced. The Management wishes to thank its entire staff for their positive attitudes as well as their continued support.



Accounting Officer

Adv Ms Msibi

Head of the Department: Public Works, Roads and Transport

Date: 31 May 2006

REPORT OF THE AUDITOR-GENERAL TO THE FREE STATE PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS OF THE ROAD BUILDING EQUIPMENT TRADING ENTITY FOR THE YEAR ENDED 31 MARCH 2006

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 134 to 143 for the year ended 31 March 2006, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996, read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). These financial statements are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. SCOPE

The audit was conducted in accordance with the International Standards on Auditing read with General Notice 544 of 2006, issued in Government Gazette no. 28723 dated 10 April 2006 and General Notice 808 of 2006, issued in Government Gazette no. 28954 dated 23 June 2006. Those standards require that the audit be planned and performed to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements
- assessing the accounting principles used and significant estimates made by management
- evaluating the overall financial statement presentation.

I believe that the audit provides a reasonable basis for my opinion.

3. QUALIFICATION

3.1 Property, plant and equipment

Property, plant and equipment is not disclosed and measured in terms of IAS16 of South African Statements of Generally Accepted Accounting Practice, which requires that it should be revalued at year end and componentised for each significant part of a specific asset. The revaluation model for property, plant and equipment as prescribed by the statement applies to the entity as the cost of a significant portion of the equipment can not be reliably measured.

4. QUALIFIED AUDIT OPINION

In my opinion, except for the effect on the financial statements of the matter referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of the Road Building Equipment Trading Entity at 31 March 2006 and the results of its operations and cash flows for the year then ended, in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999).

5. EMPHASIS OF MATTER

Without further qualifying the audit opinion, attention is drawn to the following matter:

5.1 Non-compliance with laws and regulations

The Road Building Equipment Trading Entity has failed to comply with the following provisions of the relevant legislation:

5.1.1 Internal audit function and audit committee

In terms of section 38(1)(a)(ii) of the PFMA, the accounting officer must ensure that the trading entity has and maintains a system of internal audit under the control and direction of an audit committee. The Road Building Equipment Trading Entity falls under the scope of the Department of Public Works, Roads and Transport's internal audit function. However, no internal audit work was performed on the Road Building Equipment Trading Entity by this internal audit function.

6. APPRECIATION

The assistance rendered by the staff of the Road Building Equipment Trading Entity during the audit is sincerely appreciated.



B J K van Niekerk for Auditor-General
Bloemfontein
31 July 2006



ROAD BUILDING EQUIPMENT TRADING ENTITY

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS
for the year ended 31 March 2006**1. Basis of Preparation**

The annual financial statements have been prepared on a historical cost basis.

The financial statements are presented in South African Rand.

The annual financial statements of the entity have been prepared in accordance with South African Generally Accepted Accounting Practise.

2. Revenue

Revenue is the gross inflow of economic benefits for services delivered during the period, arising in the course of the ordinary activities of the entity, when those inflows result in increases in equity, other than increases relating to contributions from equity participants.

Revenue comprises all revenue received for the hire of vehicles including tariffs charged for monthly and daily use and for kilometres travelled.

3. Equity

Equity is the net difference between assets and liabilities. It is represented by the replacement fund.

The Free State Road Building Equipment has to replace the fleet of equipment at the end of its useful life. The replacement fund represents the funds that are available to meet this obligation. The allocation to the replacement fund is thus the following:

- Annual transfer of retained earnings to the replacement fund;
- Funding received from the User Department for the purchase of equipment;
- Any prior year adjustment; and,
- Writing off of the book value of equipment alienated against the replacement reserve.

Retained earnings are used to finance capital increases in equipment to be replaced, and are shown as an increase to the replacement fund. A general decision was made by Provincial Treasury to allow the retention of trading entity profit for such purposes.

4. Capital Augmentation

Capital augmentation represents the inflow of funds from equity partners. These funds are required to be used to augment the capital shortfall between the cost of vehicles, as represented within the replacement fund, and the replacement value of the vehicles.

ROAD BUILDING EQUIPMENT TRADING ENTITY

ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006**5. Property, Plant and Equipment**

Property, plant and equipment are tangible assets held by the entity for use in the supply of fleet management services, which are expected to be used for more than one period.

All property, plant and equipment are depreciated on a basis considered appropriate to reduce the book value over the expected lifespan of the assets. In the case of vehicles the provider of the original funds decides on the expected lifespan.

Property, Plant and Equipment consists of vehicle assets and equipment assets.

6. Employee Benefits**6.1 Retirement Benefits**

The Government Garage provides retirement benefits for its employees through a defined contribution plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for retirement benefits in the financial statements of the Trading Entity. Any potential liabilities are disclosed in the financial statements of the Government Employment Pension Fund and not in the financial statements of the employer department.

7. Comparative Figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The comparative figures shown in these financial statements are limited to the figures shown in the previous year's audited financial statements and such other comparative figures reasonable expected to be available.

8. Deviation from GAAP: Property, Plant & Equipment

The following requirements relating to the latest GAAP statements have not been met:

- a) Depreciation on the fleet has not been calculated by taking into account a residual value.
- b) Depreciation on the fleet has not been calculated by taking into account an estimated remaining useful life.
- c) Fully depreciated equipment has not been re-valued.

The benefit that might be derived from the calculation, measured against the costs to achieve compliance, makes compliance to these requirements not worthwhile.

9. Trade and Other Receivables

Trade receivables, which in terms of the Public Finance Management Act (1999) generally have 30-day terms, are recognised and carried at original invoice amount less an allowance for any un-collectable amounts. Provision is made when there is objective evidence that the entity will not be able to collect the debts. Bad debts are written off when identified and authorised by the accounting officer.

ROAD BUILDING EQUIPMENT TRADING ENTITY

INCOME STATEMENT
for the year ended 31 March 2006**10. Derecognition of Financial Instruments**

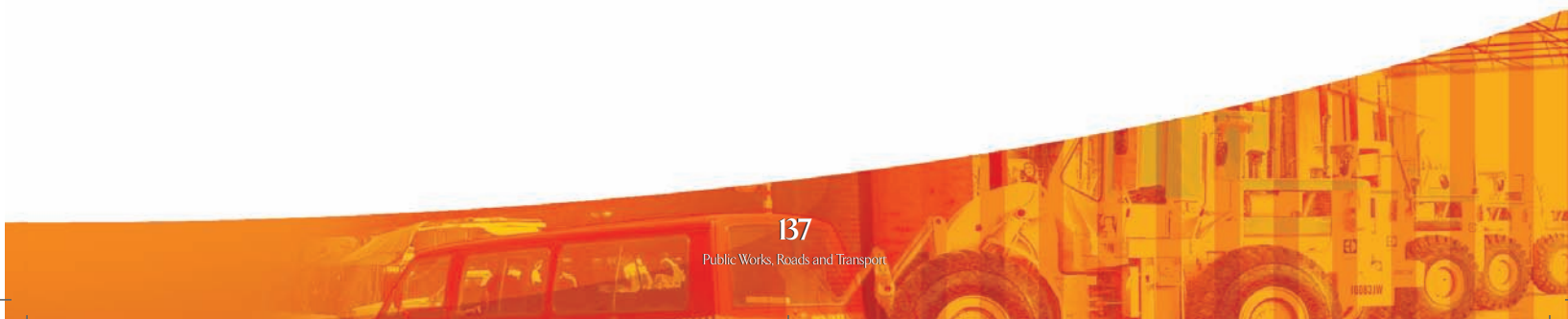
The derecognition of financial instruments takes place when the Entity no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

	NOTE	31 MARCH 2006 R'000	31 MARCH 2005 R'000
REVENUE	1	38 284	38 317
OTHER OPERATING INCOME		-	-
OPERATING EXPENDITURE		(34 949)	(30 712)
• Personnel		(17 457)	(16 116)
• Administrative		(6 324)	(4 422)
• Inventories		(10 957)	(9 916)
• Machinery and Equipment		(183)	(168)
• Professional and Special Services		(28)	(90)
PROFIT/(LOSS) FROM OPERATIONS	2	3 335	7 605
FINANCE COSTS		-	-
NET PROFIT/(LOSS) FOR THE YEAR		<u>3 335</u>	<u>7 605</u>

ROAD BUILDING EQUIPMENT TRADING ENTITY

BALANCE SHEET
for the year ended 31 March 2006

	NOTE	31 MARCH 2006 R'000	31 MARCH 2005 R'000
ASSETS			
Non-current Assets		14 041	10 713
Property, Plant and Equipment	3	14 041	10 713
Current Assets		5 330	5 323
Trade and Other Receivables		5 330	5 323
TOTAL ASSETS		19 371	16 036
EQUITY AND LIABILITIES			
Funds and Reserves		19 371	16 036
Vehicle Replacement Fund		19 371	16 036
Current Liabilities		-	-
Trade and Other Payables		-	-
TOTAL EQUITY AND LIABILITIES		19 371	16 036



ROAD BUILDING EQUIPMENT TRADING ENTITY

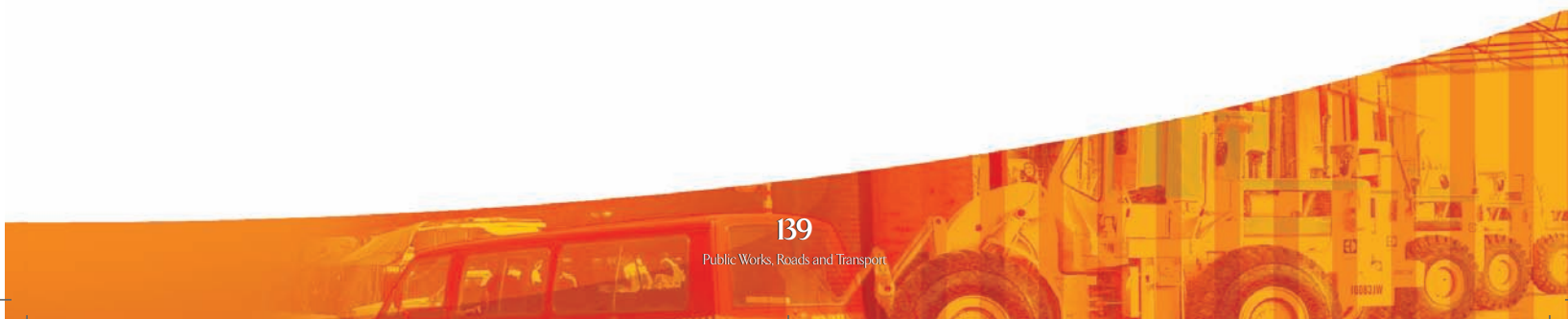
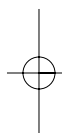
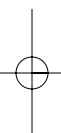
STATEMENT OF CHANGES IN FUNDS AND RESERVES
for the year ended 31 March 2006

	VEHICLE REPLACEMENT FUND R'000	RETAINED REVENUE R'000	TOTAL FUNDS AND RESERVES R'000
Balance as at 31 March 2004	8 431	-	8 431
Profit for the year	-	7 605	7 605
Corrections - Opening Balance			
Transfer Retained Earnings	7 605	(7 605)	-
Additions:			
• Equipment (Additional)			
Capital Augmentation			
Balance as at 31 March 2005	16 036	-	16 036
Profit for the year		3 335	3 335
Transfer Retained Earnings	3 335	(3 335)	-
Balance as at 31 March 2006	19 371	-	19 371

