



OFFICE OF THE CHIEF JUSTICE
REPUBLIC OF SOUTH AFRICA

ANNUAL REPORT 2017/18 FINANCIAL YEAR

VOTE 22 - OFFICE OF THE CHIEF JUSTICE

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PART A



**SERVING THE SOUTH AFRICAN
JUDICIARY**



GENERAL INFORMATION

1. DEPARTMENT'S GENERAL INFORMATION

Department:	Office of the Chief Justice
Physical address:	188 14th Road Noordwyk Midrand 1685
Postal address:	Private Bag X10 Marshalltown 2107
Telephone number:	+27 (0)10 493 2500
Email address:	imalao@judiciary.org.za
Website address:	www.judiciary.org.za

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2. LIST OF ABBREVIATIONS / ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor-General South Africa
APP	Annual Performance Plan
ARC	Audit and Risk Committee
CCJA	Conference of the Constitutional Jurisdictions of Africa
CoE	Compensation of Employees
COIC	Court Order Integrity Committee
CSD	Central Supplier Database
CSI	Customer Service Improvement
DG	Director-General
DBAC	Departmental Bid Adjudication Committee
DOJ&CD	Department of Justice and Constitutional Development
DPME	Department of Performance Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
EHW	Employee Health and Wellness
Exco	Executive Committee
FY	Financial Year
GPAA	Government Pensions Administration Agency
HDI	Historically Disadvantaged Individuals
HIV/AIDS	Human Immune-deficiency Virus/Acquired Immune Deficiency Syndrome
HOA	Home Owners' Allowance
HR	Human Resource
IAA	Internal Audit Activity
ICT	Information and Communication Technology
IJS	Integrated Justice System
JP	Judge President
JOC	Judicial Oversight Committee
JSC	Judicial Service Commission
M&E	Monitoring and Evaluation
MSP	Master Systems Plan
MPSA	Minister of Public Service and Administration
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NACH	National Anti-Corruption Hotline
NDP	National Development Plan
NEEC	National Efficiency Enhancement Committee
NRF	National Revenue Fund
NT	National Treasury
OCJ	Office of the Chief Justice
OHS&E	Occupational Health, Safety and Environment
OPSCO	Operations Committee
PCC	Provincial Control Committees
PFMA	Public Finance Management Act
PEEC	Provincial Efficiency Enhancement Committee
PSC	Public Service Commission
PSR	Public Service Regulations
SAJEI	South African Judicial Education Institute
SCM	Supply Chain Management



SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SG	Secretary General
SLA	Service Level Agreement
SMS	Senior Management Service
SOP	Standard Operating Procedure

LIST OF THE SUPERIOR COURTS

Superior Courts:

- Constitutional Court;
- Supreme Court of Appeal;
- The High Court of South Africa consisting of Divisions; and
- Specialised Courts.





3. FOREWORD BY THE MINISTER



Twenty eight years ago, our country and the world witnessed and celebrated the release of Nelson Mandela from Victor Verster prison after 27 years of incarceration. Four years later in 1994, he would become the country's first democratically elected President, thus ushering in a new political dispensation.

Underpinned by the 1993 Interim Constitution, the post-apartheid dispensation was made a permanent reality with the adoption of the Constitution of the Republic of South Africa Act, 1996, which is founded on a commitment to democratic values, a non-racial, non-sexist and prosperous society in which all South Africans enjoy equal citizenship.

This year, we are celebrating the lives of two outstanding patriots – President Nelson Mandela and Mama Albertina Sisulu – who together with others of our leaders did everything possible to ensure that we achieve the democratic victory of 1994.

Of the many things that the legal fraternity celebrates about the Mandela generation must surely be its commitment to the rule

of law as well as a strong and independent Judiciary which metes out justice without fear, favour or prejudice. Addressing the Law Society of the Transvaal on 29 October 1993, Mandela stated that “[t]here can be no justice without a strong, independent judiciary.” He added that: “the judiciary can do little without the support of a strong legal profession.”

Consistent with this outlook, the independence of the courts found expression in the Interim Constitution and, finally, section 165 of the 1996 Constitution.

The government's commitment to the principle of judicial independence would later be expressed through the establishment of the Office of the Chief Justice (OCJ) to ‘provide support to the judicial system to ensure effective and efficient court administration services.’

The establishment and continued support to the OCJ is an expression of the government's commitment to a strong and independent Judiciary. The government remains keenly appreciative of its constitutional duty to assist and protect the dignity, accessibility, effectiveness and independence of the Judiciary.

The OCJ plays a critical role in the realisation of social cohesion, redress, social justice and the National Development Plan (NDP) objective of “Promoting Accountability and Fighting Corruption through strengthening the judicial governance and the rule of law.”

To this end, the Department of Justice and Constitutional Development will continue to pay attention to the capacitation of the OCJ, even as the current austerity measures take their toll on the entirety of government.

Accordingly, the OCJ has made progress in improving its capacity. As at 31st March 2018, 95.4% of its funded vacant posts were filled. Improved capacity contributed to the



efficiency and effectiveness of the overall performance of the OCJ.

On the other hand, the transformation of the Judiciary remains a most crucial political, social and constitutional imperative. Section 174 (2) of the Constitution enjoins the government to ensure that the Judiciary reflects the broad racial and gender composition of our country. We continue to respond to this injunction by appointing fit and proper judicial officers.

To this end, out of 250 Judges in the Superior Courts establishment, 184 Judges are black and 90 are women. We do acknowledge that more still needs to be done.

The continuous education and training of Judges and aspirant Judges is an important pillar of the transformation process. We commend the training work of the South African Judicial Education Institute (SAJEI) which is located within the OCJ. It is worth

noting that during the period under review, 91 judicial education courses were conducted and attended by 2 061 beneficiaries.

To contribute to the efficiency of the justice cluster, the Chief Justice established the National Efficiency Enhancement Committee (NEEC) and the Provincial Efficiency Enhancement Committee (PEEC) intended to promote interdepartmental and stakeholder cooperation and, ultimately, the improved performance of the Superior Courts. These have continued to receive the necessary support during the period under review.

Access to justice to all remains one of our top priorities. In this regard, the Mpumalanga Division of the High Court will be completed during the 2018/19 Financial Year. This will ensure that each of the nine provinces has a fully-fledged High Court as envisaged in section 6 of the Superior Courts Act 10 of 2013.





The modernisation of the courts through the use of technology is important for improving access to justice, efficiency in information and data management and the effective administration to the courts. During the period under review, an Information and Communication Technology (ICT) Master Systems Plan (MSP) was implemented. Plans are underway to introduce the automation and digitisation of court records.

The government will continue to provide support to the Judiciary as the Constitution enjoins the Executive to protect the courts to ensure their independence, dignity, accessibility and effectiveness.

Acknowledgment / Appreciation

I would like to convey my gratitude to the Head of the Judiciary, Honourable Chief Justice Mogoeng Mogoeng, for his visionary leadership, as well as the Heads of Court who continue to assist the Chief Justice with the execution of judicial functions. I would also like to extend my appreciation to the entire Judiciary for its commitment to providing justice for all without fear, favour or prejudice; the Deputy Minister of Justice and Constitutional Development, the Honourable John Jeffrey for the support; the Portfolio Committee on Justice and Correctional Services, the Audit and Risk Committee (ARC) of the OCJ; and all other stakeholders for their profound support.

My sincere gratitude also goes to the Secretary-General of the OCJ, Ms Memme Sejosengwe and the staff of the OCJ for their tireless efforts in ensuring that the organisation efficiently and effectively discharges its mandate.

T M Masutha, MP (Adv)
Minister of Justice and Correctional Services
Date: 31 July 2018





4. REPORT OF THE ACCOUNTING OFFICER

4.1. GENERAL OVERVIEW



The 2017/18 Financial Year was the third year of the OCJ functioning as a fully-fledged Department with its own budget vote. As a basis for its existence, the Department continues to provide administrative support to the Judiciary of the Republic of South Africa as an Arm of State. The Department accounts to the Minister of Justice and Correctional Services as its Executive Authority. The OCJ executes its administrative support function to the Judiciary by:

- (a) Supporting the Chief Justice in the fulfilment of his functions as Head of the Judiciary and the Head of the Constitutional Court;
- (b) Capacitating the OCJ; and
- (c) Rendering effective and efficient administration as well as technical support to the Superior Courts.

In order for the OCJ to continue executing its mandate, capacitation in relation to human resources was prioritised during the reporting

period. The current suppressed economic situation in the country had an effect on the growth and capacitation of the OCJ as a new department. However, various intervention strategies were implemented to ensure that service delivery is not compromised. Some of these strategies included the reprioritisation of the already limited budget to fund prioritised critical vacant posts which were deployed to key service delivery areas.

During the reporting period, the OCJ contributed to the Medium Term Strategic Framework (MTSF) in outcome 12 “an effective, efficient and development orientated public service” by implementing the public service Operations Management Framework. The OCJ effectively implemented and monitored the Service Delivery Charter as well as the Service Delivery Improvement Plan (SDIP). To give effect to section 36 part B of the Public Service Regulations of 2016, the OCJ has approved the 2018-2021 SDIP during the 2017/18 Financial Year. The plan is due to be implemented from 2018/19 Financial Year onward.

In responding to the Government’s priorities, the OCJ contributed to chapter 14 of the NDP and Outcome 3 of the MTSF by, amongst others, producing 5 Superior Court performance monitoring reports, achieving 92% (82 579 of 89 935) compliance with the quasi-judicial targets, finalising 89% (48 509 of 54 563) of default judgments, 96% (33 961 of 35 261) of taxations of legal costs and delivering 98% (109 of 111) of warrants of release within one day of the release being granted.

The effective management of the governance structures and the implementation of governance systems in the OCJ ensured that the Department functions efficiently and effectively within the prescripts applicable to national departments. Such structures include, our efficient Judicial Oversight Committee (JOC) and the ARC. The oversight



provided by the ARC assisted the OCJ to obtain unqualified audit opinions for two consecutive years.

The Judiciary and the OCJ have been threatened by reported incidents of fraudulent court orders at the Superior Courts. In order to reduce and prevent the proliferation of fraudulent court orders, the Department has introduced new controls / measures which seek to enhance the security of court orders. A Court Order Integrity Committee (COIC) has been established by the NEEC to give attention to the fraudulent court orders / processes at the courts.

The Department has also conducted fraud prevention and anti-corruption awareness initiatives for all employees in line with the Annual Fraud and Corruption Prevention Plan. In addition to this, the Department implemented effective ethics management strategies, which assisted relevant governance structures to manage ethics, fraud and corruption related incidents. The Department has also conducted the fraud risk assessments during the reporting period and this will inform the development of the Fraud Prevention and Anti-corruption Strategy and Implementation Plan in the 2018/19 and 2019/20 Financial Years. The Fraud Prevention and Anti-corruption Strategy and Implementation Plan will assist in preventing fraudulent and corrupt activities. It will further assist in strengthening the reporting of these activities to Management, Forensic Audit, and the ARC. The reporting of fraudulent and corrupt activities can also be done through the National Anti-Corruption Hotline (NACH) of the Public Service Commission (PSC) or the Office of the Public Protector.

The OCJ regards the continual learning and development of its employees as an investment. Continual learning and development assist with providing leadership on service delivery in order to assure service excellence. For this reason, during the year under review, 108 OCJ employees were granted bursaries. In addition, the Department provided training and development programmes to 687 employees.

Included in the 687 employees mentioned

above, five were Senior Management Service (SMS) members who attended the KHAEDU training. The aim of the KHAEDU training is to empower managers through various processes of learning reinforcement and practice, to bring about change within their own area of operational control at the coalface of service delivery.

The major achievements of the OCJ during the period under review include:

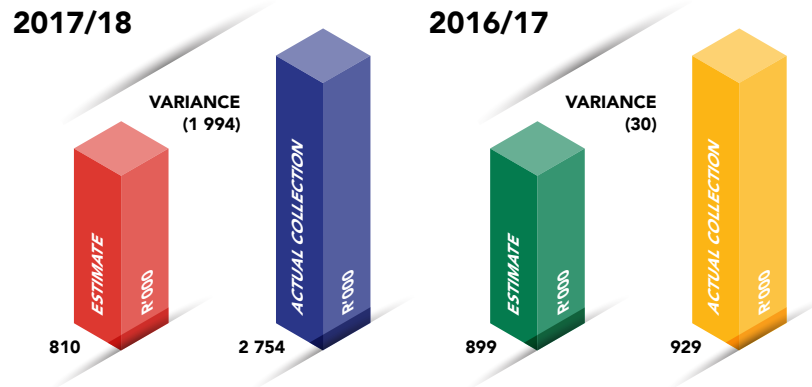
- Unqualified audit outcome for the 2017/18 Financial Year;
- Operationalisation of the Limpopo High Court;
- The launch of the new websites for the Constitutional Court as well as the OCJ to improve public access to information about the Judiciary;
- 95.4% Of funded vacant posts filled as at the end of the 2017/18 Financial Year; and
- The development of the Information Security Framework.

In relation to international and regional integration, the Chief Justice hosted the 4th Congress of the Conference of Constitutional Jurisdictions of Africa (CCJA) as well as the 9th Session of the Executive Bureau of the CCJA. The OCJ supported the Chief Justice during these historic events at which members, amongst others, shared latest constitutional developments and jurisprudence from their respective jurisdictions.



4.2. OVERVIEW OF THE FINANCIAL RESULTS

DEPARTMENTAL RECEIPTS



The actual revenue collected was R2 754 000 which exceeded the estimated revenue collection of R810 000 by R1 994 000 for the 2017/18 Financial Year. The improved revenue collection was due mainly to recovery of debts. The revenue collected during the year under review was R1 825 000 more than the revenue collected during the 2016/17, which was R929 000.

PROGRAMME EXPENDITURE

Programme	2017/18			2016/17		
	Final appropriation R'000	Actual expenditure R'000	(Over)/under-expenditure R'000	Final appropriation R'000	Actual expenditure R'000	(Over)/under-expenditure R'000
Administration	177 353	167 667	9 686	142 181	139 079	3 102
Superior Court Services	760 322	748 224	12 098	686 906	675 647	11 259
Judicial Education and Support	81 643	81 624	19	44 903	40 918	3 985
Total	1 019 318	997 515	21 803	873 990	855 644	18 346
Direct Charge	966 060	998 355	(32 295)	950 057	930 704	19 353
Total	1 985 378	1 995 870	(10 492)	1 824 047	1 786 348	37 699

The Department's total voted expenditure amounted to R997.515 million against the final appropriation of R1.019 billion. This excludes the Direct Charge to the National Revenue Fund for Judges' remuneration. This reflects a 97.9% spending against the final appropriation, resulting in an under expenditure of R21.8 million (2.1%). The underspending mainly relates to the putting on hold the filling of vacancies in order to manage the expenditure patterns and ensure that the compensation of employees' budget ceiling for the outer years of the MTEF period is not exceeded.

EXPENDITURE PER PROGRAMME

PROGRAMME 1: ADMINISTRATION

The expenditure on this Programme was R167.7 million against the final allocation of R177.4 million, which resulted in an underspending of R9.7 million. This underspending was mainly on compensation of employees due to non-filling of vacancies as explained above. The spending



on the rest of this Programme (excluding the compensation of employees), was 99.7% with an underspending of only R237 thousand against the final allocation.

PROGRAMME 2: SUPERIOR COURT SERVICES

The expenditure on this Programme was R748.2 million against the final allocation of R760.3 million, which resulted in an underspending of R12.1 million. This underspending was on compensation of employees due to non-filling of vacancies as explained above. The spending on the rest of this Programme (excluding the compensation of employees), was 100% against the final allocation.

PROGRAMME 3: JUDICIAL EDUCATION AND SUPPORT

The expenditure on this Programme was R81.6 million against the final allocation of R81.6 million, which resulted in an underspending of R19 thousand. The spending on this Programme (including the compensation of employees), was 100% against the final allocation.