ROAD BUILDING EQUIPMENT TRADING ENTITY

CASH FLOW STATEMENT
for the year ended 31 March 2006

	NOTE	31 MARCH 2006 R'000	31 MARCH 2005 R'000
NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES		3 419	1 355
Cash Received from Customers		34 074	29 986
Cash Paid to Suppliers and Employees		(30 655)	(28 631)
Cash Generated from Operations	4	3 419	1 355
NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES		(3 419)	(3 932)
Purchase of Equipment		(5 342)	(4 573)
Proceeds on Sale of Vehicles		1 923	641
NET CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		-	2 577
Grants Received		-	2 577
Financing Received for Equipment		-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		-	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		-	-



ROAD BUILDING EQUIPMENT TRADING ENTITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006

	31 MARCH 2006 R'000	31 MARCH 2005 R'000
1. REVENUE		
Revenue Comprises:		
Hiring of Road Building Equipment	36 367	32 713
Claim against the Department of Public Works, Roads and Transport	-	2 594
Transfer from Department of Public Works, Roads and Transport	-	2 577
Profit on Sale of PPE	1 907	431
Other	10	2
	38 284	38 317
2. PROFIT/(LOSS) FROM OPERATIONS		
The Operating Profit is Stated After:		
Income		
Surplus on Disposal of:		
- Property, Plant and Equipment	(1 907)	(431)
Cost Price	2 899	4 699
Accumulated Depreciation	(2 883)	(4 489)
Selling Price	(1 923)	(641)
Expenses		
Depreciation:		
- Property, Plant and Equipment	1 998	2 081

ROAD BUILDING EQUIPMENT TRADING ENTITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006

3. PROPERTY, PLANT & EQUIPMENT	Tools R'000	Equipment R'000	Total R'000
Beginning of the year			
- Assets at Valuation	-	-	-
- Assets at Cost	-	88 198	88 198
- Accumulated Depreciation	-	(77 485)	(77 485)
- Net Book Value	-	10 713	10 713
Current year Movements:			
- Additions	127	2 294	2 421
- Capital Expenses	-	2 921	2 921
- Revaluations	-	-	-
- Disposals	-	(2 899)	(2 899)
- Accumulated Depreciation on Disposals	-	2 883	2 883
- Depreciation	(25)	(1 973)	(1 998)
Balance at end of year	102	13 939	14 041
Made up as follows:			
- Assets at Valuation	-	-	-
- Assets at Cost	127	90 514	90 641
- Accumulated Depreciation	(25)	(76 575)	(76 600)
- Net Book Value	102	13 939	14 041

The fleet consists of 1 808 items. A total of 1 701 items, which represents 94%, has a book value of R NIL. As this is such a significant portion of the fleet, the fleet would have to be revalued in order to comply with South African Generally Accepted Accounting Practise.

Management estimates that, based on quotes received, that the re-valuation of the fleet would cost the Trading Entity, and therefore the tax payers of South Africa, anything between R3 and R6 million.

ROAD BUILDING EQUIPMENT TRADING ENTITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006

	31 MARCH 2006 R'000	31 MARCH 2005 R'000
4. RECONCILIATION OF PROFIT TO CASH GENERATED FROM OPERATIONS		
Net Profit/(Loss)	3 335	7 605
Adjusted for:		
Transfer from Department of Public Works, Roads and Transport	-	(2 577)
Depreciation	1 998	2 081
Loss/(Profit) on Sale of Vehicles	(1 907)	(431)
Operating Profit before Working Capital Changes	3 426	6 678
Working Capital Changes:	(7)	(5 323)
Increase/(Decrease) in Trade and Other Payables	-	-
(Increase)/Decrease in Trade & Other Receivables	(7)	(5 323)
Cash Generated from Operations	3 419	1 355

5. RELATED PARTIES

Road Building Equipment is managed under the administration of the Department of Public Works, Roads and Transport. During the year under review, construction equipment hire transactions to the value of R35,964 million (2004/2005: R32,366 million) occurred between the Department and Road Building Equipment. These transactions were done at market value. At the balance sheet date, an amount of R2,594 million is owed by the Department of Public Works, Roads and Transport in connection with a claim that was made for equipment stolen and damaged during the prior year. At year-end an amount of R1,351 million was still owed by the Department of Public Works, Roads and Transport with regards to the rental of equipment, as well as R0,651 million with regards to salaries paid on behalf of the Department during the previous year.

The Department of Public Works, Roads & Transport also owes R2,035 million relating to the current year's operations.

Road Building Equipment owes the Department of Public Works, Roads & Transport an amount of R2,286 million relating to income over-charged during the 2005/2006 year.

6. CORPORATE INFORMATION

The annual financial statements of the Free State Road Building Equipment for the year ended 31 March 2006 were authorized for issue by the Accounting Officer.

The Free State Road Building Equipment is a Trading Entity incorporated in terms of Section 19 of the Treasury Regulations issued in terms of the Public Finance Management Act of 1999.

ROAD BUILDING EQUIPMENT TRADING ENTITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS OF TRADING ENTITIES
for the year ended 31 March 2006

A trading entity is defined as an entity operating within the administration of a department. In the case of the Free State Road Building Equipment, the Department in question is the Department of Public Works, Roads and Transport.

The entity's main operation is to supply Road Building Equipment to the Department of Public Works, Roads & Transport. The Department uses this equipment to build and maintain the roads of the Free State Province.

The entity is domiciled in Bloemfontein within the Free State Province, South Africa.

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Entity's principal financial instruments comprise trade debtors (which arise directly from its operations). The main purpose of these financial instruments is to raise finance for the Entity's operations. The main risks arising from the Entity's financial instruments are interest rate risk, credit risk and foreign currency risk. The management of the Entity reviews and agrees policies for the management of these risks and they are summarized below.

Credit Risk

Credit Risk relates to potential exposure on trade receivables. The Entity trades only with recognized, creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis, with the result that the Entity's exposure to bad debts is not significant.

8. FINANCIAL INSTRUMENTS**a) Fair Values**

At 31 March 2006 the carry amounts of accounts receivable, approximate their fair value due to the short-term maturities of these assets and liabilities.

The net fair value of the entity's financial asset and liabilities are stated below:

	Carrying Value R	Fair Value R
Assets:		
Trade and Other Receivables	5,330	5,323

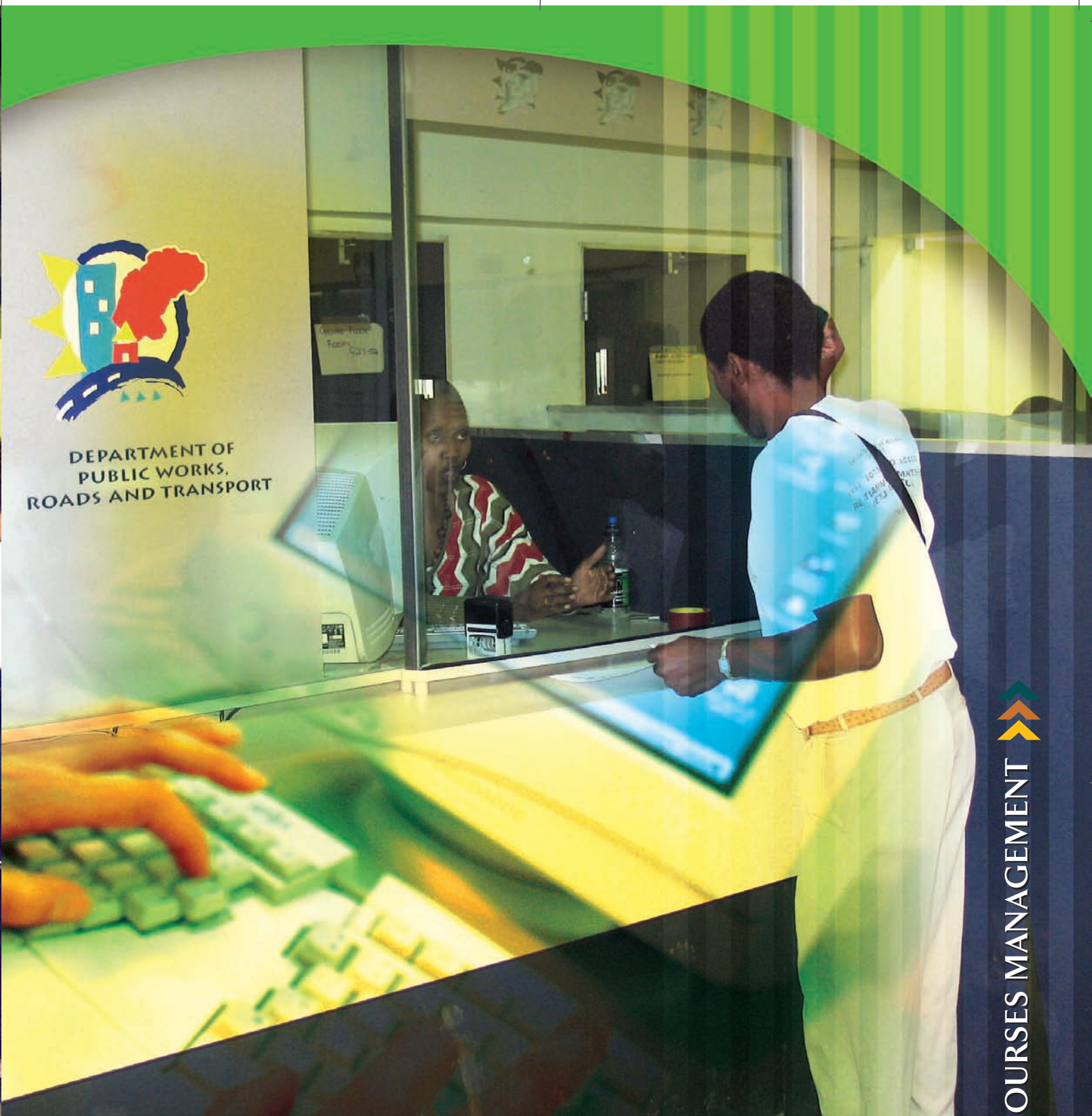
b) Credit Risk Management

Credit risk relates to potential exposure on trade receivables. Trade Receivables are presented at net after provision of doubtful debts. A credit risk from trade receivables does exist due to a limited number of customers making up the entity's customer base. The entity therefore has a concentration of credit risk. Ongoing credit evaluation is performed on the financial conditions of debtors.

9. EVENTS AFTER BALANCE SHEET DATE

No events occurred after 31 March 2006 that gives additional information about any significant circumstances that might have existed on year-end.





SECTION E: HUMAN RESOURCES MANAGEMENT

SERVICE DELIVERY IMPROVEMENT

The following tables reflect the components of the Service Delivery Improvement Plan as well as progress made in the implementation of the plan.

Service Standards

Main services	Actual customers	Potential customers	Service Standards	Actual achievement against the standards
Financial Management: Payment of Contractors	Suppliers	Service Providers	7 Working Days	90% of suppliers paid within 10 working days
Legal Service: Handling of potholes claims	Road Users	Citizens	5 Weeks	30% of paid potholes claims were handled within five weeks
Renewal of Vehicle licenses (Lengau Traffic Testing Centre)	Vehicle owners	Community members	Queuing time: 30 minutes	50%
Traffic Management: Learners and driving license test (bookings waiting period at the main Testing Station)	Citizens		4 Weeks	6 Weeks
Security Administration: Access Control in government buildings (Lebohang Building and Provincial Government Building)	Public Servants	Citizens	5 minutes	Average adherence percentage, buildings notwithstanding failure of electronic security system, is 80%.
Roads Infrastructure: Application for a way-leave (<i>High level applications</i>)	Farmers Business People Parastatals	Citizens	55 Days	100%
Government Garage: Application for pool vehicles	Officials	User departments	8 hours	90%

Consultation arrangements with customers

Type of arrangement	Customers	Actual achievements
Annual workshops	Established and Emerging Contractors	Empowerment workshops were held in the 5 districts wherein the contractors were informed on CIDB registration requirements.
Infrastructure Summit	National, Provincial and Local government representatives, parastals and the private sector	<p>The Department championed the Infrastructure Summit from 2-4 Nov 2005.</p> <p>The following critical processes emanated from this summit:</p> <ul style="list-style-type: none"> • A provincial integrated infrastructure plan was developed • Departmental Baseline Budget was reviewed to meet infrastructure demand. • improved and accelerated communication and co-ordination on all levels of government • Establishment of a task team for the 2010 world cup and beyond infrastructure development
Campaigns	Scholars	<i>Road Safety</i> Campaign in partnership with the department of Education was held in Welkom. The aim was to capacitate scholars regarding road safety issues.
	Truck Drivers Commercial Sex Workers	<i>World AIDS</i> day was held at Weigh Bridge targeting to raise awareness re HIV/AIDS issues.
	Employees	<p><i>Information Sessions</i> were held in 23 offices in the different Directorates namely: Roads Infrastructure, Public Works and Traffic Management. A Service Provider on Programme Literacy (ABET) through (SETA), is currently rendering an HIV and AIDS education for road workers.</p> <p><i>Women's day</i> was held in partnership with Virgin Active, Sanlam and Bonitas Medical Aid Scheme in August 2005: The theme – "Woman and Health". Content details included: Voluntary Confidential Counselling and Testing (VCCT), Debilitating Diseases (hypertension and Diabetes and Exercises) and Financial Management.</p>
Transport Road shows	Taxi operators in the province	Transport Roads shows were held in all the districts targeting the Taxi Industry. The aim was to inform/educate the operators on recapitalisation process, its aim and benefits.
Stakeholders forums	Transport Industry	Commuter's forum has been established. The aim of forum is to negotiate annual transport fare increases
Joint management meetings with service delivery partners	Consultants/suppliers and contractors	Meetings are held with consultants/Suppliers as well as contractors to discuss service delivery concerns in relation to Terms of Reference.
	Media	Media breakfast is held bi-annually to disseminate information regarding commitment made on the Budget Speech, departmental achievements and as well as core services being rendered.
Roads Conference	Roads Personnel (Senior Managers, Chief Engineers, Roads Superintendents and Regional Managers)	Annual Roads Conferences are aimed at conveying information on changing policies, performance review against the budget and to review the roads section's direction.
MEC's Unannounced visits	Personnel	<p>The following service points were visited by the Member of the Executive Council:</p> <ul style="list-style-type: none"> • Government Garage & RBE • Traffic Testing Stations • Works offices <p>The visits were aimed at assessing the implementation of Batho Pele principles in relation to service delivery as well as employee morale</p>
Exhibitions		Exhibitions are done at major events to market Departmental services to our clients. Information regarding road safety, procedure regarding bidding process, departmental bursaries, distribution of strategic documents namely, strategic plans and annual reports

Service delivery access strategy

Access Strategy	Actual achievements
Visible Signage at all departmental buildings	Visible Signage at all departmental buildings (signage in Lebohang and PGB has been improved to create security awareness. This includes welcoming visitors to the buildings as well as informing them about the requirements to be met for access to be granted. Every floor is posted with information reminding officers not to leave their offices unlocked if unoccupied) 70% of Frontline staff are in possession of name badges. Braille in lifts assist mobility of customers
Extended business hours	Post office services for licensing have increased, initially four post offices were used now its 18 post offices. Extended business hours - Lengau (Motheo district) and Bethlehem (Thabo Mofutsanyana) are open to service the public on Saturdays from 08:00 - 13:00.

Service information tool

Types of information tool	Actual achievements
Information sessions on the Department	Information session was held with relevant stakeholders to disseminate information on services which are being rendered by the Department on licensing, bidding process, Departmental strategic plans and annual reports.
Information Desk	Information desks are placed in all departmental offices to distribute information re awareness (HIV/AIDS & Wellness pamphlets, and as point of condom distribution)
Road shows	Strategic Planning road shows are held for internal staff to disseminate information regarding departmental strategy.
Newsletters Posters	Bi-monthly internal newsletters (Re A Bua) are being distributed to the employees to inform them of new policies, service delivery achievements External newsletter is distributed twice a year to the public and supplier
Media Releases	To keep Public/ Stakeholders informed of Departmental activities
Help desks	Help desks at Transport Management handle enquiries with regards to permit and operating licence applications (Permit Board). These services are also available at Traffic Testing Centers.

Complaints mechanism

Complaints Mechanism	Actual achievements
Suggestion boxes Complaints register	<p>The following mechanisms are in place for lodging of complaints/ compliments regarding services rendered:</p> <p><i>Suggestion boxes</i>, customer score cards and manual complaints registers are utilised at the Registering authorities to allow external customers to comment on the quality of service delivery.</p> <p><i>Annual organisational Effective Survey</i> was conducted with the mission to strengthen a positive culture as well as improve internal processes.</p> <p><i>Customer relations management:</i></p> <ul style="list-style-type: none"> • Departmental Batho Pele Forum has been established with a view to oversee the implementation of Service Standards at all service points. • Monthly meetings and sites visits are conducted to monitor customer satisfaction levels. • 50% of frontline staff trained on Customer Care. • 70% Frontline staff are in possession of name badges.

OVERSIGHT REPORT

EXPENDITURE

The following tables summarise final audited expenditure by programme and by salary bands

Personnel costs by programme 2005/06

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)
Prog 1: administration	126 585	36 786	1 008	3 455	29.1%	116
Prog 2: public works	234 058	118 815	1 865	298	50.8%	70
Prog 3: roads infrastructure	332 946	95 016	2 653	18 193	28.5%	51
Prog 4: public transport	18 290	7 417	146	9 444	35.4%	285
Prog 5: traffic management	121 176	86 614	965	3 102	66.9%	140
Prog 6: community based program	7 856	2 540	63	4 480	32.3%	282
Theft and losses	3 545	0	0			
Total	844 456	347 189	13 600	38,973	40.6%	77

Personnel costs by salary bands 2005/06

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	132 144	34.3	52 879
Skilled (Levels 3-5)	65 211	16.9	66 339
Highly skilled production (Levels 6-8)	122 758	31.8	146 489
Highly skilled supervision (Levels 9-12)	26 092	6.8	283 609
Senior management (Levels 13-16)	9 906	2.6	471 714
Contract (Level 1-2)	1 765	0.5	50 429
Contract (Level 3-5)	6 593	1.7	117 732
Contract (Level 6-8)	222	0.1	222 000
Contract (Level 9-12)	1 263	0.3	180 429
Periodical Remuneration	93	0	1 755
Total	36 6047	94.9	79 836

The following tables provide a summary per programme and salary bands of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance.

Salaries, overtime, Home owners Allowance and Medical Assistance by programme 2005/06

Programme	Salaries (R'000)	Salaries as % of the Personnel Cost	Overtime (R'000)
Prog 1: Administration	27 024	68.8	188
Prog 2: Public Works	88 867	72.7	445
Prog 3: Roads Infrastructure	71 607	70.9	31
Prog 4: Public Transport	5 068	61.2	391
Prog 5: Traffic Management	56 065	59.5	6 646
Prog 6: Community Based Program	1 774	68.4	0
Trading Account	12 586	69.9	0
Unknown	4	80	0
Total	262 996	68.2	7 701

Salaries, overtime, Home owners Allowance and Medical Assistance by salary bands 2005/06

Salary Bands	Salaries (R'000)	Salaries as % of the Personnel Cost	Overtime (R'000)
Lower skilled (Levels 1-2)	10 1919	75.1	239
Skilled (Levels 3-5)	46 875	68.6	1 943
Highly skilled production (Levels 6-8)	81 257	61.3	4 968
Highly skilled supervision (Levels 9-12)	17 478	61.6	469
Senior management (Levels 13-16)	6 098	57.8	0
Contract (Level 1-2)	1 608	90.8	0
Contract (Level 3-5)	6 355	94.5	82
Contract (Level 6-8)	220	96.9	0
Contract (Level 9-12)	1 186	92.9	0
Periodical Remuneration	0	0	0
Total	262 996	68.2	7 701

EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate

Employment and vacancies by programme 31 March 2006

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administration	757	298	60%	0
Public Works	2832	1738	38%	4
Roads Infrastructure	1917	1599	16%	0
Public Transport	75	59	21%	0
Traffic Management	878	820	66%	0
Comm Based PWP	79	20	74%	0
Govt Motor Transport	290	82	71%	0
Total	6828	4616	32%	4

Employment and vacancies by salary bands, 31 March 2006

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	3387	2508	25%	4
Skilled (Levels 3-5)	1755	1081	38%	0
Highly skilled production (Levels 6-8)	1455	932	35%	0
Highly skilled supervision (Levels 9-12)	203	76	62%	0
Senior management (Levels 13-16)	28	20	28%	0
Total	6828	4616	32%	4

Employment and vacancies by critical occupation 31 March 2006

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Engineering/Professionals	58	17	70%	0
Information Technology	11	5	54%	0
Snr Management Service	28	20	28%	0
Transport Economist	2	1	50%	0
Total	99	43	56%	0

JOB EVALUATION

The following table summarises the number of jobs that were evaluated during 2005/06. The table also provides statistics on the number of posts that were upgraded.

Job Evaluation 1 April 2005 to 31 March 2006

Salary band	Number of posts 31 March 06	Number of posts evaluated	% of posts evaluated by salary bands	Posts upgraded	
				Number	% of posts evaluated
Lower skilled (Levels 1-2)	3387	14	0.4%	12	85.7%
Skilled (Levels 3-5)	1755	15	0.85%	14	93.3%
Highly skilled production (Levels 6-8)	1455	57	3.9%	1	1.75%
Highly skilled supervision (Levels 9-12)	203	42	20.68%	0	0
Senior Management Service Band A (SL 13)	20	12	60%	0	0
Senior Management Service Band B (SL14)	5	4	80%	0	0
Senior Management Service Band C (SL 15)	2	2	100%	0	0
Senior Management Service Band D (SL 16)	1	0	0	0	0
Total	6828	146	2.14%	27	18.49%

The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded.

Profile of employees whose salary positions were upgraded due to their posts being upgraded 1 April 2005 to 31 March 2006

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	1	1
Male	26	0	0	0	26
Total	26	0	0	1	27
Employees with a disability					0

Employees whose salary level exceed the grade determined by job evaluation 1 April 2005 to 31 March 2006 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Deputy Director: Communication	1	11	12	Incumbent transferred with salary
Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2005/06				1
Percentage of total employment				0

Profile of employees whose salary level exceed the grade determined by job evaluation, 1 April 2005 to 31 March 2006 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	1	0	0	0	1
Total	1	0	0	0	1

EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year.