STATUTORY FUND (DIRECT CHARGE): JUDGES' SALARIES

The expenditure on the statutory allocation was R998.4 million (103.3%) against the final allocation of R966.1 million. The overspending on the statutory allocation amounted to R32.3 million which relates to the 4% salary increase for Judges which did not form part of the initial appropriation. The overspending on households relates to unforeseen social benefits paid to Judges in terms of their legislated benefits. It should be noted that the overspending of the statutory fund does not constitute unauthorized expenditure.

VIREMENTS

The following table provides a breakdown of virements executed:

From:			To:		
Programme:	Item:	R'000	Programme:	Item:	R'000
1: Administration	<ul style="list-style-type: none"> Goods and services Payment for capital assets 	3142 3246	2: Superior Court Services	<ul style="list-style-type: none"> Payment for capital assets 	2 124
2: Superior Court Services	<ul style="list-style-type: none"> Compensation of employees 	470	3: Judicial Education and Support	<ul style="list-style-type: none"> Payment for capital assets 	4 264
			3: Judicial Education and Support	<ul style="list-style-type: none"> Compensation of employees 	470
Total:		6 858	Total:		6 858

The virement from the Administration Programme was executed to defray excess expenditure on the Superior Court Services Programme and Judicial Education and Support Programme under payment of capital assets due to the under-projected cost of the provision of vehicles for use by Judges in accordance with their legislated benefits.

The virement from the Superior Court Services Programme was executed to defray excess expenditure on compensation of employees under the Judicial Education and Support Programme due to under-projected cost of living expenses in Programme 3.



LEASE PAYMENTS

An amount of R124.603 million was spent on lease payments during the period under review.

UNAUTHORISED EXPENDITURE

No unauthorised expenditure was incurred during the period under review.

IRREGULAR EXPENDITURE

Irregular expenditure amounting to R28 000 was detected during the period under review, of which R28 000 was condoned. An amount of R5 000 was for the prior year and R23 000 relates to the current year. This is attributed to expenditure against contracts that have lapsed. The amount of irregular expenditure decreased by 95.9% compared to the previous Financial Year.

FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure amounting to R29 000 was detected relating to the prior year whilst an amount of R12 000 was incurred in the current year. For the prior year the amount of R26 000 was for interest on a late payment for an arbitration award, R2 000 was for the late payment of an invoice for an advertisement in a publication and R1 000 was for a "no show" for car hire. In the current year, R8 000 was as a result of "no shows" for accommodation and car hire and R4 000 was for interests accumulated as a result of late payment of invoices on the fleet account. The amount of R12 000 for the current year and R3 000 for prior year were condoned by the delegated authority whilst the prior year amount of R26 000 is still under investigation.

In order to prevent irregular, fruitless and wasteful expenditure, Supply Chain Management (SCM) policies were reviewed to incorporate National Treasury Instructions on procurement related matters. Standard Operating Procedures for procurement were also approved and implemented. All cases of irregular, fruitless and wasteful expenditure were reported to the Departmental Bid Adjudication Committee (DBAC) for investigation and recommendations were made on corrective measures to be taken. Where applicable, instructions were issued to take appropriate actions against non-compliance.

NATURE OF NON-COMPLIANCE	REASONS
Contract on business directory advertising relating to prior years.	Failure by an Official to monitor the conditions of a contract for a business directory advertising services.
'No show' relating to booked accommodation and car hire.	Reservations for accommodation and car hire were not utilised.
Late payment of a supplier.	Complications in the handing over process of the vehicle administration service and Stannic account from DoJ&CD to the OCJ.
Late payment on an arbitration award which accumulated interest.	The payment relating to an arbitration award was not paid on time by the OCJ.



FUTURE PLANS OF THE DEPARTMENT

In our efforts to capacitate the OCJ, a budget of R29.1 million has been allocated to operationalise the Mpumalanga Division of the High Court in the 2018/19 Financial Year. These funds will be used for the creation of 43 permanent posts, procurement of ICT equipment, Judges' vehicles and other operational expenses.

The modernisation of court processes through the use of digital technology at the courts remains a priority. The Information and Communications Technology (ICT) Master Systems Plan (MSP) is a five-year ICT Strategic Plan that outlines major enabling ICT programmes that are meant to support the Judiciary and the OCJ in delivering on its mandates. During the 2018 MTEF, focus will be on the piloting and rolling out of the case E-filing system which includes all capabilities for managing, storing, publishing and retrieving case files, case documentation, evidence, court orders, judgments and all other relevant documentation. The system is aimed at reducing the risks associated with hard copy court records, improving efficiency in case management as well as court processes through the electronic filing of court documents.

PUBLIC-PRIVATE PARTNERSHIPS

The OCJ did not enter into any public-private partnerships during the period under review.

DISCONTINUED ACTIVITIES/ACTIVITIES TO BE DISCONTINUED

There are no activities that were or will be discontinued.

NEW OR PROPOSED ACTIVITIES

There are no new or proposed activities.

SUPPLY CHAIN MANAGEMENT

No unsolicited bid proposals were considered or concluded by the Department for the year under review.

SCM PROCESSES AND SYSTEMS TO PREVENT IRREGULAR EXPENDITURE

The OCJ has processes and systems in place to detect and prevent irregular expenditure. These include the following:

- The augmentation of the Departmental Financial Instructions, Delegations and SCM policies to strengthen accountability and responsibility of end-users as well as SCM staff;
- SCM Standard Operating Procedures and checklists are implemented and monitored to ensure SCM compliance. Furthermore, SCM staff performs pre-check compliance reviews prior to generating purchase orders. Purchase orders are placed with accredited suppliers/service providers registered on the Central Supplier Database of the National Treasury;
- The OCJ has appointed Bid Committees and Provincial Control Committees (PCCs) to ensure transparency, fairness and compliance within the SCM and tender processes;
- All SCM employees have signed a Code of Conduct and Bid Committee members have signed a Declaration of Interests;
- The one instance of irregular expenditure relating to the prior year was reported to the relevant committee for consideration, investigation and recommendation; and
- A contract management register was maintained.

ASSET MANAGEMENT

During the year under review, the OCJ maintained its asset management register in compliance with section 38 of the Public Finance Management Act of 1999 (PFMA). The focus was on addressing administrative matters on the registers raised in previous



audit findings by the Auditor General South Africa.

Challenges experienced in SCM and how they were resolved:

No challenges were experienced in SCM during the year under review.

Challenges experienced in asset management were as follows:

Due to the shortage of staff at the Superior Courts, there were challenges experienced with the physical verification of assets. The National Office provided assistance with asset verification at the courts with the aim of resolving the above mentioned challenge. Contract Asset Clerk posts have been created and filled at the Superior Courts to assist with asset management. Additional scanners were procured for the scanning of assets and training was provided to court employees.

GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES

During the year under review, the OCJ received donations amounting to R299 000. These donations were in relation to library books and publications to the value of R13 000 and complimentary flight tickets and accommodation to the value of R286 000 to attend international training programmes and conferences.

EXEMPTIONS AND DEVIATIONS RECEIVED FROM NATIONAL TREASURY

There were no exemptions and deviations received from National Treasury during the period under review.

Ms M Sejosengwe
Accounting Officer: Office of the Chief Justice
Date: 31 July 2018

EVENTS AFTER THE REPORTING DATE

There were no events that took place after the reporting date.

ACKNOWLEDGEMENT AND APPRECIATION / CONCLUSION

I would like to express our resolute commitment as a Department to ensuring that we continue to execute our mandate of supporting the Judiciary to ensure effective and efficient court services. Our deepest gratitude goes to the Chief Justice, Mogoeng Mogoeng and the Heads of Court for their support, guidance and leadership. We would also like to thank the Minister of Justice and Correctional Services, Adv. Tshililo Michael Masutha, and the Deputy Minister of Justice and Constitutional Development, Mr John Jeffery, for their continued support. Our gratitude is also extended to the Portfolio Committee on Justice and Correctional Services, the Audit and Risk Committee and all other stakeholders for their support.

Finally, I express my deepest gratitude to all OCJ employees for their team effort in ensuring that we deliver services as mandated by our Constitution and the prescripts of the public service.

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

- All information and amounts disclosed throughout the Annual Report are consistent.
- The Annual Report is complete, accurate and is free from any omissions.
- The Annual Report has been prepared in accordance with the *Annual Report Guide for National and Provincial Departments* as issued by the National Treasury.
- The Annual Financial Statements (Part E) have been prepared in accordance with the Modified Cash Standard and the relevant frameworks and guidelines issued by the National Treasury.
- The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.
- The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the Human Resources (HR) information and the annual financial statements.
- External auditors are engaged to express an independent opinion on the annual financial statements.
- In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the Financial Year ended 31 March 2018.

Yours faithfully,



Ms M Sejosengwe
Accounting Officer: Office of the Chief Justice
Date: 31 July 2018



6. STRATEGIC OVERVIEW

Vision

A single, transformed and independent judicial system that guarantees access to justice for all.

Mission

To provide support to the judicial system to ensure effective and efficient court administration services.

Values

- Respect for and protection of the Constitution;
- Honesty and integrity;
- Openness and transparency; and
- Professionalism and excellence.

7. LEGISLATIVE AND OTHER MANDATES

In discharging its mandate, the OCJ is guided by the Constitution of the Republic of South Africa, 1996, as well as other legislation and policies that constitute the legal framework for the establishment of the OCJ.

Constitutional mandate

The Constitution provides for the independence of the Judiciary and protects judicial independence by prohibiting any interference with the functioning of the courts. It further imposes a duty on organs of State to assist and protect the courts to ensure, among others, their independence, impartiality and efficiency. The Constitution also expressly provides that the Chief Justice is the Head of the Judiciary and entrusts him with the responsibility for the establishment and monitoring of Norms and Standards for the Judicial Officers in all courts. It also designates the Constitutional Court as the highest court in all matters. Furthermore, everyone has a constitutional right to have any legal dispute decided in a fair public hearing before an independent court. The judicial authority is vested in the courts.

In order to advance the transformation imperatives of the Constitution, Item 16 in Schedule 6 to the Constitution provides for the rationalisation of all courts and all relevant legislation with the view to establishing a judicial system suited to the requirements of the Constitution. The Constitution further provides that, after a national election, the Chief Justice is required to convene the first sitting of Parliament and to preside over the election of the President, Speaker of the National Assembly and the Chairperson of the National Council of Provinces. The Chief Justice is also assigned by the Constitution the responsibility of presiding over meetings of the Judicial Service Commission.



Legislative mandate

The Office of the Chief Justice derives its mandate from several pieces of legislation, including the following:

LEGISLATION	KEY MANDATES / RESPONSIBILITIES
Public Service Act, 1994 (Proclamation 103 of 1994)	The OCJ was proclaimed a National Department under the Public Service Act, 1994. This Act provides for the organisation and administration of the Public Service.
Public Finance Management Act, 1999 (Act 1 of 1999)	This Act regulates financial management in the National Government.
Superior Courts Act, 2013 (Act 10 of 2013)	This Act empowers the Chief Justice to exercise responsibility over the establishment and monitoring of Norms and Standards for the exercise of judicial functions for all courts. The Minister of Justice and Correctional Services has, in terms of this Act, delegated certain powers and functions to the SG for the purposes of providing administrative support functions to the Chief Justice and the Judiciary. This Act also regulates the allocation of financial resources of the OCJ and designates the SG as the Accounting Officer.
Judges' Remuneration and Conditions of Employment Act, 2001 (Act 47 of 2001)	This Act deals with the remuneration and conditions of employment of Judges.
Judicial Service Commission Act, 1994 (Act 9 of 1994)	The Act deals with the appointment of Judges and support to the JSC.
South African Judicial Education Institute Act, 2008 (Act 14 of 2008)	The Act provides for training of Judicial Officers.
Public Service Act Proclamation, 1994 (Act 104 of 1994)	In March 2015, the Minister of Public Service and Administration, in terms of this Act, determined the functions relating to the administration of the Superior Courts transferred from the DoJ&CD to the OCJ.
Judicial Matters Amendment Act, 2015 (Act 24 of 2015)	In terms of the Judicial Matters Amendment Act, 2015 (Act 24 of 2015), the general administration of the Judges' Remuneration and Conditions of Employment Act, 2001 (Act 47 of 2001) has been transferred from the Director-General (DG) of the DoJ&CD to the SG of the OCJ with effect from 01 August 2016. This Amendment Act also seeks to transfer certain functions and responsibilities of SAJEL that were previously allocated to the DoJ&CD. Furthermore, the SG is responsible for accounting for JSC funds.
Regulations on the Criteria for the Determination of the Judicial Establishment of the Supreme Court of Appeal and Divisions of the High Court of South Africa, 2015	These Regulations provide the criteria for the determination of the number of Judges at the Superior Courts.

Policy mandates

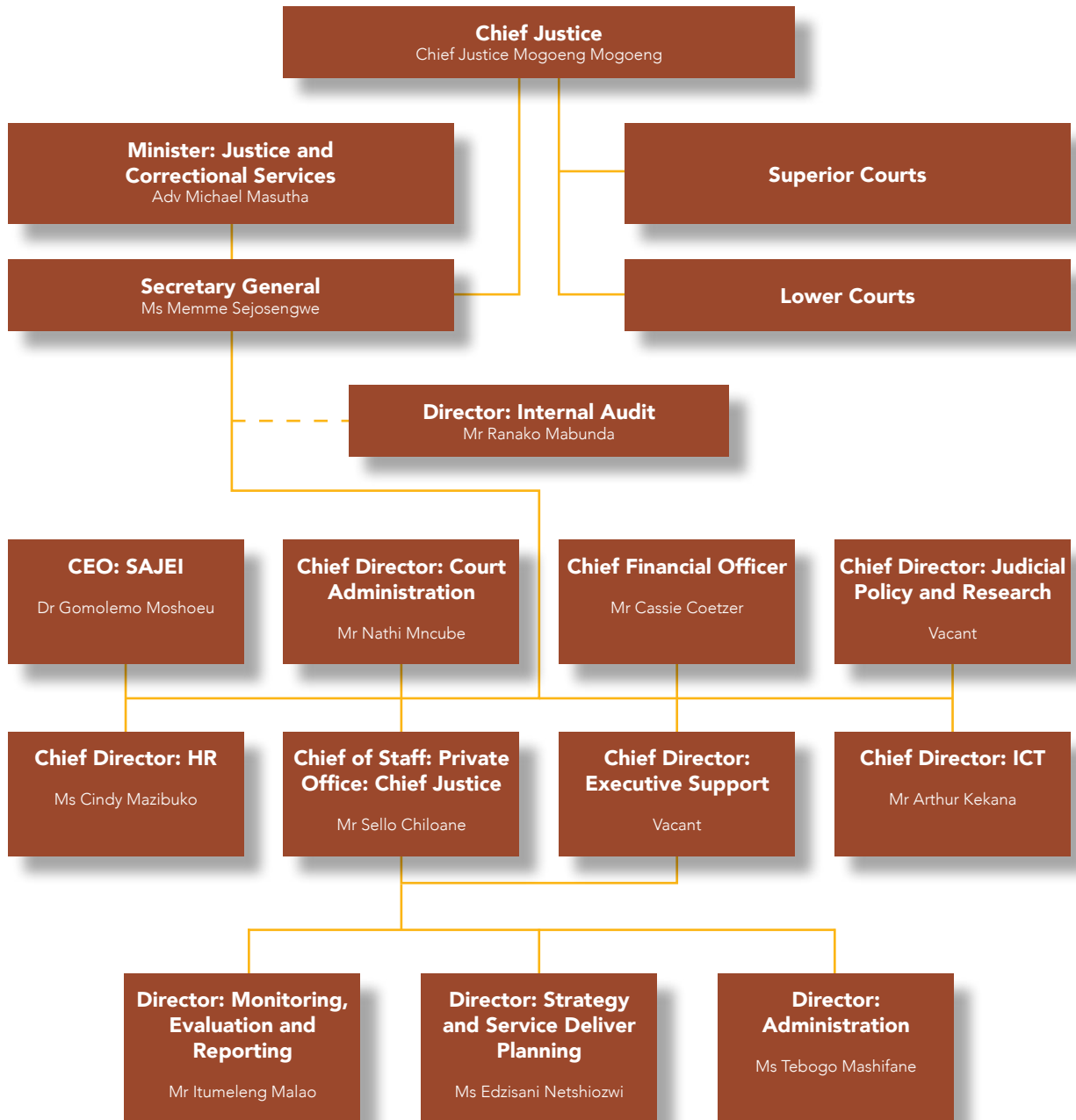
The OCJ is a relatively newly established national department proclaimed by the President of the Republic of South Africa in terms of Proclamation 44 of 2010. Subsequent to the Proclamation of the OCJ as a national department, the Minister for Public Service and Administration made a determination regarding the purpose and objectives of the OCJ as follows:

- To ensure that the Chief Justice can properly execute his mandate as both the Head of the Constitutional Court and the Head of the Judiciary;
- To enhance the institutional, administrative and financial independence of the OCJ; and
- To improve organisational governance and accountability, and the effective and efficient use of resources.