Annual turnover rates by salary band for the period 1 April 2005 to 31 March 2006

Salary band	Number of employees per band as on 1 April 2005	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	2745	56	293	8.6%
Skilled (Levels 3-5)	865	240	24	25%
Highly skilled production (Levels 6-8)	928	46	42	0.4%
Highly skilled supervision (Levels 9-12)	65	12	1	16.9%
Senior Management Service Band A	8	5	0	62.5%
Senior Management Service Band B	3	2	0	66%
Senior Management Service Band C	0	0	0	0
Senior Management Service Band D	1	0	0	0
Total	4615	361	360	0

Annual turnover rates by critical occupation for the period 1 April 2005 to 31 March 2006

Occupation	Number of employees per band as on 1 April 2005	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Engineering/Professional	17	0	0	0
Information Technology	6	1	2	16.7%
Snr Management Service	14	7	0	50%
Transport Economist	0	0	0	0
Total	37	8	2	16.2%

Reasons why staff are leaving the department

Termination type	Number	% of total
Death	94	26.1%
Resignation	46	12.8%
Expiry of contract	55	15.3%
Dismissal - operational changes	0	0
Dismissal - misconduct	9	2.5%
Dismissal - inefficiency	0	0
Discharged due to ill-health	19	5.3%
Retirement	118	32.8%
Transfers to other Public Service Departments	18	5%
Other	1	0.3%
Total	360	100%
Total number of employees who left as a % of the total employment		7.8%

Promotions by critical occupation

Occupation	Employees as at 1 April 2005	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Engineering/Professional	17	0	0	8	47.1%
Information Technology	6	2	33%	0	0
Snr Management Service	14	2	14.3%	1	0.1%
Transport Economist	0	0	0	0	0
Total	37	4	47.3%	9	47.2%

Promotions by salary band

Occupation	Employees as at 1 April 2005	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Lower skilled (Levels 1-2)	2746	1	0	2238	83.9
Skilled (Levels 3-5)	865	5	0.6	564	70.9
Highly skilled production (Levels 6-8)	928	21	2.6	699	81.4
Highly skilled supervision (Levels 9-12)	65	1	1	53	54.6
Senior management (Levels 13-16)	12	3	18.8	1	6.3
Total	4616	31	0	0	0

EMPLOYMENT EQUITY

Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2006

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	11	1	0	4	1	1	0	1	19
Professionals	23	1	0	18	8	1	0	5	54
Technicians and associate professionals	326	37	0	115	109	15	0	38	640
Clerks	112	9	0	25	238	16	0	203	603
Service and sales workers	432	19	0	14	218	3	0	3	689
Craft and related trades workers	174	3	0	102	20	0	0	3	304
Plant and machine operators and assemblers	72	0	0	2	3	0	0	0	77
Elementary occupations	1546	25	0	19	626	1	0	13	2230
Total	2696	95	0	299	1223	37	0	266	4616
Employees with disabilities	24	0	0	4	3	0	0	6	37

Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	11	1	0	4	1	1	0	1	19
Professionally qualified and experienced specialists and mid-management	23	0	0	27	4	3	0	4	61
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	355	38	0	221	93	5	0	192	904
Semi-skilled and discretionary decision making	612	27	0	45	284	27	0	68	1063
Unskilled and defined decision making	1694	29	0	2	841	1	0	1	2568
Total	2696	95	0	299	1223	37	0	266	4616

Recruitment for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	1	0	0	2
Senior Management	3	0	0	0	0	0	0	0	3
Professionally qualified and experienced specialists and mid-management	9	0	0	0	3	1	0	0	12
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	17	3	0	0	23	0	0	3	46
Semi-skilled and discretionary decision making	78	14	0	4	130	15	0	1	242
Unskilled and defined decision making	33	1	0	0	22	0	0	1	56
Total	141	17	0	4	178	16	0	5	361
Employees with disabilities	0	0	0	0	0	0	0	0	0

Promotions for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	2	0	0	0	0	1	0	0	3
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	8	0	0	0	12	0	0	4	24
Semi-skilled and discretionary decision making	1	0	0	0	3	0	0	0	4
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	11	0	0	0	15	1	0	4	31
Employees with disabilities	0	0	0	0	0	0	0	0	0

Terminations for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	11	0	0	1	0	0	0	0	12
Senior Management	1	0	0	0	0	1	0	1	3
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	16	0	0	4	15	0	0	3	38
Semi-skilled and discretionary decision making	311	14	1	57	230	14	5	18	650
Unskilled and defined decision making	16	1	0	1	0	27	0	0	45
Total	355	15	1	63	245	42	5	22	748
Employees with disabilities	0	0	0	0	0	0	0	0	0

Disciplinary action for the period 1 April 2005 to 31 March 2006

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	21	4	0	2	3	2	0	0	32

INJURY ON DUTY

The following table provides basic information on injury on duty.

Injury on duty: 1 April 2005 to 31 March 2006

Nature of injury on duty	Number	% of total
Required basic medical attention only	28	43%
Temporary Total Disablement	35	54%
Permanent Disablement	0	0
Fatal	2	3%
TOTAL	65	100%

PERFORMANCE REWARDS

To encourage good performance, the department has granted the following performance rewards during 2005/06

Performance Rewards by race, gender, and disability, 1 April 2005 to 31 March 2006

	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African	1,021	3,919	26%	3,885,600	3,806
Male	592	2,696	22%	2,505,936	4,233
Female	429	1,223	35%	1,379,664	3,216
Coloured	36	132	27%	175,392	4,872
Male	24	95	25%	113,640	4,735
Female	12	37	32%	61,752	5,146
White	145	565	26%	1,027,270	7,085
Male	31	299	10%	291,400	9,400
Female	114	266	43%	735,870	6,455
Employees with a disability	9	24	38%	56,214	6,246
Total	1,202	4,616	26%	5,088,262	4,233

Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2005 to 31 March 2006

Salary Bands	Beneficiary Profiles			Cost		
	Number of beneficiaries	Number of employees as at 1 April 2005	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	546	2,527	22%	1,239	2,269	1.2%
Skilled (Levels 3-5)	364	1,081	34%	1,401	3,849	3.0%
Highly skilled production (Levels 6-8)	249	932	27%	1,703	6,840	2.1%
Highly skilled supervision (Levels 9-12)	43	76	57%	746	17,343	4.3%
Total	1,202	4,616	26%	5,089	4,233	1.9%
Wage Bill (Total Personnel Expenditure)						262 996 000

Performance Rewards by critical occupations, 1 April 2005 to 31 March 2006

Critical Occupations	Beneficiary Profile§			Cost	
	Number of beneficiaries	Number of employees as	% of total within Occupation	Total Cost (R'000)	Average cost per employee
Engineering/Professional	15	17	88.24%	88.24%	353
Information Technology	2	5	40.00%	40.00%	13
Snr Management Service	12	20	60.00%	60.00%	427
Transport Economist	0	0	0.00%	0.00%	0
Total	29	42	69.05%	69.05%	794

Performance related rewards (cash bonus), by salary band, for Senior Management Service

Salary Band	Beneficiary Profiles			Total Cost	Average cost per employee	Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within band			
Band A	3	15	20	51 636	17 212	0.85%
Band B	0	5	0	0	0	0
Band C	0	1	0	0	0	0
Band D	0	1	0	0	0	0
Total	3	20	15	51 636	17 212	0.85%

FOREIGN WORKERS

The table below summarise the employment of foreign nationals in the department in terms of salary bands and by major occupation.

Foreign Workers: 1 April 2005 to 31 March 2006, by salary band

Salary Band	1 April 2005		31 March 2006		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	1		1		0	0
Total	1		1		0	0

Foreign Worker: 1 April 2005 to 31 March 2006 by major occupation

Major Occupation	1 April 2005		31 March 2006		Change	
	Number	% of total	Number	% of total	Number	% change
Elementary occupations	1	0	1	0	0	0
Total	1	0	1	0	0	0

LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2005 TO 31 DECEMBER 2005

The following tables provide an indication of the use of sick leave and disability leave.

Sick leave: 1 January 2005 to 31 December 2005

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R)
Lower skilled (Levels 1-2)	8 924	88.3	1 203	51.92	7.42	938 010
Skilled (Levels 3-5)	3 216	87.5	453	19.56	7.10	504 879
Highly skilled production (Levels 6-8)	4 524	85.9	555	23.95	8.15	1 306 606
Highly skilled supervision (Levels 9-12)	360	89.7	57	2.46	6.32	253 476
Senior management (Levels 13-16)	31	100	5	0.21	6.20	
Contract (Levels 1-12)	309		44	1.9	7.02	173 040
TOTAL	17364		2 317	100	42.21	3 176 072

Disability leave (temporary and permanent), 1 January 2005 to 31 December 2005

Salary Band	Total days taken	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R)
Lower skilled (Levels 1-2)	1351	100	31	1.13%	43.6	142 003
Skilled (Levels 3-5)	146	100	7	0.81%	20.9	22 920
Highly skilled production (Levels 6-8)	371	100	16	1.72%	23.2	107 155
Highly skilled supervision (Levels 9-12)	13	100	3	4.62%	4.3	9 153
Senior management (Levels 13-16)						
TOTAL	1881	100	57	1.23%	33.0	281 231

Disability leave (temporary and permanent), 1 January 2005 to 31 December 2005

Salary Bands	Total days taken	Average per employee
Lower skilled (Levels 1-2)	60 677.56	23
Skilled Levels 3-5)	17 866.92	21
Highly skilled production (Levels 6-8)	19 699.24	23
Highly skilled supervision (Levels 9-12)	2 092.00	21
Senior management (Levels 13-16)	322.00	19
Contract (Level 1-12)	510.00	20
TOTAL	101 167.72	22

Capped leave: 1 January 2005 to 31 December 2005

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2004
Lower skilled (Levels 1-2)	874	6	65
Skilled Levels 3-5)	230	5	78
Highly skilled production (Levels 6-8)	537	7	66
Highly skilled supervision (Levels 9-12)	59	7	72
Senior management (Levels 13-16)	0	0	0
TOTAL	1700	6	68

LEAVE PAYOUTS FOR THE PERIOD 1 APRIL 2005 TO 31 MARCH 2006

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

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2004/05 due to non-utilisation of leave for the previous cycle	12	9	1 333
Capped leave payouts on termination of service for 2004/05	324	122	2 656
Current leave payout on termination of service for 2004/05	46	33	1 394
TOTAL	382	164	2 329

LABOUR RELATIONS

The following table summarises the outcome of disciplinary hearings conducted within the department.

Misconduct and disciplinary hearings finalised, 1 April 2005 to 31 March 2006

Outcomes of disciplinary hearings	Number	% of total
Written warning	12	38%
Final written warning	8	25%
Demotion	1	3%
Dismissal	11	35%
TOTAL	32	100%

Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Fraud	9	28%
Alcoholism	9	28%
Absenteeism	8	25%
Theft	1	3%
Insubordination	1	3%
*Others (progressive disciplinary matters)	4	13%
TOTAL	32	100%

Grievances lodged for the period 1 April 2005 to 31 March 2006

	Number	% of total
Number of grievances resolved	38	100%
Number of grievances not resolved	0	0%
Total number of grievances lodged	38	100%

Disputes lodged with Councils for the period 1 April 2005 to 31 March 2006

	Number	% of total
Number of disputes upheld	1	4%
Number of disputes dismissed	21	96%
Total number of disputes lodged	22	100

Strike actions for the period 1 April 2005 to 31 March 2006

Total number of person working days lost	587
Total cost (R'000) of working days lost	R 38 013
Amount (R'000) recovered as a result of no work no pay	R 38 013

Precautionary suspensions for the period 1 April 2005 to 31 March 2006

Number of people suspended	13
Number of people whose suspension exceeded 30 days	13
Average number of days suspended	394.5
Cost (R'000) of suspensions	R 941 837

SKILLS DEVELOPMENT

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

Training needs identified 1 April 2005 to 31 March 2006

Occupational Categories	Gender	Number of employees as at 1 April 2005	Training needs identified at start of reporting period		
			Learnerships	Skills Programmes & other short courses	Total
Legislators, senior officials and managers	Female	3	0	4	4
	Male	11	0	13	13
Professionals	Female	13	0	10	10
	Male	40	0	9	9
Technicians and associate professionals	Female	112	2	25	27
	Male	408	2	12	14
Clerks	Female	411	0	455	455
	Male	129	0	121	121
Service and sales workers	Female	249	0	75	75
	Male	494	0	41	41
Skilled agriculture and fishery workers	Female	0	0	0	0
	Male	0	0	0	0
Craft and related trades workers	Female	23	0	22	22
	Male	290	0	23	23
Plant and machine operators and assemblers	Female	3	0	4	4
	Male	75	20	36	56
Elementary occupations	Female	662	31	154	185
	Male	1692	0	222	222
Sub Total	Female	1476	33	749	782
	Male	3139	22	477	499
Total		4615	55	1226	1281

Training provided 1 April 2005 to 31 March 2006

Occupational Categories	Gender	Number of employees as at 1 April 2005	Training needs identified at start of reporting period		
			Learnerships	Skills Programmes & other short courses	Total
Legislators, senior officials and managers	Female	3	0	2	2
	Male	11	0	2	2
Professionals	Female	13	0	5	5
	Male	40	0	2	2
Technicians and associate professionals	Female	112	2	15	17
	Male	408	2	8	10
Clerks	Female	411	0	455	455
	Male	129	0	121	121
Service and sales workers	Female	249	0	69	69
	Male	494	0	41	41
Skilled agriculture and fishery workers	Female	0	0	0	0
	Male	0	0	0	0
Craft and related trades workers	Female	23	0	15	15
	Male	290	0	14	14
Plant and machine operators and assemblers	Female	3	0	4	4
	Male	75	20	36	56
Elementary occupations	Female	662	0	149	149
	Male	1692		145	145
Sub Total	Female	1476	2	714	716
	Male	3139	22	369	391
Total		4615	24	1083	1107

Skills development for the period 1 April 2005 to 31 March 2006

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	2	0	0	0	2	0	0	0	4
Professionals	1	0	0	1	3	0	0	2	7
Technicians and associate professionals	2	2	0	6	13	2	0	2	27
Clerks	98	3	0	20	390	12	0	53	576
Service and sales workers	23	10	0	8	50	3	0	16	110
Craft and related trades workers	12	1	0	1	14	1	0	0	29
Plant and machine operators and assemblers	54	0	0	2	4	0	0	0	60
Elementary occupations	135	5	0	5	131	4	0	14	294
Total	391	21	0	42	607	22	0	87	1107

Training provided 1 April 2005 to 31 March 2006

Occupational Categories	Gender	Number of employees as at 1 April 2005	Training needs identified at start of reporting period		
			Learnerships	Skills Programmes & other short courses	Total
Legislators, senior officials and managers	Female	3	0	2	2
	Male	11	0	2	2
Professionals	Female	13	0	5	5
	Male	40	0	2	2
Technicians and associate professionals	Female	112	2	15	17
	Male	408	2	8	10
Clerks	Female	411	0	455	455
	Male	129	0	121	121
Service and sales workers	Female	249	0	69	69
	Male	494	0	41	41
Skilled agriculture and fishery workers	Female	0	0	0	0
	Male	0	0	0	0
Craft and related trades workers	Female	23	0	15	15
	Male	290	0	14	14
Plant and machine operators and assemblers	Female	3	0	4	4
	Male	75	20	36	56
Elementary occupations	Female	662	0	149	149
	Male	1692		145	145
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Total		4615	24	1083	1107

Skills development for the period 1 April 2005 to 31 March 2006

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	2	0	0	0	2	0	0	0	4
Professionals	1	0	0	1	3	0	0	2	7
Technicians and associate professionals	2	2	0	6	13	2	0	2	27
Clerks	98	3	0	20	390	12	0	53	576
Service and sales workers	23	10	0	8	50	3	0	16	110
Craft and related trades workers	12	1	0	1	14	1	0	0	29
Plant and machine operators and assemblers	54	0	0	2	4	0	0	0	60
Elementary occupations	135	5	0	5	131	4	0	14	294
Total	391	21	0	42	607	22	0	87	1107

Question	Yes	Details, if yes
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes	Established support group in Qwa-Qwa for people that tested positive and disclosed their HIV status
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes	Attitude change through talks, determining the view of the people regarding the subject: <ul style="list-style-type: none"> - Practises of the people - Absenteeism and sick leaves - Level of Disclosure - Number of people consulting the office - Management involvement in the subject

UTILISATION OF CONSULTANTS

Consultant appointments using appropriated funds

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
112	356	178 160	259 802 000

Consultants, Contractors and suppliers used.

Consultant/Contractor/Supplier	Project Description	Value
A & B Electrical	Upgrade Residences Political Office Bearers	116,793
A Sassenberg	Bethlehem: Voortrekker School	2,696
	Fouriesburg: Tshepano Primary	121,353
	Phuta: Bluegumbosch Primary	37,275
	Upgrade Seder House	321,187
	Upgrading: Traffic Test Stations	254,106
AA Glassworks	Bloemfontein: Lourierpark Prim	20,457
Abeco Tanks	Phuta: Mkwane: Diqhobong Prim	70,825
AA Mann & Sons	Upgrade Seder House	28,619
AAMann & Sons (Pty) Ltd	Upgrade Seder House	158,267
Africon Eng Int (Pty) Ltd - Afri	Commuter Rail Feasibility	178,762
	Odendaalsrus: Jc Mothumi Sec	31,150
	Rep & Reseal Bfn - Dealesville	55,062
Afrigis (Pty) Ltd	GIS Development	799,117
Afrox Ltd	Upgrade Seder House	441

Consultant/Contractor/Supplier	Project Description	Value
Air-O-Lec Besigheidstrust	Upgrade Residences Political Office Bearer Upgrade: Cr Swart Upgrade: Mancofs	25,399 37,533 27,451
Amkelo 516 Cc	Upgrade Residences Political Office Bearer	171,730
Andr Glas	Upgrade Seder House	1,700
Andre Wessels & Helm Architects	Odendaalsrus: Jc Mothumi Sec	669,559
Archi-M Studio Cc	Upgrade Residences Political Office Bearer Upgrade: Cr Swart	230,054 74,162
Archpro Architects	E E Monese Comprehensive School Upgrade Seder House Upgrading: Traffic Test Stations	602,787 540,103 21,707
Arcus Gibb (Pty) Ltd	Regravel In Lejweleputswa	596,608
Ast Networks	Upgrade: Hamilton	10,218
Atlehang Property Development Tr	Upgrade Seder House	41,018
AZ Stoffeerders & Binneversierd	Harrismith:42ndhill:Nhlakanipho	12,020
B & L Quantity Surveyors (Bfn) P	Upgrade: Old Presidency	21,077
B & L Quantity Surveyors Sasolbu	Oranjeville:Metsimaholo P/S Upgrading: Registration Offices Vredefort: SS Paki	24,697 10,091 100,309
Bafokeng Brothers	Unity Primary School	7,200
Bahumi Building Contractors	Fouriesburg: Tshepano Iii Prim	211,828
Bartsch Consult (Pty) Ltd	Harrismith: Tshiame:Sasamala Sec	46,707
Battery Sentrum	Upgrade Seder House	886
Bc Masakhane Builders Joint Vent	Welkom: Mokgwabong Prim	388,453
Bc Masakhane Builders Jv	Welkom: Mokgwabong Prim	2,001,652
Becor Electrical	Upgrade Seder House	479
Becor Electrical Cc	Upgrade Seder House	1,925
Bergman Ingerop (Pty) Ltd	Harrismith:Mandela Park:Qwabi Pr	9,060
Bethlehem Pest Control Services	Upgrade Seder House	4,104
Bks	Design Jim Fouche Bridge	193,208
Bks (Pty) Ltd	Design Jim Fouche Bridge Thaba Nchu: Tawana Prim	392,028 104,013
Bks Group (Pty) Ltd	Design Jim Fouche Bridge	4,137,894
Black Top Surfaces (Pty) Ltd	Constr Koffiefontein - Oppermans	1,308,803
Blockpave (Pty) Ltd	Thaba Nchu:Refentse/Thubisi Prim	23,366
Bloemsec Trust	Upgrade Residences Political Office Bearer	43,943
Boipelo Designing School	Upgrade Residences Political Office Bearer	193,700
Boitelo Investments Enterprises	Upgrade Residences Political Office Bearer	95,810
Bokamoso Corporate Jurists	Upgrade Residences Political Office Bearer	207,794
Boshof Community Hall	Boshof Hall Maintenance	179,200
BOVICON	Maintenance:Epwp Projects Oppermansgronde Storm Water	2,266,039 1,040,000

Consultant/Contractor/Supplier	Project Description	Value
BR MOKHUTLE	Bloemfontein:Lourierpark Prim	117,000
BROWNBUILT METAL SECTIONS	Senekal: Tumisang Prim	258,297
	Thaba Nchu:Refentse/Thubisi Prim	115,765
BVI CONSULTING ENGINEERS FREE ST	Thaba Nchu: Tawana Prim	30,603
	Upgrade: Hamilton	61,324
C & P SIGNS CC	Upgrade Seder House	6,476
CA DU TOIT CENTRAL (EDMS) BPK	Odendaalsrus: Jc Mothumi Sec	70,137
	Petrusburg: Inoseng Prim	30,044
CALEDON SAND	Unity Primary School	4,382
CALICOM TRADING I62 (PTY) LTD T/	Upgrade Seder House	1,056
CD KRUGER T/A SHADE PORTS FREE S	Upgrade Residences Political Office Bearer	11,902
CHEM DRY BLOEMFONTEIN CC	Upgrade Residences Political Office Bearer	15,600
CHUBB LOCK & SAFE (BFN)	Upgrade Seder House	47,367
CITY SQUARE TRADING 6I (PTY)LTD	Upgrade Residences Political Office Bearer	104,017
	Phuta: Bluegumbosch Prim	14,968
COENOE 87 CC	Fouriesburg: Tshepano Iii Prim	45,720
CONRADIE & VENTER	Harrismith:42ndhill:Nhlakanipho	1,977
CONSULTING ENG	Phuta:Mkwane:Diqhobong Prim	8,365
	Senekal: Tumisang Prim	29,202
	Upgrade: Hamilton	108,008
	Upgrade: Lebohang	864,357
	Vredefort: SS Paki	64,143
CONTINENTAL ENAMELING	Harrismith:42ndhill:Nhlakanipho	58,490
COROBRIK	Senekal: Tumisang Prim	275,412
	Thaba Nchu:Refentse/Thubisi Prim	121,142
	Upgrade Seder House	52,228
CORPCLO I624 CC	Upgrade Residences Political Off	205,277
CP DE LEEUW JOHANNESBURG (PTY) L	Virginia: Marematlou Sec	304,483
CROATIA JOINERS (PTY) LTD	Senekal: Tumisang Prim	194,822
D M RAADGEWENDE INGENIEURS	Harrismith:42ndhill:Nhlakanipho	15,730
	Upgrading: Traffic Test Stations	29,744
DAKOTA HARRISMITH WHOLESALERS	Harrismith:42ndhill:Nhlakanipho	3,803
DAKOTA WHOLESALERS	Harrismith:42ndhill:Nhlakanipho	12,782
DEB'S BAKERY & CATERING	Upgrade Residences Political Off	551,011
DELTA ELEKTRIESE DIENSTE	Upgrade Seder House	655,536
DEN HARTOG BADENHORST DE JONGE (E E Monese Comprehensive School	229,958
DESIGN CENTRE	Wesselsbron:Mmabana Prim School	522,700
DESIGN PLUS INTERIORS	Upgrade Seder House	131,930
DIE ROODT VENNOOTSKAP BK	Upgrade: Old Presidency	12,130
	Virginia: Marematlou Sec	174,257
DINGAAN GARDEN SERVICE	Upgrade Residences Political Office Bearer	22,640