8.

ORGANISATIONAL STRUCTURE



9.

ENTITIES REPORTING TO THE MINISTER

There are no entities that report to the Minister of Justice and Correctional Services which are funded through the OCJ Vote and whose functions support the mandate of the OCJ.



PART B



PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PRE-DETERMINED OBJECTIVES

The Auditor-General's report on the audit of pre-determined objectives is provided for on page 87 of the Report of the Auditor-General, included in Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1. SERVICE DELIVERY ENVIRONMENT

The OCJ provides support to the judicial system to ensure effective and efficient court administration services. To give effect to this, the OCJ continues to support the Judiciary in the development of judicial policies, norms and standards and other priorities with the view to ensuring that services are effectively provided to the Superior Courts.

The performance of the Superior Courts remains an integral part of the responsibility of the OCJ. The OCJ supports the Judiciary in its contribution to Chapter 14 of the NDP (promoting accountability and fighting corruption through strengthening the judicial governance and the rule of law).

The OCJ has deployed various resources in key service delivery areas to enhance the performance of the Superior Courts. The following were the priority areas:

- **The use of Information and Communications Technology;**

In order to improve efficiency in court administration through the use of technology, the OCJ implemented various MSP projects in line with the MSP/ICT Strategic Plan. The following key ICT projects were undertaken:

- Development of the E-Filing system; and
- Development of the Information Security Framework

- **Capacitation of the OCJ**

In line with the strategic objective of capacitation, as at the end of the reporting period, the total number of posts on the establishment was 1 898, of which 1 811 were filled, resulting in 87 vacant funded posts. The overall vacancy rate for the Department as at 31 March 2018 was 4.6%, well within the prescribed DPSA 10% threshold.

- **Providing Superior Court Services in all nine provinces.**

The OCJ extended its support to Superior Court Services to all the nine provinces including Mpumalanga Province. This milestone led to a reduction in the operational workload of the Gauteng Local Division, Pretoria, which previously served the Mpumalanga Province. This contributed to improved service delivery.

One of the important elements in improving the service delivery environment is the capacitation of Judicial Officers. During the



Financial Year under review, the OCJ, through SAJEI, conducted 91 judicial education courses for both serving and aspirant judicial officers. These courses have contributed towards knowledge and skills enhancement in their areas of expertise.

As part of the stakeholder engagement aimed at improving the effectiveness and functioning of the Courts, the OCJ continued to provide strategic support to the Judiciary to ensure the functioning of the NEEC and PEECs, which were established by the Chief Justice. These committees were established to promote interdepartmental cooperation and stakeholder relations, thereby enhancing efficiency in the justice system and improving the performance of the Superior Courts.

Other major achievements of the OCJ during the 2017/18 Financial Year include the following:

- Unqualified audit outcome for the 2017/18 Financial Year;
- Approval of the OCJ Service Delivery Improvement Plan for the 2018-2021 cycle;
- Rolled-out the Customer Service Improvement Plan in 17 Superior Court Service Centres; and
- Conducted Batho Pele Awareness sessions for OCJ employees in the Superior Courts.

2.2. SERVICE DELIVERY IMPROVEMENT PLAN

The Office of the Chief Justice has implemented the SDIP for 2017/18 Financial Year. The tables below highlight the SDIP and the achievements to date.

2017/18 SERVICE DELIVERY IMPROVEMENT PLAN ANNUAL REPORT

1. Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Improve witness services at the Superior Courts (i.e., Payment of witness fees)	Witnesses (Ordinary and Experts)	Ordinary witnesses are paid on the day they appear in court.	100% ordinary witnesses paid on the day they appear in court.	96% (5171/5402) ordinary witnesses were paid on the day they appeared in court.
		Some witnesses claiming for wages forfeited are not paid within fourteen (14) days of claiming due to insufficient information submitted.	90% of wages forfeited with sufficient submitted information are paid within fourteen (14) days.	75% (63/84) wages forfeited were paid within fourteen (14) days.



2. Batho Pele arrangements with beneficiaries (Consultation access etc.)

Batho Pele Principles	Current/actual arrangements	Desired arrangements	Actual achievements
Consultation	Customer Service Improvement tool piloted in six (6) Superior Courts.	Customer Service Improvement tool rolled out in six (6) Superior Courts.	The Customer Service Improvement Tool has, to date, been rolled out in six (6) Superior Courts namely: <ul style="list-style-type: none"> • Supreme Court of Appeal • Free State Division, Bloemfontein • Labour Court, Cape Town • Limpopo Local Division, Thohoyandou. • Kwa-Zulu Natal Division, Pietermaritzburg. • Eastern Cape Local Division, Mthatha.
Courtesy	No measure existed.	Develop a standard procedure on what is required for witnesses to claim wages/income forfeited and ensure that it is attached to all subpoenas.	The Standard Operating Procedure (SOP) for payment of witness fees has been developed and is ready for implementation in the 2018/19 Financial Year. The SOP outlines the standard procedure to be followed by customers in all Superior Courts when claiming wages/income forfeited. Subpoenas are not done by the OCJ.
	No measure existed.	100% ordinary witnesses paid on the day they appear in court.	96% (5 171/5 402) of ordinary witnesses were paid on the day they appeared in court.
Access	No measure existed.	60% of High Courts have clear signage indicating the direction and the area where the witness fees are accessed.	86% (12/14) of the High Courts have signage indicating direction to the section where witness fees are paid.
Information	Website Information provided via the website included: <ul style="list-style-type: none"> • OCJ Strategic Plan and Annual Performance Plan • OCJ office contact details • OCJ internal newsletters • Updated court rolls and notices for each division 	Website Service users receive information on payment of witness fees through: <ul style="list-style-type: none"> • Pamphlets • Media statements • OCJ internal newsletters • Updated court rolls and notices for each division • OCJ Facebook page • OCJ Twitter page • Service Delivery Charters 	Service users receive information on witness fee payment Information through: <ul style="list-style-type: none"> • Pamphlets • Updated court rolls and notices for each division • Displayed Service Delivery Charters at the Courts • OCJ Annual Report
Openness and Transparency	The OCJ Strategic Plan 2015/16-2019/20, Annual Performance Plan 2015/16 and Annual Performance Plan 2016/17 are published on the OCJ website.	Report on information relating to the payments of witness fees in published SDIP quarterly reports, witness fees payment offices/ areas as well as the Department's Annual Report.	<ul style="list-style-type: none"> • The report on information relating to the payments of witness fee was presented to the Management meetings on quarterly basis. Furthermore, the courts received feedback on their SDIP quarterly performance during the Service Delivery Visits conducted at the courts. • SDIP annual report relating to payment of witness fees is published in the OCJ annual report.



Batho Pele Principles	Current/actual arrangements	Desired arrangements	Actual achievements
Value for money	No measure existed.	40% rate of increase in the turnaround time for payment of wages forfeited.	75% (63/84) of wages forfeited were paid within fourteen (14) days during the 2017/18 Financial Year. The 40% rate of increase for the year under review will thus be determined upon comparison with the 2018/19 statistics. Statistics for witness fee payment for the 2016/17 Financial Year was not kept.
Time	<p>Witness fees for ordinary and expert fees are paid on the day the witness appears in Court.</p> <p>Wages forfeited are paid within fourteen (14) days after the witness appears in court (provided that all documents are submitted within 5 day after the witness testifies).</p>	<p>Pay witness fees for ordinary and expert fees on the day the witness appears in Court.</p> <p>Pay wages forfeited within fourteen (14) days after the witness appears in court.</p>	<p>96% (5 171/ 5 402) of ordinary witnesses were paid on the same day they appeared in court.</p> <p>75% (63/84) of wages forfeited were paid within 14 days after the witnesses appeared in court.</p>
Cost	R1 509 790 was paid for witness fees during the 2015/16 Financial Year.	R4 642 000	<p>The figures for payment of witness for the 2017/18 Financial Year are as follows:</p> <p>Quarter 1: R594, 823.88 Quarter 2: R386, 362.36 Quarter 3: R457, 723.95 Quarter 4: R384, 450.65</p>
			Total: R1, 823, 360.84

3. Service delivery information tool

Current/actual arrangements	Desired arrangements	Actual achievements
<p>Information regarding payment of witness fees is communicated through a number of communication channels which include:</p> <ul style="list-style-type: none"> • Customer Service Improvement tool • Intranet • Internet (Website) 	<p>The OCJ shall utilise the following tools as service delivery information tool:</p> <ul style="list-style-type: none"> • Social Media Pages • Service Delivery Charter • Abridged Service Delivery Charter • Customer Service Improvement tool • Intranet • Internet (Website) 	<p>The OCJ utilised the following tools as service delivery information tool:</p> <ul style="list-style-type: none"> • Service Delivery Charter • Abridged Service Delivery Charter • Customer Service Improvement tool • Customer Service Improvement Progress Reports • Intranet • Batho Pele Awareness Sessions • Presentations of Service Delivery Projects at courts • Presentation of Service Delivery Improvements Reports at Management meetings



4. Complaints mechanism

Batho Pele Principles	Current/actual arrangements	Desired arrangements	Actual achievements
Redress	<p>Complaints are currently managed as follows:</p> <ul style="list-style-type: none"> The complaint is lodged with the court manager of a specific court or service centre. Should the court manager fail to resolve the complaint, the complainant contact the Director Court Operations (DCO) Alternatively, customers can use the complaints box at the court reception area. The contact details of the court management are displayed at the reception area of the court (i.e., Court Manager and DCO). The OCJ also has a complaints procedure, number and address which is currently being used and published on the website. The contact details are: <p>Email:complaints@judiciary.org.za Tel: 010 493 2500</p>	<ul style="list-style-type: none"> Developing complaints management policy. Create a link on social media pages for easy access. Finalise 100% of the reported complaints/ cases within twenty five (25) working days. 	<ul style="list-style-type: none"> The Complaints and Compliments Management draft Policy and SOP was developed. The details relating to complaints can be accessed through: <ul style="list-style-type: none"> Website: www.judiciary.org.za Email addresses: Servicedelivery@judiciary.org.za complaints@judiciary.org.za enquiries@judiciary.org.za Telephone: 010 493 2500 Complaints boxes at service points/courts The quarterly statistical breakdown for complaints were finalised as follows: <ul style="list-style-type: none"> Quarter 1: 90.4% (47/52) Quarter 2: 23% (37/163) Quarter 3: 62% (31/50) Quarter 4: 68% (36/53) <p>Overall: 47.5% (151/318)</p> <p>The resolution time will be measured during the 2018/19 Financial Year.</p>

2.3. ORGANISATIONAL ENVIRONMENT

The OCJ had a total of 1 898 posts on its establishment by the end of the 2017/18 Financial Year. Of these, 1 811 were filled and 87 were vacant, resulting in a 4.6% vacancy rate for the year. Budget ceilings on compensation of employees are a hindrance to achieving the OCJ strategic objective of “capacitating the Office of the Chief Justice”.

During the 2017/18 Financial Year, 108 OCJ employees were granted bursaries to continue with furthering their studies at various institutions of higher learning. The OCJ has provided training and development programmes to six hundred and eighty seven (687) employees for competency and skills improvement. The following training and

development programmes were provided to employees during the 2017/18 Financial Year:

- Service delivery excellence;
- Financial Management for non-financial Managers;
- Emerging Development Management Programme;
- Enterprise Risk Management Programme;
- Compulsory Induction Programme;
- Records Management;
- Project Management;
- Corporate Governance;
- Occupational Health and Safety;
- Business and report writing;
- Diversity Management;
- Labour Relations; and
- Project Khaedu.



2.4. KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

There were no key policy or legislative changes during the reporting period.

3. STRATEGIC OUTCOME ORIENTED GOALS

The OCJ has three outcome-oriented goals in the 2015/16 to 2019/20 Strategic Plan as revised in the 2017/18 Annual Performance Plan (page 57 of the 2017/18 APP). The table below provides progress made on the outcome-oriented goals during the Financial Year:

Goal	Goal statement	Progress
1. Efficient and effective administration of the OCJ.	Ensure an efficient and effective administration of the OCJ that provides optimal support to the Judiciary.	<ul style="list-style-type: none"> The OCJ approved the SDIP (2018-2021) to institutionalise the culture of improved service delivery in the OCJ and the Superior Courts. Development and approval of Standard Operating Procedures. Fraud Risk assessments conducted in 24 Superior Courts. The OCJ Master Systems Plan implementation (Information Security Framework of the MSP developed).
2. Improved administrative and technical support to the Judiciary.	Enable the Judiciary to deliver on its Constitutional mandate by providing administrative and technical support which includes judicial training, administrative and secretariat support to the Judicial Service Commission, administration of Judges' Registrable Interests and administration of Judges' remuneration.	<ul style="list-style-type: none"> Administering of Judges' disclosure of registrable interests in line with the Judicial Service Commission Act 9 of 1994. Administrative, technical and secretariat support to Judicial Governance Structures, amongst others, the JSC, SAJEI Council, NEEC, and the JCFMC. 91 judicial education courses conducted in order to enhance the judicial skills of serving and aspiring Judicial Officers.
3. Ensure administration support to the Superior Courts.	Provide administrative and technical support to ensure efficiency and effectiveness of the Superior Courts in the adjudication of cases.	<ul style="list-style-type: none"> Monitoring of court performance in line with predetermined objectives. Improving frontline customer service through the roll-out of the Customer Service Improvement Tool. Commenced with the operationalisation of the Mpumalanga High Court.

THE CONTRIBUTION OF THE OCJ TOWARDS GOVERNMENT'S POLICIES AND PRIORITIES DURING THE 2017/18 FINANCIAL YEAR

As a National Government Department supporting the Judiciary, the OCJ's contribution towards government's policies and priorities was guided by:

- Chapter 14 of the NDP (Strengthening judicial governance and the rule of law);
- Chapter 13 of the NDP (Building a capable State)
- Outcome 3 of the MTSF (All people in South Africa are and feel safe); and
- Outcome 12 of the MTSF (An efficient, effective and development-oriented Public Service and an empowered, fair and inclusive citizenship).



Chapter 14 of the National Development Plan and Outcome 3 of the MTSF

In responding to chapter 14 of the NDP and Outcome 3 of the MTSF during the year under review, the OCJ conducted 91 judicial education courses, produced 3 reports on Judicial appointments and complaints, produced 5 Superior Courts monitoring reports, achieved 92% (82 579 of 89 935) compliance with the quasi-judicial targets, finalised 89% (48 509 of 54 563) of default judgments, finalised 96% (33 961 of 35 261) of taxations of legal costs and delivered 98% (109 of 111) of warrants of release within one day of the release being granted.

The OCJ further conducted 8 training workshops on Case Management for Registrars, Statisticians and Clerks.

Chapter 13 of the National Development Plan Outcome 12 of the MTSF

In contributing towards an efficient and effective Public Service during the year under review, the OCJ kept the vacancy rate at 4.6%; which is 5.4% below the prescribed upper limit of 10%.

The OCJ has also developed and updated eight (8) strategic and operational risk registers; tabled the OCJ Annual Performance Plan (2018/19) in Parliament as per National Treasury timelines; and produced two (2) asset registers in line with the prescripts.

4. PERFORMANCE INFORMATION BY PROGRAMME

PROGRAMME 1: ADMINISTRATION

Purpose

Provide strategic leadership, management and support services to the department.

Description

The Programme consists of five (5) sub-programmes which are in line with the approved OCJ budget programme structure.

The sub-programmes are:

- Management;
- Corporate Services;
- Financial Administration;
- Internal Audit; and
- Office Accommodation.



Strategic Objectives and Annual Performance for 2017/18

Strategic Objective	Objective Indicators	Baseline 2016/17	Planned Annual Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comments on deviations	
1.1	Capacitate the Office of the Chief Justice	Percentage of funded vacant posts on PERSAL per year	90.2% (322 of 357) ¹	10% or lower	4.6% (87 number of funded vacancies / 1 898 number of approved funded posts X 100)	0%	None
1.2	Ensure good governance in the administration of the department	Audit outcome on financial statements	Unqualified audit outcome achieved	Unqualified audit outcome on financial statements for the 2016/17 Financial Year	Unqualified audit outcome on financial statements for the 2016/17 Financial Year	None	None

Programme Performance Indicators and Annual Performance for 2017/18

Performance indicators	Baseline 2016/17	Planned annual target 2017/18	Actual achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comments on deviations	
Sub-programme: Management						
1.3	Annual Performance Plan compliant with the National Prescripts and tabled within prescribed timelines	OCJ Annual Performance Plan (2017/18) tabled in Parliament as per National Treasury timelines	OCJ Annual Performance Plan (2018/19) compliant with the National Prescripts and tabled in Parliament as per National Treasury timelines	OCJ Annual Performance Plan (2018/19) compliant with the National Prescripts and tabled in Parliament as per National Treasury timelines	None	None
1.4	Combined Assurance Plan implemented	Combined Assurance Plan developed and piloted in 5 Courts	Combined Assurance Plan implemented in all Superior Courts	Combined Assurance Plan implemented in all Superior Courts	None	None
1.5	Number of strategic and operational risk registers reviewed / updated	8	8	8	0	None
1.6	Fraud risk assessments conducted within the OCJ	-	Fraud risk assessments conducted in 24 Superior Courts	Fraud risk assessments conducted in 24 Superior Courts	None	None
Sub-programme: Corporate Services						
1.7	ICT Master Systems Plan implemented over the MTEF	ICT Master Systems Plan implementation partially initiated (ICT Infrastructure project completed and E-Filing System Project initiated)	ICT Master Systems Plan implemented (Information security framework of the MSP developed)	ICT Master Systems Plan implemented (Information Security Framework of the MSP was developed)	None	None

¹ The achievement in 2016/17 Financial Year was in line with the indicator on Percentage of funded vacant posts filled. However in 2017/18 Financial Year the indicator and target was amended in line with the DPSA instruction, referring to the reduction of the vacancy rate.



Sub-programme: Finance administration						
1.8	Number of compliant financial performance reports submitted within the prescribed timelines	12	12	12	0	None
1.9	Number of asset registers with no material findings produced in line with the prescripts	2	2	2	0	None

Strategy to overcome areas of under performance

There were no areas of underperformance.

Changes to planned annual targets

There were no changes made to the annual targets during the year under review.

Linking performance with budgets

Sub-programmes	2017/18			2016/17		
	Final appropriation (R'000)	Actual expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final appropriation (R'000)	Actual expenditure (R'000)	(Over)/Under Expenditure (R'000)
Management	32 558	27 127	5 431	29 443	28 482	961
Corporate Services	100 837	98 409	2 428	76 607	76 452	155
Finance Administration	27 299	25 727	1 572	22 157	20 171	1 986
Internal Audit	16 659	16 404	255	13 974	13 974	0
Office Accommodation	0	0	0	0	0	0
Total	177 353	167 667	9 686	142 181	139 079	3 102

The Programme's underspending amounted to R9.7 million, which relates to Compensation of Employees. This underspending was as a result of non-filling of vacancies to manage overspending on the compensation of employees' budget ceiling in the MTEF years.



PROGRAMME 2: SUPERIOR COURT SERVICES

Purpose

Provide court administration services to the Superior Courts.

Description

The programme consists of five (5) sub-programmes which are in line with the OCJ revised budget programme structure.

The sub-programmes are:

- Administration of Superior Courts;
- Constitutional Court;
- Supreme Court of Appeal;
- High Courts; and
- Specialised Courts.

Strategic Objectives and Annual Performance for 2017/18

Strategic Objective	Objective indicators	Baseline 2016/17	Planned annual target 2017/18	Actual achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comments on deviations	
2.1	Ensure the effective and efficient administration of the Superior Courts	Percentage achievement of quasi-judicial targets	86% (67 662 of 78 898)	80%	92% (82 579 of 89 935)	12%	Improved training and monitoring measures implemented to sustain achievements of targets

Programme Performance Indicators and Annual Performance for 2017/18

Performance Indicators	Baseline 2016/17	Planned annual target 2017/18	Actual achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comments on deviations	
Sub-programme: Administration of Superior Courts						
2.2	Number of Superior Courts performance monitoring reports produced per year	5	5	5	0	None
2.3	Percentage of default judgments finalised by Registrars per year	85% (49 252 of 57 656)	80%	89% (48 509 of 54 563)	9%	Improved training and monitoring measures implemented to sustain achievements of targets
2.4	Percentage of taxations of legal costs finalised per year	87% (19 510 of 22 414)	80%	96% (33 961 of 35 261)	16%	Improved training and monitoring measures implemented to sustain achievements of targets



2.5	Number of training workshops on case management conducted for Registrars, Statisticians and Registrar's Clerks per year	4	4	8	4	Continuous assessment of training needs is conducted by National Court Administration and Chief Registrars. The assessment identified a need for increased training sessions to be convened.
2.6	Percentage of warrants of release delivered within one day of the release granted	88% (79 of 90)	98%	98% (109 of 111)	0%	None

Strategy to overcome areas of under-performance

There were no areas of underperformance.

Changes to planned annual targets

There were no changes made to the annual targets during the year under review.

Linking performance with budgets

Sub-programmes	2017/18			2016/17		
	Final appropriation (R'000)	Actual expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final appropriation (R'000)	Actual expenditure (R'000)	(Over)/Under Expenditure (R'000)
Administration of Superior Courts	11 725	11 312	413	13 678	11 083	2 595
Constitutional Court	68 982	68 615	367	50 450	45 188	5 262
Supreme Court of Appeal	33 693	32 477	1 216	32 805	32 393	412
High Courts	586 810	581 169	5 641	545 798	542 808	2 990
Specialised Courts	59 112	54 651	4 461	44 175	44 175	0
Total	760 322	748 224	12 098	686 906	675 647	11 259

The Programme's underspending amounted to R12.1 million, which relates to Compensation of Employees. This underspending was as a result of non-filling of vacancies in order to manage the expenditure patterns and ensure that the compensation of employees' budget ceiling for the MTEF is not exceeded.



PROGRAMME 3: JUDICIAL EDUCATION AND SUPPORT

Purpose

Provide education programmes to Judicial Officers, including policy development and research services for the optimal administration of justice.

Description

The programme consists of three (3) sub-programmes which are in line with the OCJ revised budget programme structure.

The sub-programmes are:

- South African Judicial Education Institute;
- Judicial Policy, Research and Support; and
- Judicial Service Commission.

Strategic Objectives and Annual Performance for 2017/18

Strategic Objective	Objective Indicators	Baseline 2016/17	Planned Annual Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comments on deviations	
3.1	Enhance judicial skills of serving and aspiring Judicial Officers to perform optimally	Number of judicial education courses conducted per year	90	77	91	14	Due to operational requirements, additional training courses were conducted

Programme Performance Indicators and Annual Performance for 2017/18

Performance Indicators	Baseline 2016/17	Planned Annual Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comments on deviations	
Sub-programme: South African Judicial Education Institute						
3.2	M&E Framework for judicial education and training implemented	M&E Framework approved	M&E Framework for judicial education and training implemented	M&E Framework for judicial education and training implemented	None	None
Sub-programme: Judicial Policy, Research and Support						
3.3	Percentage of legal advisory opinions on policy development and research services provided within 15 working days of receipt	100%	85%	100% (8 of 8)	15%	The systems and procedures in place functioned optimally to enable the development of legal advisory opinions within 15 working days of receipt



Sub-programme: Judicial Service Commission						
3.4	Number of reports on judicial appointments and judicial complaints produced	0	3	3	0	None

Strategy to overcome areas of underperformance

There were no areas of underperformance.

Changes to planned annual targets

There were no changes made to the annual targets during the year under review.

Linking performance with budgets

Sub-programmes	2017/18			2016/17		
	Final appropriation (R'000)	Actual expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final appropriation (R'000)	Actual expenditure (R'000)	(Over)/Under Expenditure (R'000)
South African Judicial Education Institute	41 043	41 033	10	27 701	26 490	1 211
Judicial Policy and Research	24 691	24 686	5	4 661	4 492	169
Judicial Service Commission	15 909	15 905	4	12 541	9 936	2 605
Total	81 643	81 624	19	44 903	40 918	3 985

The Programme's underspending amounted to R19 000, which was not significant.

5. TRANSFER PAYMENTS

The OCJ did not have any transfer payments during the period under review.

6. CONDITIONAL GRANTS

The OCJ did not receive any conditional grants during the period under review.

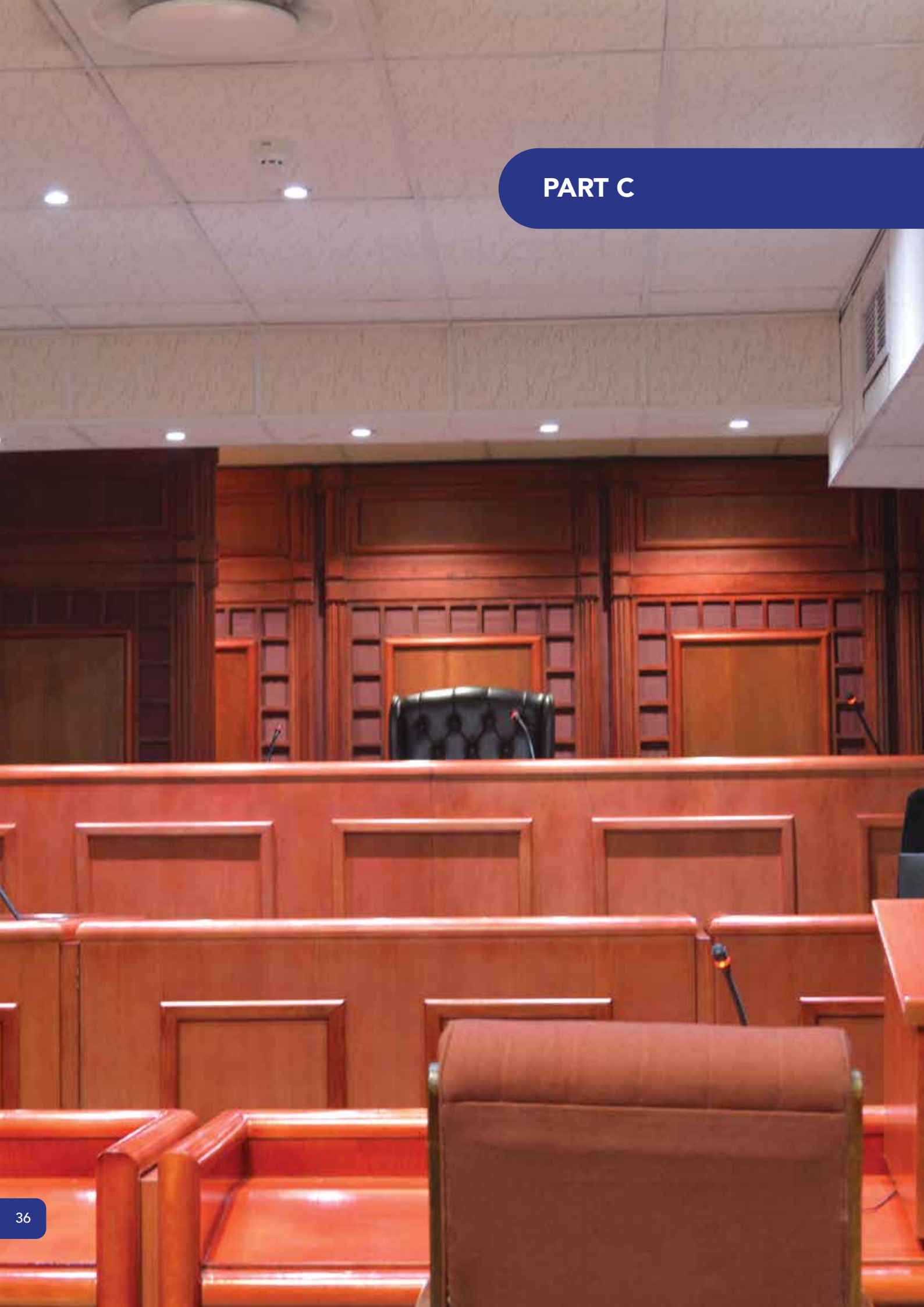
7. DONOR FUNDS

The OCJ did not receive any donor funds during the period under review.

8. CAPITAL INVESTMENT

The OCJ did not receive any capital investments during the period under review.

PART C





GOVERNANCE

1. INTRODUCTION

During the period under review the OCJ continued to fulfil its commitment to upholding the highest standards of corporate governance in managing public resources. This was achieved through maintaining effective, efficient and transparent systems of financial, risk management and internal control. Best practice standards and methodologies were tailored and applied to address risks to which the OCJ was exposed. Risk mitigation was applied to the residual risk exposure of the Department, monitored regularly and reported quarterly to Management and the ARC.

The Executive Management sets the tone to ensure that a culture of ethics, compliance and risk management pervades in all strategic and operational activities of the OCJ. To further assist and enhance the Department's ethical culture, all employees were required in the period under review to obtain approval to perform any remunerative work outside the public service and disclose all business interests.

The OCJ ensured that adequate and effective controls were in place followed by continuous monitoring, reviewing and evaluation of policies and standard operating procedures, performance information and implementation of corrective measures to address previous audit findings.

1.1 ICT GOVERNANCE

The ICT Steering Committee is the primary governance structure for ICT in the OCJ that provides oversight in the implementation of the MSP (ICT Strategy). This Committee reports to the Executive Committee and the Accounting Officer. The OCJ MSP was developed in collaboration with the Judiciary and Administration Information Technology Committee of Judicial Officers which is the ICT Governance Structure of the Judiciary.

The MSP outlines the multi-year ICT deliverables that are being implemented in a phased approach in line with the allocated budget. The plan highlights delivery roadmap including strategic initiatives aimed at modernising court operations as well as improving administrative support systems. The MSP is funded from the Integrated Justice System (IJS) and the OCJ's Administration Programme budgets.

During the 2017/18 Financial Year increased resources were allocated to the implementation of the MSP. The following projects were prioritised and implemented in the year under review:

- i. Development of the e-Filing system; and
- ii. Development of the Information Security Framework



2. RISK MANAGEMENT

The OCJ continued to integrate risk management into business processes and improving its existing Risk Management Framework. The strategic and operational risk registers were maintained and the risk mitigation activities actioned by risk owners and designated employees. Furthermore, the Risk Champions across the OCJ supported and coordinated risk management initiatives. The ARC provided oversight on the Departmental risk management processes and monitored the implementation of risk mitigation activities on a quarterly basis.