Consultant/Contractor/Supplier	Project Description	Value
DITEMA INTERIORS CC	Upgrade Residences Political Office Bearer Upgrade: Lebohang	50,100 359,367
DJ SMITH T/A SMITH VISSER QUANTI	Liketseng Primary School	45,542
DMV HARRISMITH EIENDOMS BEPERK	Bluegumbosch: Disaster Park Prim Upgrade Of SI499&I500 Qwaqwa	130,707 3,559,608
DOUBLE PURPLE D'ZINE STUDIO CC	Upgrading: Traffic Test Stations	300,000
DP RAMOKOATSI	Upgrade Residences Political Office Bearer	51,445
DREWETT HUBBLE AND POKORNY INC	Upgrading: Traffic Test Stations	14,852
DU TOIT & PUTTER	Bfn: Polokehong 2 Prim Thaba Nchu: Tawana Prim Unity Primary School	99,207 62,365 161,396
DV BOUSTAAL BK	Bothav: Mamellang Thuto: Hall 02/03	16,748
ECONOFLEX	Upgrade Seder House	19,555
ECONOFLEX (PTY) LTD	Upgrade Seder House	227,100
EDENBURG COMMUNITY HALL	Edenburg Hall Renovation	400,000
EL-CON CML	Upgrading: Traffic Test Stations	54,912
ELECTRO TRUST	Bloemfontein: Lourierpark Prim	270,420
ELEKTRO VROOMEN (PTY) LTD	Thaba Nchu: Refentse/Thubisi Prim	114,201
ELLUMAR BOERDERY CC T/A PG GLASS	Upgrade Seder House	21,604
F KHAN T/A KHAN INVESTMENTS	Upgrade Residences Political Office Bearer	34,500
FAMILIA CERAMICA T/A CTM BETHLEH	Fouriesburg: Tshepano Iii Prim Upgrade Seder House	66,342 90,578
FDC-OPERATIONAL	Fouriesburg: Tshepano Iii Prim Harrismith: 42ndhill: Nhlakanipho Harrismith: Mandela Park: Qwabi Pr Phuta: Bluegumbosch Prim	1,186,915 650,000 186,282 187,527
FDC-OPERATIONAL ACCOUNT	Constr Access Road To Selossha	3,025,658
FERNOFIRE BETHLEHEM CC T/A FERNO	Safety Compliance Of Compressors Upgrade Seder House	191,410 17,595
FERNOTECH	Harrismith: 42ndhill: Nhlakanipho Safety Compliance Of Compressors Upgrade Seder House	12,306 106,917 15,732
FIDELITY SPRINGBOK SECURITY SERV	Welkom: Mokgwabong Prim	11,970
FIRST BASE CONSTRUCTION CC	Regravel In Lejweleputswa	908,646
FISH EAGLE SECURITY (PTY) LTD	Upgrade Seder House	148,852
FPF PROPERTIES (PTY) LTD T/A GOL	Deneysville: Jj Khubeka Prim	1,279,448
FREE STATE BUILDING SUPPLIES	Thaba Nchu: Refentse/Thubisi Prim	143,516
FREELANCE CONSTRUCTION	Harrismith: 42ndhill: Pulamadiboho Upgrade: Medfontein	1,631,721 80,923
FT DU PLESSIS	Upgrade Seder House	16,750
GEEN & RICHARDS LTD	Upgrade Residences Political Off	14,797
GOLDFIELDS DEVELOPMENT	Deneysville: Jj Khubeka Prim	250,230

Consultant/Contractor/Supplier	Project Description	Value
GOLDFIELDS PIPE FITTERS CC	Phuta:Mkwane:Diqhobong Prim	39,701
GOLDLINE SIGNS	Sign Age: Testing Centre	11,400
H VAN DER VYVER STAALWERKE BK	Harrismith:42ndhill:Nhlakanipho Upgrade Seder House	90,267 385,344
H VOLMAN	Upgrade Seder House	140,036
HARDWARE MECCA	Fouriesburg: Tshepano Iii Prim Harrismith:42ndhill:Nhlakanipho Upgrade Seder House	36,468 15,249 6,677
HENDRO SCHOLTZ CC T/A PANASONIC	Upgrade Seder House	2,994
HHK EARTHING AND LIGHTNING PROTE	Harrismith:42ndhill:Nhlakanipho	13,477
HILDA VERSTER BOUREKENAARS	Upgrade: Lebohang	11,791
HILTON BLINDS CC	Bothav:Mamellang Thuto:Hall02/03	19,790
IBIZA HARDWARE SUPPLIES	Bloemfontein:Lourierpark Prim	505,573
IBIZA HARDWARE SUPPLIES CC	Bloemfontein:Lourierpark Prim	203,494
IK SITHOLE	Upgrade Residences Political Off	43,085
ILISO CONSULTING (PTY) LTD	Constr Jagersfnt - Trompsburg Rd Eastern Ring Road-Bloemfontein	3,430,315 592,724
ILISO-TROMPSBURG MULTIPURPOSE CO	Mpcc: Trompsburg	180,000
ILISO-ZASTRON MULTIPURPOSE COMMU	Mpcc: Zastron	276,664
INCLEDON DPI	Unity Primary School	690
INGEROP AFRICA (PTY) LTD	Regravel & Reconstr Bethlehem	250,501
INGOMUSO PROPERTY DEVELOPERS	Harrismith:42ndhill:Nhlakanipho	57,395
INLAND REFRIGERATION & AIR COND	Upgrade: CR Swart	86,612
INSIDE EDGE TRADING 516 CC	Bothav:Mamellang Thuto:Hall02/03 Upgrade: Cr Swart Upgrade: Hamilton Upgrade: Mancofs	4,906 1,104,528 37,259 166,253
INTERACTIVE TRADING I50 (PTY) LT	Regravel & Reconstr Bethlehem	2,284,180
IR MOKONE	Upgrade Residences Political Off	146,950
JACOBSDAL COMMUNITY HALL	Jacobsdal Hall Renovation	240,000
JC NEL & PUTTER BOUREKENAARS BK	Deneysville:Jj Khubeka Prim	22,360
JOBBE BUILDING CONSTRUCTION & MA	Upgrade Residences Political Off	71,464
JOBBE MULTI TRADE	Upgrade Seder House	6,000
JOHAN HELM ARGITEK	Welkom: Mokgwabong Prim	417,357
JOHNNY'S CONSTRUCTION	Kroonstad:Kananelo Ss:Hall02/03 Thaba Nchu:Rakanang/Botsime Prim	160,516 1,777,392
JOTA CONSTRUCTION CC	Theunissen: Siyassifunela Sec	55,398
JP CONSULTANTS	Bluegumbosch:Disaster Park Prim Harrismith:Mandela Park:Qwabi Pr Reitz: Kotso-Uxolo Sec	125,224 59,510 788,654
JURIE VAN VUUREN QS CC	Bothaville: Hlaboloha Prim Unity Primary School	646,833 3,891

Consultant/Contractor/Supplier	Project Description	Value
KA BAHUMI T/A BAHUMI BUILDING CO	Fouriesburg: Tshepano Iii Prim	527,927
KABELO INV(PTY) LTD T/A CENTRAL	Upgrade Seder House	35,538
KATLEGO JOINT VENTURE	Complete Vaalpark Interchange	11,305,852
KATUSHYA SECURITY	Fouriesburg: Tshepano Iii Prim	19,578
KATUSHYA SECURITY SERVICES (PTY)	Fouriesburg: Tshepano Iii Prim	39,157
KDA MASITHELA T/A T AND T CURTAL	Upgrade Residences Political Off	48,817
KEEVEY BUILDING SUPPLIES	Senekal: Tumisang Prim	33,329
KELAB CONSTRUCTION CC	Bothav: Mamellang Thuto: Hall 02/03	72,820
KELOPILE PROJECT MANAGEMENT CC	Upgrade Of SI499&I500 Qwaqwa	5,844,353
KELOPILE-MTHOMBENI JOINT VENTURE	Upgrade Of SI499&I500 Qwaqwa	23,722,000
KHUTHELE PROJECTS (PTY) LTD	Prov Land Transp Framework	4,326
KLOPPERS (PTY) LTD	Upgrade Residences Political Off	525,437
KMA CONSULTING ENGINEERS	Prov Road Infrastructure Plan	477,044
KMASH CIVIL CONSTRUCTION	Upgrade Residences Political Off	50,724
KOBUS DU PREEZ ARGITEK BK	Vredefort: Ss Paki	182,421
KOKOZELA	Unity Primary School	2,837,490
KOOL ALUMINIUM (PTY) LTD	Upgrade Residences Political Off	229,534
KRD BR-KONSORTIUM	Odendaalsrus: Jc Mothumi Sec	554,284
KWEZI V3 CONSULTING ENGINEERS	Bothaville: Hlaboloha Prim E E Monese Comprehensive School Rehab Reitz - Petrus Steyn Thabanchu: Sediti School Hall Virginia: Marematlou Sec Welkom: Mokgwabong Prim	48,810 274,612 713,100 12,730 16,574 36,744
KWEZI V3 ENGINEERS (PTY) LTD	Bothaville: Hlaboloha Prim Rehab Reitz - Petrus Steyn Virginia: Marematlou Sec Welkom: Mokgwabong Prim	12,402 5,897,835 12,023 56,681
KZN OILS	Upgrade Seder House	79,378
LAM & VAN BLERK MEDEWERKERS	Oranjeville: Metsimaholo P/S	16,984
LAMBU C.L.U. H/A HERCULES BETON	Unity Primary School	605
LEEUKOP VERSPREIDERS	Upgrade Seder House	3,033
LEROTHOLI & ASSOCIATES	Fouriesburg: Tshepano Iii Prim	97,595
LHL RAADGEWENDE INGENIEURS	Harrismith: 42ndhill Qhubeka Prim Senekal: Tumisang Prim	31,516 316,245
LIFESTYLE CUPBOARD CENTRE	Upgrade Residences Political Office Bearer	68,917
LM NOSI	Upgrade Residences Political Office Bearer	46,553
LOAPE BUILDERS	Upgrade Residences Political Office Bearer Upgrade: Lebohang Upgrade: Medfontein	252,950 54,208 73,197
LOCKER LOGISTICS (PTY) LTD	Harrismith: 42ndhill: Nhlakanipho	124,588