2.1. RISK ASSESSMENTS

The risk management process is aligned to the planning and objective-setting process of the Department. An annual risk assessment was conducted during the planning process to profile the potential risks identified from the planned deliverables. Strategic and operational risk registers were updated and progress on mitigating actions were monitored on a quarterly basis to address emerging risks. The Department commenced with the implementation of the combined assurance framework aimed at consolidating all the assurance activities conducted by different assurance providers in order to ensure the achievement of the organisational objectives.

2.2. RISK MATURITY

The Risk Management Directorate continued to facilitate and monitor the implementation of the risk maturity improvement plan. The key initiatives implemented were:

- i. Review and implementation of the Risk Management Framework;
- ii. Improved risk management practices;
- iii. Increased organisational awareness on Enterprise Risk Management to improve risk management culture;
- iv. Inclusion of risk management in the performance agreements of Management; and

- v. Ongoing capacitation of the Risk Champions i.e., completion of National Treasury e-learning training on risk management.

2.3. RISK MANAGEMENT COMMITTEE

The Risk Management Unit maintained the Departmental 2017/18 Risk Register for the current and emerging risks. The Risk Owners and Champions were responsible for the coordination and implementation of the risk mitigation plans and reporting to Senior Management. EXCO reviewed and monitored on a quarterly basis the progress made in the implementation of the risk mitigation action plans for each identified risk issue and submitted reports to the Audit and Risk Committee (ARC) for their oversight role. The Department has a fully constituted and functional combined ARC that was established in terms of the PFMA and the National Treasury Regulations. The ARC is independently chaired and comprises of five (5) non-executive members. The OCJ EXCO members and other senior managers are standing invitees to the ARC meetings.

a. Progress on risk mitigation

Progress in addressing the key risks faced by the OCJ is summarised in Table 1:



TABLE 1: PROGRESS ON RISK MITIGATION

No	Strategic Objective	Risk Description	Risk Implication	Summary of progress made
1	Strategic Objective 1: Capacitate the Office of the Chief Justice.	Inadequate budget to capacitate the OCJ.	Non-achievement of targets. Poor service delivery and loss of public confidence.	a) Additional funding to capacitate the OCJ was granted by National Treasury. b) The prioritised posts were filled. Additional capacity was created by appointing contract employees.
2		Inadequate structured training.	Low staff morale. Poor service. Non-achievement of targets.	a) The 2017 Workplace Skills Plan (WSP) was developed and implemented. b) The training plan was reviewed to ensure alignment with the SMS competency assessment. c) The compulsory induction programme was conducted through the National School of Government (NSG).
3	Strategic Objective 2: Ensure good governance in the administration of the Department	Inadequate measures to enforce governance.	Lack of accountability. Loss of public confidence.	a) Fully functional governance structures have been operational throughout the financial year i.e. Judicial Oversight Committee, ARC, EXCO, OPSCO, Ethics Committee, DBAC, ICT Steering Committee, FinCom, and the Audit Facilitation Committee b) Implementation of the Compliance Register is monitored and reported to OCJ governance structures.
4		Inadequate support provided to the Superior Courts.	Non-achievement of targets. Poor service delivery and loss of public confidence.	a) Reprioritisation and filling of posts at the Superior Courts and Provincial Centres. b) Additional funding of R9.8m was secured through the IJS budget to expedite the implementation of the e-filing. c) The e-filing model was developed by 31 March 2018 and will be piloted in the upcoming Financial Year. d) A combined assurance approach to collate, verify, validate and report on court performance information was implemented.
5		Ineffective security and facilities (including infrastructure) services.	Possible escape by prisoners. Theft and burglary. Compromised health & safety.	a) Monitoring of the OCJ and DoJ&CD Service Level Agreement (SLA) is conducted on an ongoing basis. b) The Joint Technical Task Team (JTT) and Facilities and Security task teams comprising of management from OCJ and DOJ&CD continuously met to address challenges relating to the transfer of functions. c) Quarterly infrastructure and security reports were generated in conjunction with DoJ&CD and submitted to Management and governance structures for implementation and monitoring.
6		Exposure to fraud and corruption.	Integrity of Court Administration. Loss of reputation.	a) Fraud Prevention and Anti-Corruption policies and SOPs were implemented to mitigate fraud risk exposure. b) A Court Order Integrity Committee was established to review and strengthen controls around court orders. c) Continuous implementation and monitoring of internal controls by Management.
7		Inadequate IT infrastructure and business systems for modernisation of Superior Courts systems.	Lack of modernised judicial system. Ineffective business processes.	a) Funding received from IJS for e-filing. b) Service provider appointed to roll out e-filing. c) Service provider appointed to develop Information Security Framework.
8	Enhance judicial skills of serving and aspiring Judicial officers to perform optimally.	Inadequate resources to facilitate training for Judicial Officers.	Non-achievement of strategic objectives.	a) Workshop on Facilitation skills conducted and a pool of guest facilitators established to augment the four Judicial Educators placed at SAJEI. b) Training funding was appropriated through National Treasury for one hundred and seven (177) newly appointed District Magistrates.



b. Risks related to non-achieved performance indicators and targets

During the year under review the OCJ achieved 100% of its Annual Performance Plan's indicators and targets.

3. FRAUD AND CORRUPTION

There was a strong focus on ethics and fraud awareness in the period under review. The Department has established an Ethics Committee to provide oversight and guidance on the management of ethics and integrity matters. The Department also has a dedicated Fraud Audit Unit that investigates all the reported fraud and corruption allegations in line with the government's anti-corruption strategy.

As part of its commitment to manage fraud and corruption risks, the Department implemented and maintained the Fraud Prevention and Anti-Corruption Policy, Strategy and Plan. This framework adopted the following four dimensional strategic approach:

3.1. FRAUD PREVENTION

The main thrust of fraud prevention is to inculcate a culture of ethical behaviour. The following initiatives were implemented:

- i. Conducting of awareness sessions focusing on:
 - Fraud prevention and Anti-Corruption;
 - Whistle blowing;
 - Code of Ethical and Professional conduct;
 - Conflict of Interest;
 - Remunerative work outside the public service; and
 - Security Vetting.
- ii. Signing of the Code of Ethical and Professional Conduct by all employees;
- iii. Issuing of circulars and articles on Integrity and Ethics;
- iv. Strengthening of mechanisms to report unethical behaviour as well as incidents of fraud and corruption;
- v. Commemorating International Anti-Corruption day; and
- vi. Court Order Integrity mechanisms.

Awareness on fraud prevention and anti-corruption was institutionalised to encourage the reporting of fraudulent and corrupt activities to Management, Risk Management Unit, Forensic Audit or through the NACH of the PSC. Security vetting remained a preventative measure and the first line of defence in deterring the recruitment of unethical and inapt employees.

3.2. FRAUD DETECTION

The OCJ Fraud Prevention and Anti-Corruption Policy and Strategy outline procedures by which employees and the public could report incidents of alleged fraud and corruption. A fraud risk assessment was conducted in the organisation during the year under review. The incidents identified through the internal or external audit and the fraud allegations reported through the Departmental whistle-blowing mechanism were investigated.



3.3. FRAUD INVESTIGATION

The reported fraud and corruption incidents were investigated by internal forensic auditors or external resources. The Fraud Audit Unit has established a working relationship with law enforcement agencies to which cases outside the Unit's scope are referred. During the year under review thirty two (32) fraud and corruption cases were reported. Twenty four (24) cases, translating to 75%, were finalised within the prescribed turnaround time as per the applicable policy. Of the eight (8) outstanding cases, seven (7) were recently reported and are still within the investigation turnaround time. As at 31 March 2018 one (1) case involving several parties had prolonged due to its complexity. The Forensic Audit function remains a shared service with the DoJ&CD in terms of the transfer of functions Service Level Agreement (SLA).

3.4. FRAUD RESOLUTION

In the period under review, the Forensic Audit Unit finalised twelve (12) fraud and corruption investigations resulting in the recommendation for Departmental loss recovery and the institution of disciplinary processes. Furthermore, thirteen (13) incidents were reported to the SAPS and criminal cases opened. All the fraud and corruption allegations and the resolution arrived at were reported on a quarterly basis to the Accounting Officer, the ARC and the relevant stakeholders, such as the PSC, for monitoring.

4. MINIMISING CONFLICT OF INTERESTS

The OCJ complied with the prescripts of Chapter 2 of the Public Service Regulations, 2016, (PSR) by ensuring that conflict of interests were managed adequately. The policies relating to conflict of interests management were regularly reviewed and communicated to all the OCJ employees.

The Ethics Committee provides oversight on ethics management within the Department as follows:

- i. Ensuring that the Department's ethics risks are assessed and that the Department has an understanding of their ethics risk profile;
- ii. Ensuring that the Department's Code of Ethics (or values statement) and relevant policies, were developed or revised to address the ethics risk;
- iii. Ensuring integration and collaboration of various ethics-related functions (such as anti-fraud and anti-corruption, compliance, internal audit, investigations, human resources, and labour relations); and
- iv. Monitoring and reporting on the Department's ethics performance.

Financial disclosures within the Department were managed in accordance with the PSR. All SMS members and other designated categories of employees submitted their financial disclosures within the required timeframe.



5. CODE OF CONDUCT

The OCJ has implemented the reviewed Code of Ethical and Professional Conduct in line with the PSR and it was communicated to all staff. During the 2017/18 all employees signed the reviewed code of conduct. Upon assumption of duty, all newly appointed employees were provided with a copy of the Code of Ethical and Professional Conduct. Line managers are required to monitor compliance and to take appropriate action in the event of non-compliance.

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

During the 2017/18 Financial Year the OHS&E function continued to be a retained service under the DoJ&CD. In order to ensure that the OHS&E programmes were implemented, an SLA was signed between the OCJ and DoJ&CD to enhance the compliance to the Occupational Health, Safety and Environmental prescripts.

Nature and Description of the OHS&E challenges	Impact on the OCJ operations / services delivery	Measures put in place to address challenges
Inadequate resources and internal capacity to guide and coordinate the OHS&E programmes within OCJ.	OHS&E programmes not implemented as per the prescripts. Day to day operations' interruptions impacting on service delivery.	Health and Safety representatives, Fire Fighters and First Aiders were appointed and trained to enhance OHS&E capacity. The OCJ allocated funds for an OHS&E Administrator post. Utilisation of the additional capacity from the DOJ&CD as per the SLA to coordinate and comply with OHS&E prescripts. Repairs and maintenance of the health and safety equipment were done by the DoJ&CD's Facilities Unit and the Department of Public Works (DPW).

7. PORTFOLIO COMMITTEES

The Portfolio Committee on Justice and Correctional Services has an oversight responsibility over the performance of the OCJ. The Department is grateful to the Committee for the continuous support, valuable advice and recommendations received. The following engagements were held with the Committee during the 2017/18 Financial Year:

Date	Committee	Responsible department	Item for discussion	Leader of the delegation
03 May 2017	Portfolio Committee on Justice and Correctional Services	OCJ	2017/18 Annual Performance Plan	Secretary General: OCJ
23 August 2017	Portfolio Committee on Justice and Correctional Services	OCJ	Quarter 1 Performance Report	Secretary General: OCJ
10 October 2017	Portfolio Committee on Justice and Correctional Services	OCJ	2016/17 Annual Report	Secretary General: OCJ



Matters raised in the Portfolio Committee	How the Department addressed these matters
<p>Progress regarding the appointment of a service provider for the e-filing project was requested, as this will enhance service delivery in the criminal justice system.</p>	<p>Phase 1 of the e-filing project was already completed. Phase 2 was planned for completion on 31 March 2018 (solution design based on business requirements from phase 1). Update: Phase 2, the design phase, was completed on 31 March 2018.</p>
<p>The Department was requested to explain measures put in place to address the resource and capacity challenges at the Superior Court Provincial Service Centres and National Office.</p>	<p>Resource constraints emanated from insufficient funding caused by budget cuts for different programmes to be delivered on. The OCJ arranged with DoJ&CD to share services in areas where the OCJ was not fully resourced. The macro organisational structure had also been submitted to the Minister of Public Service and Administration (MPSA).</p>
<p>The OCJ was requested to advise Parliament on how to deal with issues of court performance and how Parliament should best engage with the Judiciary on this matter.</p>	<p>This matter relates to judicial functions in the terrain of the Judiciary as the OCJ only provides administrative support to the Judiciary. The Judiciary engaged the Minister about a reporting mechanism on judicial functions, set plans in motion to deal with reporting. It was recommended that it would be best for the Committee to engage the Judiciary in this matter.</p>
<p>Due to the slow pace in the appointment of Magistrates which was previously experienced, the Department was requested to indicate if the allocated budget for education and training had been ring-fenced for training of Magistrates to be appointed.</p>	<p>An additional R10 million was allocated in the 2017/18 Financial Year for training. The DoJ&CD committed to avail additional funds should the need arise for training of new Judicial Officers. Update: The OCJ completed the training without funding from the DoJ&CD.</p>
<p>Members were concerned with the lack of funding to operationalise the Mpumalanga High Court. The Committee indicated that they were under the impression that the Court would be opened in 2016.</p>	<p>The OCJ continues with engagements with National Treasury and there were positive indication that the additional funding may be provided to fund operations, including the Mpumalanga High Court. Update: Funding was allocated in the 2018 MTEF for the Mpumalanga High Court.</p>

8. SCOPA RESOLUTIONS

There were no resolutions taken by the Standing Committee On Public Accounts (SCOPA) regarding the Department during the period under review.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

There were no prior modifications to the audit reports.

10. INTERNAL CONTROL

In line with the PFMA, the internal audit function provides Management and the ARC with reasonable assurance that the internal controls are appropriate and effective. This was achieved through conducting internal audits across the OCJ operations and providing Management with audit reports and recommendations on corrective actions to enhance the control environment. Furthermore, the Accounting Officer appointed the Audit Facilitation Committee to coordinate and monitor the implementation of the corrective action plans (Audit Matrix) to address both the findings of the Auditor General as well as those of Internal Audit.

The OCJ reviewed all policies and developed Standard Operating Procedures (SOPs) to enhance the control environment. Furthermore, a Combined Assurance Plan was implemented in the 2017/18 Financial Year to improve the organisational governance, internal controls and risk management systems.

Quarterly internal audit and risk mitigation reports were submitted to the ARC for their monitoring and oversight function. The internal audit activities conducted in the period under review are discussed in the next section.



11. INTERNAL AUDIT AND AUDIT COMMITTEE

11.1 INTERNAL AUDIT

The Internal Audit Activity continued to increase its audit coverage in line with the identified risks as well as conducting audits on reported quarterly performance information. The function was discharged in accordance with an approved Internal Audit Charter and Audit Methodology and in compliance with the NT Regulations and the International Standards for the Professional Practice of Internal Auditing (ISPPA). Internal audit is guided by a fully-functional ARC which operates in terms of an approved ARC Charter as prescribed by the NT. The Head of the Unit reports functionally to the ARC and administratively to the Accounting Officer.

The Internal Audit Unit conducted twenty seven (27) audit projects identified in the three-year rolling strategy and annual audit operational plan. Follow-up audits were conducted with the aim to review management implementation of previous audit findings by the Auditor-General and Internal Audit.

In order to improve the proficiency of the internal audit staff, continuous professional development training was provided under the auspices of the Institute of Internal Auditors (IIA) of South Africa.

11.2 AUDIT AND RISK COMMITTEE

The ARC comprises of five (5) independent members who are sufficiently qualified and experienced to fulfil their oversight role. The ARC meets at least four times per year as per approved Charter. The main role of the Committee is to provide oversight to the Department, and thereby guiding the Accounting Officer in fulfilling her responsibilities of maintaining effective, efficient and transparent systems of financial management, risk management, governance, and internal control. The table indicates relevant information on the ARC members.