Consultant/Contractor/Supplier	Project Description	Value
LR KUGER T/A THUSABATHO CONSULTI	Maintenance:Epwp Projects Regravel In Xhariep	3,371,644 645,877
LUDICK BUILDERS CC	Upgrade Residences Political Office Bearer	780,492
LUMAY POOLS CC	Upgrade Residences Political Office Bearer	104,000
M & C PROJECTS	Upgrade Residences Political Office Bearer	46,780
M & L ELECTRICAL CONTRACTS CC	Upgrade: Lebohang	1,393,225
M & L ELEKTRIESE KONTRAKTEURS BK	Upgrade: Lebohang	1,296,551
M & M PLUMBING (PTY) LTD	Bethlehem:Voortrekker School Upgrade Seder House	380,911 334,769
M BORDER CONSULTANTS	Bfn:Tsoletso Ss:Hall 02/03	13,126
M LLER & NEUMEISTER ARCHITECTS	Harrismith:42ndhill:Pulamadiboho Harrismith:Mandela Park:Qwabi Pr Phutha: Bluegumbosch Sec	33,485 31,599 98,626
M.R. MATINI T/A R & B ELECTRICAL	Phutha: Bluegumbosch Sec Thaba Nchu:Emang Prim	350,594 1,468,455
MACSTEEL TRADING (PTY) LTD	Bloemfontein:Lourierpark Prim	110,766
MAINSERVE AFRICA (PTY) LTD	Maintenance: Radio Networks Maintn:Radio Networks&Electr Sec	44,235 56,399
MAINSERVE AFRICA (PTY) LTD T/A C	Maintenance: Radio Networks	466,827
MAITSE MA T/A LADY ANN & BROS	Upgrade Seder House	15,526
MAJAKATHATA BUILDING & GARDENING	Upgrading: Traffic Test Stations	126,115
MAJAKHATHATA BUILDING & GARDENIN	Upgrading: Traffic Test Stations	102,680
MAJOLA ATTORNEYS-TRUST ACCOUNT	Bothav:Mamellang Thuto:Hall02/03	152,417
MAJORMATIC 152 (PTY) LTD T/A MEY	R & R Parys - NI (P56/2) Rehab A54 - NI To Bloemfontein	4,285,121 2,189,437
MAKHENE & ASSOCIATES (PTY) LTD T	Theunissen Com Hall	520,000
MALUTI GLASS & ALUMINIUM	Upgrade Seder House	41,104
MALUTI GLASS & ALUMINIUM WHOLES	Harrismith:42ndhill:Nhlakanipho	11,317
MAMOHATO CONSTRUCTION CC	Oranjeville:Metsimaholo P/S	300,289
MANGAUNG LOCAL MUNICIPALITY(NO:9	Upgrade Residences Political Office Bearer	6,544
MAPULANE ENTERPRISE	Bfn:Tsoletso Ss:Hall 02/03	74,499
MARGOBRU PROFESSIONAL SERVICES C	Fouriesburg: Tshepano Iii Prim	322,192
MARU CONTRACTORS	Upgrade: Lebohang Upgrading: Traffic Test Stations	19,140 22,900
MASAKHANE BUILDERS	Welkom: Mokgwabong Prim	543,186
MASAKHANE BUILDERS & PLUMBERS	Bothaville: Hlaboloha Prim Welkom: Mokgwabong Prim	5,444,671 4,872,524
MASILONYANE LOCAL MUNICIPALITY	NI Corridor	50
MASIMOLE BUSINESS ENTERPRISE	Upgrade Residences Political Office Bearer	49,534
MASITE UPGRADING	Upgrade: Old Presidency	829,340

Consultant/Contractor/Supplier	Project Description	Value
MASTERPLAN BETHLEHEM BK	Phuta: Bluegumbosch Prim Phuta:Mkwane:Diqhobong Prim Senekal: Tumisang Prim	51,358 96,403 286,091
MATJABENG CONSTRUCTION BK T/A OS	Upgrading: Traffic Test Stations	61,235
MATJHABA KARPAH JOINT VENTURE	Virginia: Marematlou Sec	483,160
MATJHABA/KARPAH JOINT VENTURE	Virginia: Marematlou Sec	8,416,270
MATJHABENG MUNICIPALITY	N3 Corridor	318,481
MC MAKHETHA T/A KHETHANG MAKHETH	Upgrade Seder House	2,200
MCLACHLAN DU PLOOY (PTY) LTD	Upgrade Residences Political Office Bearer Upgrade: Lebohang Upgrade: Medfontein	15,362 20,263 25,230
MCS NOVEMBER T/A NGWANYA TRADING	Upgrade Residences Political Office Bearer	255,841
MD MASO T/A DEBS BAKERY & CATERI	Upgrade Residences Political Office Bearer	158,366
ME KGAILE	Upgrade Residences Political Office Bearer	136,547
ME MAITSE	Upgrade Seder House	4,182
ME NTECHANE BUILDERS	Dr Mngoma Primary School Vredefort: Ss Paki	1,219,482 495,689
MERAFE ENTERPRISE	Upgrade Residences Political Office Bearer	181,485
MESONG BRICK MANUFACTURERS & SUP	Fouriesburg: Tshepano Iii Prim Upgrade Seder House	42,235 40,006
METSIMAHOLO LOCAL MUNICIPALITY	N1 Corridor	2,269
MF KALANE	Upgrade Residences Political Office Bearer	253,039
MICHEAL'S HYDRAULICS	Upgrade Seder House	3,262
MICROZONE CC	Accident Management System Traffic Counting System	599,994 1,298,743
MILETUS CONSULTING (PTY) LTD	R&R Odendaalsrus - Bothaville Tourism Route Qwaqwa Upgrade Seder House	4,557,896 448,889 341,088
MISTY BLUE TRADING 136 CC	Upgrade Residences Political Office Bearer	128,707
MJ MOCHOARI	Upgrade Residences Political Office Bearer	19,576
MJ MOKOENA	Upgrade Residences Political Office Bearer	1,448,812
MJ MOKOENA CONTRACTORS	Phuta: Bluegumbosch Prim	175,901
MJM BUILDING & CML CONSTRUCTION	Phuta:Mkwane:Diqhobong Prim	458,818
MOHLOMI LJ T/A GO AHEAD TRADING	Upgrade Residences Political Office Bearer	125,000
MONAKALALI CONSTRUCTION	Upgrade Residences Political Office Bearer	560,426
MOSALA BUILDING & GARDENING SERV	Upgrade Residences Political Office Bearer	872,985
MOSTERT, VAN DEN BERG & DE LEEUW	Bfn:Tsosoleto Ss:Hall 02/03 Virginia: Marematlou Sec	9,188 94,356
MOTSHWANE M & N CONSTRUCTION	E E Monese Comprehensive School	686,548
MPHO CONSTRUCTION	Upgrade Residences Political Office Bearer	3,000
MS CHABELI	Upgrade Residences Political Office Bearer	51,491
MS MOTAUNG	Upgrade Seder House	223,975

Consultant/Contractor/Supplier	Project Description	Value
MT KOETEPE	Upgrade Seder House	20,000
MW STRYDOM	Upgrading: Registration Offices	12,358
NABUILD (PTY) LTD T/A FEDERATED	Bloemfontein:Lourierpark Prim	75,468
NALA CONSTRUCTION	Upgrading: Traffic Test Stations	227,926
NAMBITI PUMP & EQUIPMENT (PTY) L	Upgrade Seder House	17,579
NAMEPLATE CENTRE (PTY) LTD	Road Maintenance Contracts Road Signs Contract	24,985 1,277,763
NAMEPLATE CENTRE NORTH (PTY) LTD	Road Markings Contract Road Signs Contract	5,920 488,563
NC MOPELI	Harrismith:42ndhill:Nhlakanipho Upgrade Seder House	12,000 14,000
NETGROUP SOUTH AFRICA (PTY) LTD	Bfn:Polokehong 2 Prim	16,159
NETPLAN	Bluegumbosch:Disaster Park Prim Deneysville:Jj Khubeka Prim Phutha: Bluegumbosch Sec	25,435 69,834 6,942
NGWANYA TRADING	Upgrade Residences Political Off	197,000
NINHAM SHAND (PTY) LTD	Complete Vaalpark Interchange Constr Koffiefontein - Oppermans Regravel In Northern Fs	2,786,474 583,064 662,892
NJ MADANI	Upgrade: Lebohang	28,100
NTECHANE & KELAB CONSTRUCTION J/	Vredefort: Ss Paki	2,054,510
NTSU TRADING 515	Upgrade Residences Political Office Bearer	139,313
ODE BUILDING SUPPLIES	Unity Primary School	2,138
OFS FIRE SERVICES	Upgrade: Cr Swart Upgrade: Lebohang	191,693 51,950
OFS FIRE SERVICES CC	Upgrade: Lebohang	173,795
OSGLO VAAL EDMS BPK	Deneysville:Jj Khubeka Prim	33,117
OTIS (PTY) LTD	Upgrade Seder House	250,868
OVS VERKOELING TRUST	Upgrade Residences Political Office Bearer	7,464
PA. MANTINI T/A A & B ELECTRICA	Upgrade Residences Political Office Bearer	148,781
PERI WIEHAHN (PTY) LTD	Unity Primary School	17,812
PG GLASS	Upgrade Seder House	69,000
PIERRE LINDE KONSTRUKSIE	Upgrade Seder House	128,914
PIERRE LINDE KONSTRUKSIE BK	Fouriesburg: Tshepano Iii Prim Upgrade Seder House	573,392 390,663
PJ MEY	Upgrade Residences Political Office Bearer	167,186
PL CONSULTANTS	Harrismith: Tshiamo:Sasamala Sec Harrismith:42ndhill:Pulamadiboho Phuta: Bluegumbosch Prim	478 19,960 3,844
PLUMBERS CORNER T/A BERLESELL CC	Thaba Nchu:Refentse/Thubisi Prim Upgrade Residences Political Off	54,557 10,185
PRO QS QUANTITY SURVEYORS	Upgrading: Traffic Test Stations	44,039

Consultant/Contractor/Supplier	Project Description	Value
PRODEC PARTITIONING & SUSPENDED	Upgrade Residences Political Office Bearer	206,648
PRODEC PARTITIONING AND SUSPENDE	Upgrade Residences Political Office Bearer	281,233
PROMINENT BUILDING CONSTRUCTION	Upgrading: Traffic Test Stations	32,323
RADM CONSTRUCTION	Odendaalsrus: Jc Mothumi Sec	604,021
RADM CONSTRUCTION CC	Odendaalsrus: Jc Mothumi Sec Thaba Nchu: Tawana Prim	5,906,406 656,756
RAINBOW SERVICE	Upgrading: Traffic Test Stations	80,377
RAUBEX CONSTRUCTION	Regravel In Northern Fs	2,848,506
RAUBEX CONSTRUCTION (PTY) LTD	Regravel In Northern Fs	386,712
RAUBEX MUSCLE JOINT VENTURE	Rehab Ficksburg - Clocolan	95,826
REGAL EXPRESS BLOEMFONTEIN (PTY)	Upgrade Residences Political Office Bearer	2,893
RELYANT RETAIL T/A GEEN AND RICH	Upgrade Residences Political Office Bearer	2,078,054
RETYRE (PTY) LTD	Upgrade Seder House	7,820
RMA DOORS & SALES	Upgrade Residences Political Office Bearer	19,739
ROADMAC SURFACING	R&R Odendaalsrus - Bothaville	3,144,358
ROUXVILLE COMMUNITY HALL	Rouxville Hall Maintenance	296,000
RUBIQUANT BK	Harrismith: Tshiame: Sasamala Sec Harrismith: 42ndhill: Nhlakanipho	49,701 128,960
RUDNAT PROJECTS CC	Maintenance: Epwp Projects Moloti Tourism-Verkykerkop-Memel Regravel In Thaba Mofutsanyane	3,572,532 933,407 490,913
S KEELE T/A CURTAIN AND CLOTHING	Upgrade Seder House	134,436
S MATSOSO	Upgrade: Cr Swart	50,820
SA TIMBER BETHLEHEM (PTY) LTD	Upgrade Seder House	16,393
SAFARI ONDERDELE BK T/A PG GLASS	Upgrade Seder House	125,650
SAMUEL BINDA BUILDERS & MARKETIN	Harrismith: Mandela Park: Qwabi Pr	272,977
SATENA CONSTRUCTION CC	Upgrading: Traffic Test Stations	20,439
SCHINDLER LIFTS (PTY) LTD	Upgrade: Lifts	5,403
SCHINDLER LIFTS SA (PTY) LTD	Upgrade: Lifts	2,279,165
SCHWIM'S TYRE SERVICE CC	Upgrade Seder House	365
SCOREPROPS 42 (PTY) LTD	Upgrade Seder House	2,128
SD MAHLATSI T/A DANE CONSTRUCTIO	Upgrading: Traffic Test Stations	75,819
SDJ MATSHIDISO	Upgrade: Lebohang	29,760
SEKTOR ENGINEERING (PTY) LTD	Thaba Nchu Ren.Com Centre	544,000
SG KUMALO	Upgrade Residences Political Office Bearer	5,180
SIX SONS (PTY) LTD T/A KLOPPERS	Upgrade Residences Political Office Bearer	51,681
SM BUTHELEZI	Upgrade Residences Political Office Bearer	20,000
SM MNQAYANA	Upgrade Seder House	8,664
SM MNQAYANA T/A MNQAYANA TRANSP	Upgrade Seder House	9,300
SMILEY'S ELEKTRIES	Upgrade: Mancos	10,612
SMITHFIELD COMMUNITY HALL RENOV	Smithfield Hall Maintenance	180,800
SMITHFIELD NEW CRECHE	Smithfield Creche	880,000

Consultant/Contractor/Supplier	Project Description	Value
PRODEC PARTITIONING & SUSPENDED	Upgrade Residences Political Office Bearer	206,648
PRODEC PARTITIONING AND SUSPENDE	Upgrade Residences Political Office Bearer	281,233
PROMINENT BUILDING CONSTRUCTION	Upgrading: Traffic Test Stations	32,323
RADM CONSTRUCTION	Odendaalsrus: Jc Mothumi Sec	604,021
RADM CONSTRUCTION CC	Odendaalsrus: Jc Mothumi Sec Thaba Nchu: Tawana Prim	5,906,406 656,756
RAINBOW SERVICE	Upgrading: Traffic Test Stations	80,377
RAUBEX CONSTRUCTION	Regravel In Northern Fs	2,848,506
RAUBEX CONSTRUCTION (PTY) LTD	Regravel In Northern Fs	386,712
RAUBEX MUSCLE JOINT VENTURE	Rehab Ficksburg - Clocolan	95,826
REGAL EXPRESS BLOEMFONTEIN (PTY)	Upgrade Residences Political Office Bearer	2,893
RELYANT RETAIL T/A GEEN AND RICH	Upgrade Residences Political Office Bearer	2,078,054
RETYRE (PTY) LTD	Upgrade Seder House	7,820
RMA DOORS & SALES	Upgrade Residences Political Office Bearer	19,739
ROADMAC SURFACING	R&R Odendaalsrus - Bothaville	3,144,358
ROUXVILLE COMMUNITY HALL	Rouxville Hall Maintenance	296,000
RUBIQUANT BK	Harrismith: Tshiame: Sasamala Sec Harrismith: 42ndhill: Nhlakanipho	49,701 128,960
RUDNAT PROJECTS CC	Maintenance: Epwp Projects Moloti Tourism-Verkykerkop-Memel Regravel In Thaba Mofutsanyane	3,572,532 933,407 490,913
S KEELE T/A CURTAIN AND CLOTHING	Upgrade Seder House	134,436
S MATSOSO	Upgrade: Cr Swart	50,820
SA TIMBER BETHLEHEM (PTY) LTD	Upgrade Seder House	16,393
SAFARI ONDERDELE BK T/A PG GLASS	Upgrade Seder House	125,650
SAMUEL BINDA BUILDERS & MARKETIN	Harrismith: Mandela Park: Qwabi Pr	272,977
SATENA CONSTRUCTION CC	Upgrading: Traffic Test Stations	20,439
SCHINDLER LIFTS (PTY) LTD	Upgrade: Lifts	5,403
SCHINDLER LIFTS SA (PTY) LTD	Upgrade: Lifts	2,279,165
SCHWIM'S TYRE SERVICE CC	Upgrade Seder House	365
SCOREPROPS 42 (PTY) LTD	Upgrade Seder House	2,128
SD MAHLATSI T/A DANE CONSTRUCTIO	Upgrading: Traffic Test Stations	75,819
SDJ MATSHIDISO	Upgrade: Lebohang	29,760
SEKTOR ENGINEERING (PTY) LTD	Thaba Nchu Ren.Com Centre	544,000
SG KUMALO	Upgrade Residences Political Office Bearer	5,180
SIX SONS (PTY) LTD T/A KLOPPERS	Upgrade Residences Political Office Bearer	51,681
SM BUTHELEZI	Upgrade Residences Political Office Bearer	20,000
SM MNQAYANA	Upgrade Seder House	8,664
SM MNQAYANA T/A MNQAYANA TRANSP	Upgrade Seder House	9,300
SMILEY'S ELEKTRIES	Upgrade: Mancofs	10,612
SMITHFIELD COMMUNITY HALL RENOV	Smithfield Hall Maintenance	180,800
SMITHFIELD NEW CRECHE	Smithfield Creche	880,000

Consultant/Contractor/Supplier	Project Description	Value
UNISPAN MANUFACTURING (PTY) LTD	Upgrade Seder House	58,152
USUTHU BUILDING AND PLUMBING CON	Thaba Nchu:Refentse/Thubisi Prim	1,497,726
V & V CONSULTING ENGINEERS	Constr Access Road To Seloshesa	1,247,351
VAN DER VYVER STAALWERKE	Upgrade Seder House	59,294
VAN DER WALT & DU PLESSIS WELKOM	Welkom: Mokgwabong Prim	273,064
VAN RENSBURG, SCHULZE & VENNOTE	Phut:Lejoaneng Hlajoane S/School	12,536
	Phutha: Bodibeng Prim	45,970
	Phutha:Culbview Sec	19,430
	Refeng Thabo	23,360
	Upgrade Seder House	84,699
VD MNQAYANA	Bluegumbosch:Disaster Park Prim	5,590,318
VELAVKE CONSULTING ENGINEERS	Bfn:Polokehong 2 Prim	132,481
	Katso	45,299
	Prov Land Transp Framework	149,971
	R & R Parys - NI (P56/2)	5,869,957
	Thaba Nchu:Refentse/Thubisi Prim	36,307
	Upgrading: Traffic Test Stations	37,600
	Welkom: Mokgwabong Prim	75,279
VENTERS FLOORING	Upgrade Residences Political Office Bearer	12,630
VENTERS FLOORING CC	Upgrade Residences Political Office Bearer	331,394
	Upgrade Seder House	187,328
VGC CONSULT ENGINEERS (PTY) LTD	Harrismith:42ndhill:Pulamadiboho	51,800
VGC CONSULTING ENGINEERS (PTY) L	Springfontein - Bethulie	876,846
	Phuta:Tseki School:Water Reticul	108,159
VILJOEN & VAN SCHALKWYK	Springfontein-Bethulie	1,990,719
	Harrismith:42ndhill Qhubeka Prim	33,507
	Harrismith:42ndhill:Pulamadiboho	27,338
	Phuta:Mkwane:Diqhobong Prim	14,905
VITREX (PTY) LTD	Harrismith:42ndhill:Nhlakanipho	69,891
VRSTAAT GRONDWERKE (EDMS) BPK	Bfn:Tsoletso Ss:Hall 02/03	22,156
VUYANOXOLO BUSINESS INVESTMENT C	Upgrade Seder House	406,865
W KOSANA T/A WK CONSTRUCTION	Bfn:Polokehong 2 Prim	4,478,827
W RUITERS	Bloemfontein:Lourierpark Prim	414,849
WAME CONSTRUCTION	Upgrade Residences Political Office Bearer	1,024,981
WAME CONSTRUCTION (PTY) LTD	Upgrade Residences Political Office Bearer	122,043
WASCON CIVIL FREE STATE CC	Rep & Reseal Bfn - Dealesville	1,135,167
WASCON SMIEL BK	Rep & Reseal Bfn - Dealesville	3,460,747
	Upgrading: Traffic Test Stations	27,696
WELKOM COMMUNITY PROJECTS CC	Deneysville:Refengkotso Prim	39,753
	Upgrading: Traffic Test Stations	1,059,523
WELL EARNED TRADING I19 CC	Harrismith:42ndhill Qhubeka Prim	796,518
WESSELS & SAMUEL	Bothaville: Hlaboloha Prim	433,769

Consultant/Contractor/Supplier	Project Description	Value
WETHERLYS (PTY) LTD	Upgrade Residences Political Office Bearer	149,753
WG WEARNE	Upgrade Seder House	10,719
WG WEARNE (PTY) LTD	Upgrade Seder House	93,008
WCK STEEL TRUST	Bloemfontein:Lourierpark Prim	318,874
WITTHUNN MAREE & STEVENSON	Upgrade Residences Political Office Bearer	166,371
	Upgrade: Lebohang	49,371
	Upgrade: Medfontein	7,533
	Upgrading: Traffic Test Stations	86,694
	Bloemfontein:Lourierpark Prim	60,228
WJ JORDAAN	R & R NI - Sasolburg (PIO/I)	340,915
WSP SA CML & STRUCTURAL ENGINE	Rep & Reseal Bfn - Dealesville	326,723
	Upgrade: Old Presidency	70,398
WSP SA CML AND STRUCTURAL ENGI	Bloemfontein:Lourierpark Prim	36,025
	R & R NI - Sasolburg (PIO/I)	5,053,006
	Rep & Reseal Bfn - Dealesville	611,369
	Upgrade: Old Presidency	14,313
	Upgrading: Traffic Test Stations	3,036
		259,802,398