TABLE 2: AUDIT AND RISK COMMITTEE MEMBERS

Name and Designation	Qualifications	Internal or external	If internal, position held in OCJ	Date appointment	End of Term	Ordinary meetings attended	Special meetings attended
Adv. William Huma (ARC Chairperson)	B. Proc, LLB, LLM, Postgraduate Diploma in Corp. Gov., Fellow of the IoDSA	External	n/a	01 May 2017	30 Apr 2020	4/4	5/5
Mr. Tshepo Mofokeng (ARC member)	Bachelor of accountancy, BCom, Certified Internal Auditor and Member of SAICA	External	n/a	01 May 2017	30 Apr 2020	4/4	5/5
Ms. Mariaan Roos (ARC Member)	CA (SA), BCom, BCom Honors, HDip: Company law, MCom, Masters in Auditing	External	n/a	01 May 2017	30 Apr 2020	4/4	5/5
Mr. Charles Motau (ARC Member)	BCom, MBL and MIT	External	n/a	01 May 2017	30 Apr 2020	3/4	5/5
Ms. Masaccha Khulekelwe Mbonambi (ARC Member)	BCom: Accounting, BCom Honors: Accounting, Short Course in Law Business Risk Management	External	n/a	01 May 2017	30 Apr 2020	3/4	2/5

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2018:

12.1 COMMITTEE RESPONSIBILITY

The ARC reports that it has complied with its responsibility arising from Section 38(a) (ii) of the Public Finance Management Act, 1999, (PFMA) and National Treasury Regulation 3.1. The Committee also reports that it has appropriate terms of reference as its ARC Charter, which is reviewed annually, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

12.2 THE EFFECTIVENESS OF INTERNAL CONTROL

The systems of internal control are designed to provide cost effective assurance in achieving the organisational objectives through ensuring that assets are safeguarded, operations are effective and efficient, financial and performance information is reliable and there is compliance with the laws and regulations.

In line with the Public Finance Management Act, 1999, (PFMA) and the National Treasury Regulations, the ARC provided oversight on the operations and business activities within the OCJ. This was achieved through the quarterly reporting processes by Management as well



as the Internal Audit reviews as prioritised in the Risk-Based Annual Audit Operational Plan approved by the ARC. The ARC is of the opinion that the systems of internal control within the OCJ were mostly adequate and effective during the year under review.

12.3 INTERNAL AUDIT

The ARC is satisfied with the activities of the internal audit function including its annual work programme, coordination with the external auditors and the reports of significant investigations and follow-up on management corrective action plans. From the various reports submitted by the OCJ's Internal Auditors, there are indications that although the systems of internal control were adequate in most areas, there is still room for improvement in areas where control deficiencies and deviations from prescripts and policies were highlighted.

Matters of concern to the ARC were as follows:

- i. Inadequate Asset Management systems in place, especially for the library assets;
- ii. Instances of incomplete and inaccurate performance information reporting on some quasi-judicial indicators;
- iii. Instances of non-compliance with the leave management regulatory framework and the financial prescripts resulting in late payments of suppliers;
- iv. Lack of automated case flow management system; and
- v. No ICT internal audit assurance provided by the IA Unit due to lack of ICT capacity within the Internal Audit function.

Regarding the above issues the Committee has, however, noted the corrective measures instituted by the Accounting Officer and the Exco of the OCJ.

12.4 SUMMARY OF SOME OF THE MAIN ACTIVITIES UNDERTAKEN BY THE ARC DURING THE FINANCIAL YEAR UNDER REVIEW

The ARC reviewed and/or performed oversight over:

- i. All Quarterly Interim Financial Statements and unaudited Annual Financial Statements (AFS) before submission to the AGSA on 31 May 2018;
- ii. Monitoring and implementation of corrective action plans to address AGSA and Internal Audit findings;
- iii. The appropriateness of the accounting policies, practices and potential changes;
- iv. The effectiveness of the system of risk management including fraud prevention and anti-corruption strategies;
- v. The process to ensure compliance with relevant laws and regulations;
- vi. In-year monitoring reports on all the OCJ's operations including the system of IT and HR governance;
- vii. The Quarterly Performance Information Reports and the Annual Report prior to submission to the AGSA and final publication;
- viii. The plans, work and reports of the Internal Audit and the AGSA; and
- ix. The development of the Combined Assurance Framework and the Plan.



12.5 THE QUALITY OF IN-YEAR MONITORING AND QUARTERLY REPORTS SUBMITTED IN TERMS OF LEGISLATION

We reviewed the in-year quarterly reports submitted together with the internal audit comments thereon. The ARC is satisfied with the content and quality of the quarterly reports prepared and issued by the Accounting Officer and Management during the year under review. There continues to be notable improvement in the quality of the financial management and performance information reports as well as management's commitment to implementing corrective action plans to address the previous Auditor-General and Internal Audit findings. The Department has been reporting monthly and quarterly to the National Treasury as is required by the PFMA, 1999.

12.6 RISK MANAGEMENT

The OCJ has a Risk Management function established in accordance with the requirements of the National Treasury Regulations, the King IV Report on Corporate Governance as well as in compliance with the Public Sector Risk Management Framework, which provides for the development and implementation of the Risk Policy, Strategy and Implementation Plan as well as the Fraud Prevention and Anti-Corruption Framework. All risk-owners attend the Audit and Risk Committee meetings and participate in the overall management of the risk management processes in the Department.

During the year under review, a risk assessment was conducted across the OCJ operations culminating in the review and updating of the strategic and operational risk registers. Risks were prioritised based on their likelihood and impact and additional mitigations were adopted to reduce risks to acceptable levels. The identified risks also informed the internal audit priorities. Management reported on risk mitigation action items quarterly to the ARC. The continuous monitoring and reporting of the planned mitigation activities yielded significant positive results.

12.7 FRAUD AND CORRUPTION

The OCJ developed and implemented the Fraud Prevention Policy, Strategy and Plan. The implementation of the Plan was monitored through the quarterly reports submitted at the ARC meetings. The ARC provided oversight on allegations of fraud, corruption and financial misconduct reported to the Department and is satisfied with the 96% finalisation rate.

12.8 EVALUATION OF THE FINANCIAL STATEMENTS

The ARC has:

- i. Reviewed the draft AFS and Performance Information Report to be included in the Annual Report;
- ii. Reviewed any changes in accounting policies and practices;
- iii. Reviewed departmental compliance with applicable regulatory provisions; and
- iv. Reviewed the AGSA's Interim Management Reports and the Management responses thereto.



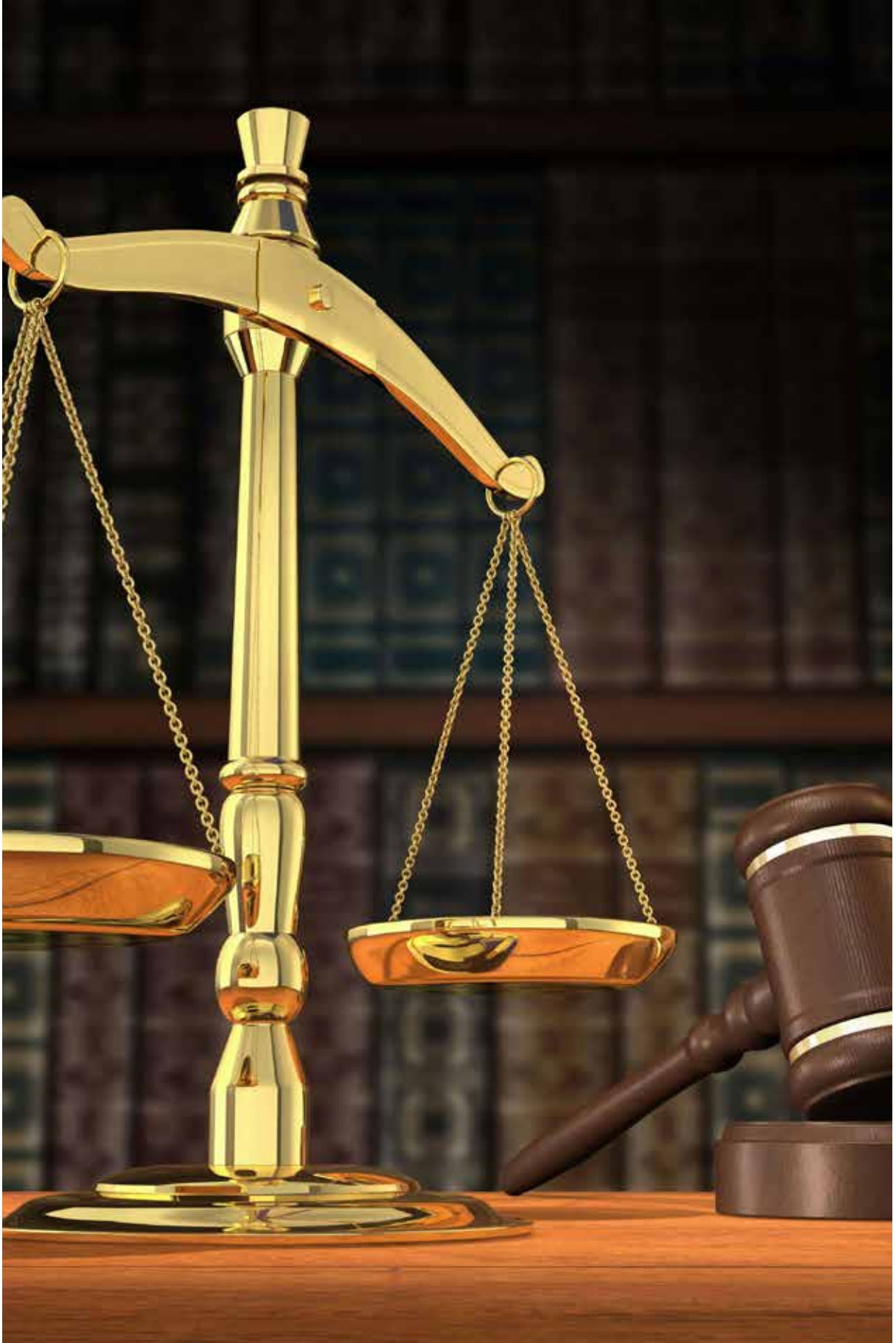
12.9 ANNUAL PERFORMANCE REVIEW

The Committee has considered the performance information reports submitted to the AGSA for review and is satisfied with the measures Management has put in place to manage performance.

12.10 AUDITOR-GENERAL'S REPORT

We have reviewed the Department's implementation of the audit findings raised in the AGSA Management Report of the previous year and we are satisfied that the findings have been adequately resolved. The ARC has met with the AGSA throughout the year to ensure that there are no unresolved issues.

Adv W E Huma
Chairperson of the ARC
Office of the Chief Justice
Date: 31 July 2018





PART D



HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

In respect of the 2017/18 Financial Year, the total number of posts on the establishment was one thousand eight hundred and ninety eight (1 898) of which one thousand eight hundred and eleven (1 811) were filled as at the end of the reporting period.

This resulted in eighty seven (87) vacant funded posts. The overall vacancy rate for the Department as at 31 March 2018 was 4.6% which was within the 10% threshold prescribed by the DPSA. Of the one thousand eight hundred and ninety eight (1 898) funded posts, forty three (43) were SMS posts, of which thirty nine (39) were filled and four (4) remained vacant. The filling of posts was affected by the budget ceiling on compensation of employees for the MTEF period as per the National Treasury directive. As such, only identified critical posts were advertised and filled.

As at the end of the 2017/18 Financial Year the number of employees with disabilities was twenty one (21). This represents 1.2% of the OCJ staff complement.

2. OVERVIEW OF HUMAN RESOURCES

2.1 HUMAN RESOURCE PRIORITIES FOR THE YEAR UNDER REVIEW AND THE IMPACT OF THESE

The following were priorities for the year under review:

(a) Filling of vacancies in 2017/18:

The Department filled sixty eight (68) permanent posts during the year under review.

(b) Providing Employee Wellness Programmes

The Department has a responsibility to look after the well-being of employees, hence various wellness programmes are conducted. During the year under review, the four Employee Health and Wellness Policies and Operational Plans (2017/18) were implemented in line with the four Pillars of the DPSA Employee Health and Wellness Strategic Framework.

For the Financial Year 2017/18 the following programmes were carried out in line with the Employee Health & Wellness Operational plans:

- Wellness Health Screening: A total of four hundred and thirty seven (437) employees attended the health screening sessions.
- Financial Literacy Workshop: A total of sixty five (65) employees attended the planned sessions.
- Employee Health and Wellness Advocacy: A total of eighteen (18) desk drops on Health and Wellness information were distributed.
- HIV/AIDS and TB Management: A total of twenty two thousand five hundred and fifty (22 550) condoms were distributed. Four hundred and thirty seven (437) employees were tested for HIV in the period under review. A total of four hundred and thirty seven (437) employees completed the TB questionnaire.
- Occupational Health and Safety: The Department plans to train Occupational Health and Safety representatives at provincial level in the 2018/19 Financial Year.



2.2 WORKFORCE PLANNING FRAMEWORK AND KEY STRATEGIES TO ATTRACT AND RECRUIT A SKILLED AND CAPABLE WORKFORCE

Human Resource Plan

During the year under review the OCJ implemented the HR Plan in line with the Directive on the Development and Reporting on Human Resources Plans (2015) for the Public Service. The focus area was on the following key strategies:

Effective Recruitment

The total workforce of the Department was one thousand eight hundred and eleven (1 811) translating to (95.4%) against 1 898 of the staff establishment. Out of the one thousand eight hundred and eleven (1 811) employees, thirty nine (39) were SMS, fifteen (15 or 38.5%) were female and twenty four (24 or 61.5%) were male. More still needs to be done in order for the Department to comply with the Equity Plan and DPSA Directive on SMS. With regards to the employment of persons with disabilities, little progress has been made as the Department is still standing at 1.2% and it is acknowledged that there is a need to implement additional recruitment strategies for this category.

Providing employees with skills and competencies through skills development programme

During the year under review the Department trained six hundred and eighty seven (687) employees in line with the WSP. The Department provided study assistance opportunities to staff members to obtain new qualifications and improve their skills and knowledge. Various training workshops were also conducted aimed at empowering employees. These workshops included the Compulsory Induction Programme (CIP) and the Management of Discipline course. A total of twenty five (25) law clerks were recruited

under a skills development programme, which was established to provide young graduates with opportunities to gain knowledge and experience in the workplace, in order to be able to compete for jobs in the labour market.

2.4 EMPLOYEE PERFORMANCE MANAGEMENT

In respect of the 2016/17 assessment cycle all eligible employees were assessed in adherence with the prescribed assessment policy resulting in all eligible employees being paid their pay progressions. Employees eligible for grade progression were identified and their progressions have been effected. Performance assessments for the 2016/17 cycle were finalised and rewards related to this process were paid during the 2017/2018 Financial Year.

2.5 ACHIEVEMENTS

- There was an increase of 6% in the compliance with PMDS policy in that the Department achieved 96% compliance with the submission of Performance Assessments, as opposed to 90% in the 2016/17 performance cycle;
- A total of twenty five (25) law clerks were provided with opportunities to enhance personal, professional development and improve research, writing as well as people skills whilst contributing to the development of constitutional principles and decision making;
- The Department has a functional Departmental Bargaining Chamber; and
- Reduction of vacancy rate from 15.4% during 2016/2017 to 4.6% in the year 2017/18 Financial Year.

2.6 CHALLENGES

- The budget ceiling implemented by the National Treasury on compensation of employees affected the capacitation of the



OCJ. Although the Department underspent on its compensation of employees (CoE) budget, the Department could only afford to fill eighty seven (87) critical posts in the MTEF period. This negatively impacts on service delivery in the Department. The OCJ organisational structure was consulted with the DPSA and has been resubmitted to the relevant authority for approval/concurrence.

- Inability to finalise disciplinary and grievance cases within prescribed periods due to procedural matters such as postponements, unavailability of witnesses and skilled Presiding and Investigating Officers still poses a challenge.

2.7 FUTURE HUMAN RESOURCE PLANS/GOALS

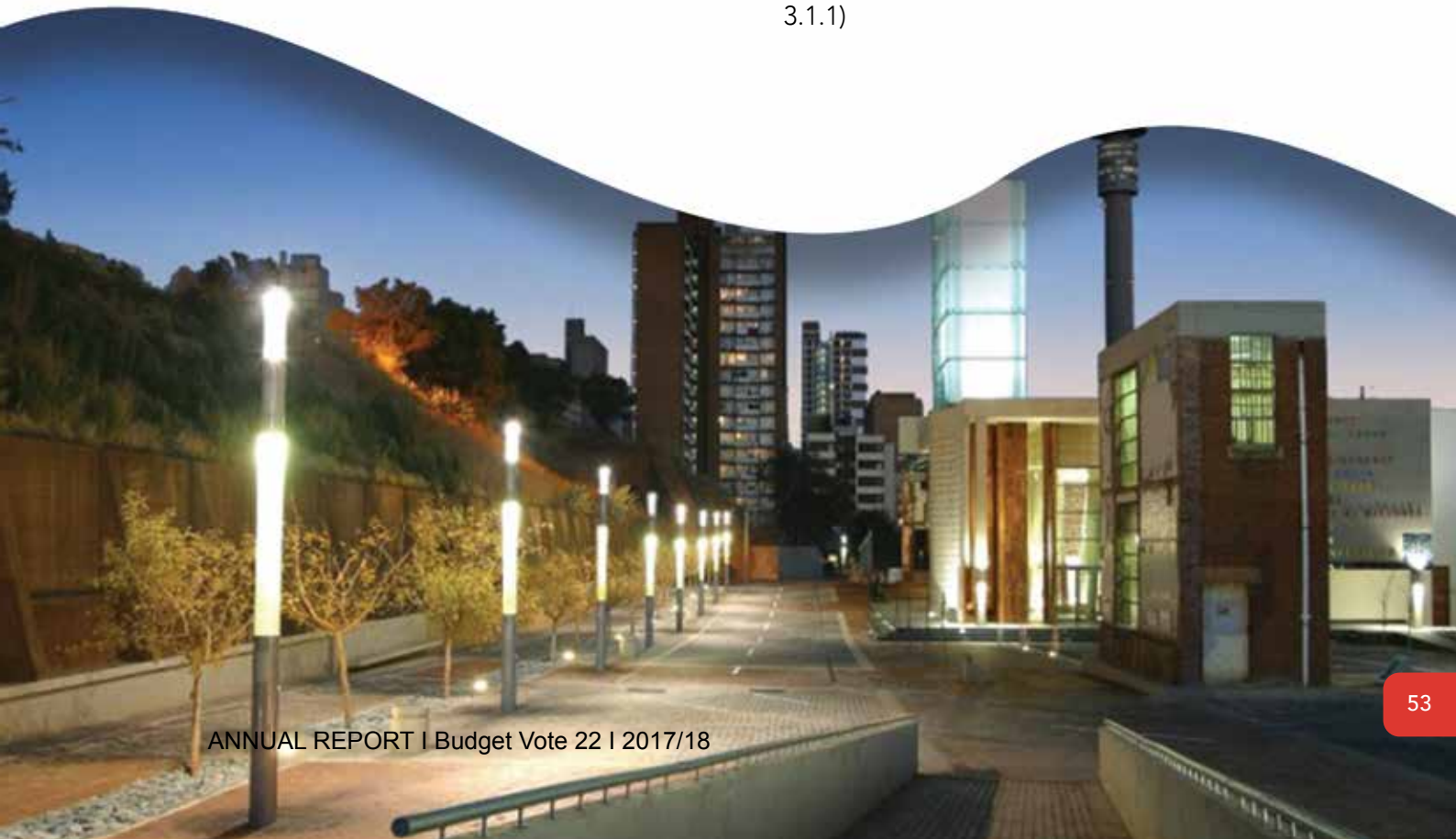
- The implementation of the revised organisational structure, pending the approval by the MPSA;
- The implementation of the revised performance management and development processes for HoDs, SMSs and lower levels (level 1 – 12);

- Creation of an internship programme which seeks to contribute towards affording opportunities for youth development and experiential learning;
- Improve HR Information Management Systems relating to various PERSAL reports that are obtained and used for planning and decision making. There is a need to update the personnel and other related information on the PERSAL system. It is envisioned that this matter is to receive priority attention in the 2018/19 Financial Year; and
- Retirement planning sessions in consultation with Government Pensions Administration Agency (GPAA) will be conducted for all employees fifty five (55) years and above.

3.

HUMAN RESOURCES OVERSIGHT STATISTICS

The statistical information to be presented below contains information from the OCJ Administration and the Judiciary. The Judiciary will be accounted for on the basis of the Direct Charge expenditure only (Table 3.1.1)





3.1 PERSONNEL RELATED EXPENDITURE

TABLE 3.1.1 PERSONNEL EXPENDITURE BY PROGRAMME FOR THE PERIOD 01 APRIL 2017 TO 31 MARCH 2018

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel Expenditure as a % of Total Expenditure	Average Compensation of Employees Cost per Employee or Judge (R'000)
OCJ: Administration	167 666	73 952	3 574	30	44.1	480
OCJ: Superior Court Services	748 228	499 866	88	0	66.8	306
OCJ: Judicial Education & Support	81 624	20 485	788	0	25.1	891
SUB-TOTAL (Voted Funds)	997 518	594 303	4 450	30	59.6	328
SUB-TOTAL (Direct Charge Against the NRF)	998 355	924 703	0	0	92.6	1 989
GRAND TOTAL (Voted Funds and Direct Charge Against the NRF)	1 995 873	1 519 006	4 450	0	76.1	667

TABLE 3.1.2 PERSONNEL COSTS BY SALARY BAND FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018 (including the Judges)

Salary Band	Personnel Expenditure (R'000)	% of total personnel cost	Number of Employees (including Judges on the direct charge)	Average Compensation Cost per Employee (R'000)
Lower Skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	73 797	12.4	856	86
Highly skilled production (Levels 6-8)	68 024	11.4	508	134
Highly skilled supervision (Levels 9-12)	75 095	12.6	224	335
Senior management (Levels 13-16)	350 330	58.9	36	9 731
Contract (Levels 1-2)	0	0	0	0
Contract (Levels 3-5)	4 408	0.7	51	86
Contract (Levels 6-8)	13 198	2.2	94	140
Contract (Levels 9-12)	6 442	1.1	38	170
Contract (Levels 13-16)	2 467	0.4	3	822
Abnormal Appointment	541	0.1	1	541
SUB-TOTAL (Voted Funds)	594 303	100	1 811	328

Salary Band	Personnel Expenditure (R'000)	% of total personnel cost	Number of Employees (including Judges on the direct charge)	Average Compensation Cost per Employee (R'000)
SUB-TOTAL (Direct Charge Against the NRF)	924 703	100	465	1 989
GRAND TOTAL (Voted Funds and Direct Charge Against the NRF)	1 519 006	100	2 276	667

TABLE 3.1.3 SALARIES, OVERTIME, HOME OWNERS ALLOWANCE AND MEDICAL AID BY PROGRAMME FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as % of Personnel Cost	Amount (R'000)	Overtime as % of Personnel Cost	Amount (R'000)	HOA as a % of personnel costs	Amount R'000)	Medical Aid as a % of personnel costs
Administration	65 346	88.4	610	0.8	1 845	2.5	2 243	3.0
Superior Court Services	428 129	85.6	1 500	0.3	17 948	3.6	30 761	6.2
Judicial Education & Support	17 963	87.7	127	0.6	383	1.9	1 130	5.5
SUB-TOTAL (Voted Funds)	511 438	86.1	2 237	0.4	20 176	3.4	34 134	5.7
SUB-TOTAL (Direct Charge Against the NRF)	918 741	99.4	0	0.0	0	0.0	5 953	0.6
GRAND TOTAL (Voted Funds and Direct Charge Against the NRF)	1 430 179	94.2	2 237	0.1	20 176	1.3	40 087	2.6



TABLE 3.1.4 SALARIES, OVERTIME, HOME OWNERS ALLOWANCE AND MEDICAL AID BY SALARY BAND FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as % of Personnel Cost	Amount (R'000)	Overtime as % of Personnel Cost	Amount (R'000)	HOA as a % of personnel costs	Amount R('000)	Medical Aid as a % of personnel costs
Skilled (Levels 3-5)	52 517	71.2	729	1.0	10 906	14.78	18 172	24.6
Highly skilled production (Levels 6-8)	48 409	71.2	750	1.1	5 859	8.61	11 178	16.4
Highly skilled supervision (Levels 9-12)	53 442	71.2	580	0.8	2 420	3.22	4 035	5.4
Senior management (Levels 13-16)	249 311	71.2	0	0	991	0.28	710	0.2
Contract (Levels 1-2)	0	0	0	0	0	0	0	0
Contract (Levels 3-5)	3 137	71.2	43	1.0	0	0	0	0
Contract (Levels 6-8)	9 392	71.2	135	1.0	0	0	0	0
Contract (Levels 9-12)	4 585	71.2	0	0	0	0	0	0
Contract (Levels 13-16)	1 756	71.2	0	0	0	0	39	1.6
Abnormal Appointment	385	71.2	0	0	0	0	0	0
SUB-TOTAL (Voted Funds)	422 934	71.2	2 237	0.4	20 176	3.39	37 134	6.2
SUB-TOTAL (Direct Charge Against the NRF)	670 414	72.5	0	0	0	0	5 953	0.6
GRAND TOTAL (Voted Funds and Direct Charge Against the NRF)	1 093 348	6.8	2 237	0.1	20 176	1.33	40 087	2.6



3.2 EMPLOYMENT AND VACANCIES

TABLE 3.2.1 EMPLOYMENT AND VACANCIES BY PROGRAMME AS AT 31 MARCH 2018

The tables in this section summarise the OCJ's position with regard to employment and vacancies. The vacancy rate reflects the percentage of funded posts that are not filled. This table excludes information on the Judiciary.

Programme	Number of Posts approved on the establishment	Number of Posts Filled	Vacancy Rate	Number of employees additional to the establishment
OCJ: Administration	170	154	9.4	1
OCJ: Superior Court Services	1 705	1 634	4.2	0
OCJ: Judicial Education & Support	23	23	0	0
Total	1 898	1 811	4.6	1

TABLE 3.2.2 EMPLOYMENT AND VACANCIES BY SALARY BAND AS AT 31 MARCH 2018

Salary band	Number of Posts approved on the establishment	Number of Posts Filled	Vacancy Rate %	Number of employees additional to the establishment
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	939	933	0.6	0
Highly skilled production (Levels 6-8)	608	575	5.4	1
Highly skilled supervision (Levels 9-12)	308	264	14.3	0
Senior management (Levels 13-16)	43	39	9.3	0
Total	1 898	1 811	4.6	1



TABLE 3.2.3 EMPLOYMENT AND VACANCIES BY CRITICAL OCCUPATIONS BAND AS AT 31 MARCH 2018

Critical occupations	Number of Posts approved on the establishment	Number of Posts Filled	Vacancy Rate in %	Number of employees additional to the establishment
Administrative related	149	96	35.6	1
Advocates	2	2	0	0
Attorneys	2	2	0	0
Bus and heavy vehicle drivers	2	2	0	0
Cleaners in offices workshops hospitals etc.	3	3	0	0
Client inform clerks(switchboard & reception information clerks)	11	11	0	0
Communication and information related	7	7	0	0
Finance and economics related	49	49	0	0
Financial and related professionals	26	26	0	0
Financial clerks and credit controllers	30	30	0	0
Food services aids and waiters	13	13	0	0
General legal administration & rel. professionals	125	125	0	0
Human resources & organisational development & relate professionals	2	2	0	0
Human resources clerks	33	33	0	0
Human resources related	18	18	0	0
Language practitioners interpreters & other communicators	40	40	0	0
Legal related	31	23	25.8	0
Librarians and related professionals	17	17	0	0
Library mail and related clerks	29	29	0	0
Light vehicle drivers	1	1	0	0
Logistical support personnel	0	0	0	0
Material-recording and transport clerks	17	17	0	0
Messengers porters and deliverers	128	128	0	0
Other administration & related clerks and organisers	598	593	0.8	0
Other administrative policy and related officers	43	38	11.6	0
Other information technology personnel	7	7	0	0
Prosecutor	0	0	0	0
Secretaries & other keyboard operating clerks	365	361	1.1	0
Security guards	3	3	0	0
Security officers	55	55	0	0
Senior managers	43	31	27.9	0
Statisticians and Related Profession	1	1	0	0
Translators and air traffic communicators	48	48	0	0
Total	1 898	1 811	4.6	1



3.3 FILLING OF SMS POSTS

TABLE 3.3.1 SMS POST INFORMATION AS AT 31 MARCH 2018

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director General/ Head of Department	1	1	100	0	0
Salary level 15	1	1	100	0	0
Salary level 14	7	6	85.7	1	14.3
Salary level 13	34	31	91.2	3	8.8
Total	43	39	90.7	4	9.3

TABLE 3.3.2 SMS POST INFORMATION AS AT 30 SEPTEMBER 2017

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director General/ Head of Department	1	1	100	0	0
Salary level 15	1	1	100	0	0
Salary level 14	7	6	85.7	1	14.3
Salary level 13	34	32	94.1	2	5.9
Total	43	40	93	3	7

TABLE 3.3.3 ADVERTISING AND FILLING OF SMS POSTS FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Secretary General	1	1	100	0	0
Salary level 16	0	0	0	0	0
Salary level 15	1	1	100	0	0
Salary level 14	7	6	85.7	1	14.2
Salary level 13	34	31	91.1	3	8.8
Total	43	39	90.6	4	9.3



TABLE 3.3.4 REASONS FOR NOT HAVING COMPLIED WITH THE FILLING OF FUNDED VACANT SMS POSTS

Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2017 to 31 March 2018

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not filled within twelve months
Dispute on 1 Director Court Operations Post

TABLE 3.3.5 DISCIPLINARY STEPS TAKEN FOR NOT COMPLYING WITH THE PRESCRIBED TIMEFRAMES FOR FILLING SMS POSTS WITHIN 12 MONTHS FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not filled within twelve months
No action taken as the reasons for non-filling is attributed to the dispute.





3.4 JOB EVALUATION

TABLE 3.4.1 JOB EVALUATION BY SALARY BAND FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

The information on the number of posts on the establishment excludes the Judiciary as their posts are not subjected to job evaluation.

Salary Band	Number of Posts approved on the establishment	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded		Number of Posts Downgraded	
				Number	% of Upgraded Posts	Number	% of Downgraded Posts
Lower skilled (Levels 1-2)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	939	394	41.9	0	0	0	0
Highly skilled production (Levels 6-8)	608	115	18.9	0	0	0	0
Highly skilled supervision (Levels 9-12)	308	3	0.9	0	0	0	0
Senior Management Service Band A	34	1	2.9	0	0	0	0
Senior Management Service Band B	7	0	0	0	0	0	0
Senior Management Service Band C	1	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
TOTAL	1 898	513	27.0	0	0	0	0

TABLE 3.4.2 PROFILE OF EMPLOYEES WHOSE POSITIONS WERE UPGRADED DUE TO THEIR POSTS BEING UPGRADED FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with disability	0	0	0	0	0



TABLE 3.4.3 EMPLOYEES WHOSE SALARY LEVELS ARE HIGHER THAN THOSE DETERMINED BY JOB EVALUATION BY OCCUPATION FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018.

Occupation	Number of employees	Job evaluation level	Remuneration level	Reasons for deviation
Senior Managers	1	14	15	The employee was awarded a higher notch in terms of PSR V C.3 prior the PSR of 2016.
Total number of employees whose salaries exceeded the level determined by job evaluation				1
Percentage of total employed				0.05%

TABLE 3.4.4 PROFILE OF EMPLOYEES WHOSE SALARY LEVELS ARE HIGHER THAN THOSE DETERMINED BY JOB EVALUATION FOR THE PERIOD 01 APRIL 2017 TO 31 MARCH 2018

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	1	0	0	0	1
Total	1	0	0	0	1
Employees with disability	0	0	0	0	0

Total number of employees whose salaries exceeded the grades determined by job evaluation.	1
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3.5 EMPLOYMENT CHANGES

This section provides information on changes in employment over the Financial Year. It reflects the number of appointments versus terminations. It further translates the terminations into the turnover rate.

When reading the table below, a seemingly high number of appointments and terminations are reflected. This is however as a result of multiple contract appointments for secretaries to support Judges and Acting Judges which are demand driven in line with the need during Court terms.



TABLE 3.5.1 ANNUAL TURNOVER RATES BY SALARY BAND FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018.

Salary Band	Number of employees at Beginning of period (April 2017)	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover Rate
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5), Permanent	921	92	111	12.1
Highly skilled production (Levels 6-8)	453	158	101	22.2
Highly skilled supervision (Levels 9-12)	266	41	52	19.5
Senior Management Service Band A	30	0	1	3.3
Senior Management Service Band B	7	2	1	14.3
Senior Management Service Band C	1	0	0	0
Senior Management Service Band D	1	0	0	0
TOTAL	1 679	293	266	15.8

TABLE 3.5.2 ANNUAL TURNOVER RATES BY CRITICAL OCCUPATION FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Critical occupation	Number of employees at Beginning of period (April 2017)	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover Rate
Administrative related	81	13	3	3.7
Advocates	0	0	0	0
Attorneys, Permanent	1	0	0	0
Bus and heavy vehicle drivers	2	0	0	0
Cashiers tellers and related clerks	6	0	0	0
Cleaners in offices workshops hospitals etc,	0	0	0	0
Client inform clerks (switchboard reception information clerks)	10	1	0	0
Communication and information related	51	0	0	0
Finance and economics related	26	10	3	11.5
Financial and related professionals	32	0	2	6.3
Financial clerks and credit controllers	13	0	1	7.7
Food services aids and waiters	0	0	0	0
General legal administration & related professionals	139	45	46	33.1
Human resources & organisational development & relate professionals	29	0	0	0



Critical occupation	Number of employees at Beginning of period (April 2017)	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover Rate
Human resources clerks	19	9	2	10.5
Human resources related	32	0	5	15.6
Language practitioners interpreters & other communications	14	2	2	14.3
Legal related	17	2	1	5.9
Librarians and related professionals	27	0	1	3.7
Library mail and related clerks	2	1	2	100
Light vehicle drivers	1	0	1	100
Logistical support personnel	9	0	0	0
Material-recording and transport clerks	150	6	7	4.7
Messengers porters and deliverers	400	0	5	1.3
Other administrative & related clerks and organisers	302	60	89	29.5
Other administrative policy and related officers	8	1	0	0
Other information technology personnel	5	0	1	20
Prosecutor	0	0	0	0
Secretaries & other keyboard operating clerks	232	135	83	35.8
Security guards	0	0	0	0
Security officers	20	0	1	5
Senior managers	39	2	2	5.1
Translators and air traffic communicators	29	3	9	31
TOTAL	1 679	293	266	15.8

TABLE 3.5.3 REASONS WHY STAFF LEFT THE DEPARTMENT FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Termination Type	Number	% of Total Resignations
Death	9	3.4
Resignation	84	31.6
Expiry of contract	155	58.3
Discharged due to ill health	0	0
Dismissal – misconduct	2	0.8
Retirement	16	6
TOTAL	266	100
Total number of employees who left as a % of total employment		15.8



**TABLE 3.5.4 PROMOTION BY CRITICAL OCCUPATION FOR THE PERIOD 1
APRIL 2017 TO 31 MARCH 2018**

Occupation	Number of employees at Beginning of period (April 2017)	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative related	81	1	1.2	33	40.7
Advocates	0	0	0	0	0
Attorneys	1	0	0	1	100
Bus and heavy vehicle drivers	2	0	0	2	100
Cleaners in offices workshops hospitals etc.	6	0	0	2	33.3
Client inform clerks (switchboard reception information clerks)	10	0	0	3	30
Communication and information related	51	0	0	3	5.9
Finance and economics related	26	0	0	26	100
Financial and related professionals	32	0	0	7	21.9
Financial clerks and credit controllers	13	0	0	7	53.8
Food services aids and waiters	0	0	0	0	0
General legal administration & related professionals	139	2	1.4	49	35.3
Human resources & organisational development & related professionals	29	1	3.4	8	27.6
Human resources clerks	19	0	0	10	52.6
Human resources related	32	0	0	12	37.5
Language practitioners interpreters & other communications	14	1	7.1	14	100
Legal related	17	0	0	17	100
Librarians and related professionals	27	0	0	13	48.1
Library mail and related clerks	2	0	0	0	0
Light vehicle drivers	1	0	0	0	0
Logistical support personnel	9	0	0	0	0
Material-recording and transport clerks	150	0	0	19	12.7
Messengers porters and deliverers	400	0	0	298	74.5
Other administrative & related clerks and organisers	302	3	1	295	97.7
Other administrative policy and related officers	8	2	25.0	7	87.5
Other information technology personnel.	5	0	0	5	100
Prosecutor	0	0	0	0	0



Occupation	Number of employees at Beginning of period (April 2017)	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Secretaries & other keyboard operating clerks	232	1	0.4	195	84.1
Security guards	0	0	0	0	0
Security officers	20	0	0	14	70.0
Senior managers	39	1	2.6	22	56.4
Translators and air traffic communicators	29	0	0	27	93.1
TOTAL	1 679	12	0.7	1 089	64.9

TABLE 3.5.5 PROMOTION BY SALARY BAND FOR THE PERIOD 01 APRIL 2017 TO 31 MARCH 2018

Salary band	Number of employees at Beginning of period (April 2017)	Promotions to another salary level	Salary level promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary band
Skilled (Levels 3-5), Permanent	921	2	0.2	679	73.7
Highly skilled production (Levels 6-8), Permanent	453	6	1.3	256	56.5
Highly skilled supervision (Levels 9-12), Permanent	266	3	1.1	131	49.2
Senior management (Levels 13-16), Permanent	39	1	2.6	22	56.4
TOTAL	1 679	12	0.7	1 089	64.9

3.6 EMPLOYMENT EQUITY

TABLE 3.6.1 TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITY) IN EACH OF THE FOLLOWING OCCUPATIONAL CATEGORIES AS AT 31 MARCH 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	20	2	1	2	10	1	1	3	40
Professionals	118	6	2	11	130	11	12	28	318
Technicians and associate professionals	43	3	0	1	62	5	4	7	125



Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Clerks	277	36	15	18	536	85	22	136	1125
Labourers and related workers	56	11	1	7	49	11	3	4	142
Service and sales workers	25	8	2	11	9	1	0	2	58
Plant and machine operators and assemblers	2	1	0	0	0	0	0	0	3
Employees with disability	7	1	0	1	11	0	0	1	21
TOTAL	541	67	21	50	796	114	42	180	1 811

TABLE 3.6.2 TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITY) IN EACH OF THE FOLLOWING OCCUPATIONAL BANDS AS AT 31 MARCH 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	0	0	0	0	2	0	0	0	2
Senior Management, Permanent	20	2	1	2	8	1	1	3	38
Professionally qualified and experienced specialists and mid-management, Permanent	39	2	1	5	34	7	4	12	104
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	193	14	3	21	323	56	24	126	760
Semi-skilled and discretionary decision making, Permanent	287	51	16	22	430	50	12	39	907
TOTAL	539	69	21	50	797	114	41	180	1 811



TABLE 3.6.3 RECRUITMENT FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management, Permanent	0	0	0	1	1	0	0	0	2
Professionally qualified and experienced specialists and mid-management, Permanent	2	0	0	1	3	0	0	1	12
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	7	1	0	0	20	8	2	2	40
Semi-skilled and discretionary decision making, Permanent	2	2	1	0	7	1	0	1	14
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
TOTAL	16	3	1	2	31	9	2	4	68
Employees with disabilities	1	0	0	0	0	0	0	0	1

TABLE 3.6.4 PROMOTIONS FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management, Permanent	0	0	0	0	1	0	0	0	1
Professionally qualified and experienced specialists and mid-management, Permanent	2	0	0	0	1	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	1	0	0	0	4	0	0	1	6
Semi-skilled and discretionary decision making, Permanent	0	0	1	0	0	0	0	1	2
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
TOTAL	3	0	1	0	6	0	0	2	12
Employees with disabilities	0	0	0	0	0	0	0	0	0



TABLE 3.6.5 TERMINATIONS FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management, Permanent	0	0	0	2	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management, Permanent	14	0	2	3	21	1	3	8	52
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	26	0	1	1	41	9	5	18	101
Semi-skilled and discretionary decision making, Permanent	46	2	0	0	55	2	0	6	111
Not Available	0	0	0	0	0	0	0	0	0
TOTAL	86	2	3	6	117	12	8	32	266





TABLE 3.6.6 DISCIPLINARY ACTIONS FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Abscondment	1	0	0	0	1	0	0	0	2
Final Written Warning	0	0	0	0	0	0	0	0	0
Final Written Warning & 1 month suspension without pay	0	0	0	0	0	0	0	0	0
Final Written Warning & 3 month suspension without pay	2	0	0	0	0	0	0	0	2
Demotion	1	0	0	0	0	0	0	0	1
Withdrawn	4	0	0	0	0	0	0	0	4
Total	8	0	0	1	1	0	0	0	9

TABLE 3.6.7 SKILLS DEVELOPMENT FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	0	0	0	0	1	0	0	0	1
Senior Management, Permanent	9	0	0	0	3	0	0	1	13
Professionally qualified and experienced specialists and mid-management, Permanent	48	4	10	3	37	4	1	1	108
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	126	9	5	5	123	12	1	12	293
Semi-skilled and discretionary decision making, Permanent	94	1	0	5	73	1	0	5	179
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
TOTAL	277	14	15	13	237	17	2	19	594



3.7 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

TABLE 3.7.1. SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS AS AT 31 MAY 2017

SMS level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total SMS members
Secretary General/ Head of Department	1	1	1	100
Salary level 16	0	0	0	0
Salary level 15	1	1	1	100
Salary level 14	7	6	5	83.3
Salary level 13	34	31	31	100
Total	43	39	38	97.4

TABLE 3.7.2 REASONS FOR NOT HAVING CONCLUDED PERFORMANCE AGREEMENTS FOR ALL SMS MEMBERS AS AT 31 MAY 2017

Reason
Only one SMS member on level 14 did not conclude a performance agreement as on 31 May 2017. The SMS member has a pending dispute relating to his appointment.

TABLE 3.7.3 DISCIPLINARY STEPS TAKEN AGAINST SMS MEMBERS FOR NOT HAVING CONCLUDED PERFORMANCE AGREEMENTS AS AT 31 MAY 2017

Reason
No action was taken as the issue in dispute was still before the court.



3.8 PERFORMANCE REWARDS

TABLE 3.8.1 PERFORMANCE REWARDS BY RACE, GENDER AND DISABILITY FOR THE PERIOD 01 APRIL 2017 TO 31 MARCH 2018

Race and gender	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost ('000)	Average cost per employee
African					
Male	90	510	17.6	1 032	11
Female	108	697	15.5	1 195	11
Asian					
Male	3	24	12.5	37	12
Female	4	39	10.3	53	13
Coloured					
Male	16	63	25.4	124	8
Female	22	102	21.6	227	10
White					
Male	9	46	19.6	112	12
Female	36	177	20.3	485	13
Employees with disability	2	21	9.5	17	9
Total	290	1 679	17.3	3 284	11

TABLE 3.8.2 PERFORMANCE REWARDS BY SALARY BAND FOR PERSONNEL BELOW SENIOR MANAGEMENT SERVICE FOR THE PERIOD 01 APRIL 2017 TO 31 MARCH 2018

Salary Band	Beneficiary profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within group	Cost ('000)	Average cost per employee	
Skilled (Levels 3-5)	140	921	15.2	925	6	1.2
Highly skilled production (Levels 6-8)	85	453	18.8	877	10	1.1
Highly skilled supervision (Levels 9-12)	65	266	24.4	1 482	22	1.8
TOTAL	290	1 640	17.7	3 284	11	1.4



TABLE 3.8.3 PERFORMANCE REWARDS BY CRITICAL OCCUPATION FOR THE PERIOD 01 APRIL 2017 TO 31 MARCH 2018

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost ('000)	Average cost per employee
Administrative related	20	81	24.7	506	25.3
Bus and heavy vehicle drivers	0	2	0	0	0
Cleaners in offices workshops hospitals etc.	0	0	0	0	0
Client information clerks(switchboard, reception information clerks)	1	0	0	6	6.2
Communication and information related	2	51	4.9	50	25.2
Finance and economics related	19	26	73.1	324	17
Financial and related professionals	8	32	25	144	18
Financial clerks and credit controllers	3	13	23.1	19	6.2
Food services aids and waiters	7	0	70	38	5.4
General legal administration & related professionals	15	139	10.8	344	23
Human resources & organisational development & related professionals	1	29	5	11	11.3
Human resources clerks	6	19	31.6	52	8.7
Human resources related	3	32	9.4	63	20.9
Language practitioners interpreters & other communicators	7	14	50	82	11.7
Legal related	5	17	29.4	124	24.9
Librarians and related professionals	2	27	7.4	20	9.8
Library mail and related clerks	7	2	58.3	48	6.9
Light vehicle drivers	0	1	0	0	0
Logistical support personnel	0	9	0	0	0
Material-recording and transport clerks	2	150	1.3	27	13.4
Messengers porters and deliverers	28	400	7.4	141	5
Other administrative & related clerks and organisers	89	302	29.5	616	6.9



Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost ('000)	Average cost per employee
Other administrative policy and related officers	10	8	35.7	135	13.5
Other information technology personnel.	1	5	20.0	14	14.4
Secretaries & other keyboard operating clerks	35	232	15.1	320	9.1
Security guards	0	0	0	0	0
Security officers	11	20	55	125	11.4
Senior managers	0	39	0	0	0
Translators and air traffic communicators	8	29	27.6	75	9.4
Total	290	1 679	17.3	3 284	11.3

TABLE 3.8.4 PERFORMANCE RELATED REWARDS (CASH BONUS) BY SALARY BAND FOR SENIOR MANAGEMENT SERVICE FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Salary Band	Beneficiary profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within group	Cost ('000)	Average cost per employee	
Band A	0	31	0	0	0	0
Band B	0	6	0	0	0	0
Band C	0	1	0	0	0	0
Band D	0	1	0	0	0	0
Total	0	39	0	0	0	0

3.9 FOREIGN WORKERS

TABLE 3.9.1 FOREIGN WORKERS BY SALARY BAND FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Salary band	1 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% of change
Skilled (Levels 3-5)	1	33.3	1	33.3	0	0
Highly skilled production (Levels 6-8)	1	33.3	1	33.3	0	0
Senior management (Levels 13-16)	0	0	0	0	0	0
Contract (Levels 6-8)	0	0	0	0	0	0
Contract (Levels 9-12)	1	33.3	1	33.3	0	0



Salary band	1 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% of change
Periodical Remuneration	0	0	0	0	0	0
TOTAL	3	100	3	100	0	100

TABLE 3.9.2 FOREIGN WORKERS BY MAJOR OCCUPATION FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Major occupation	1 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% of change
Administrative office workers	2	66.6	2	66.6	0	0
Professionals and managers	1	33.3	1	33.3	0	0
TOTAL	3	100	3	100	0	0

3.10 LEAVE UTILISATION

TABLE 3.10.1 SICK LEAVE FOR THE PERIOD 01 JANUARY 2017 TO 31 DECEMBER 2017

Salary band	Total days	%Days with medical certification	Number of employees using leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Skilled (Levels 3-5)	7 402	78.3	801	49.4	9	5 670
Highly skilled production (Levels 6-8)	3 814	79.2	454	28	8	4 931
Highly skilled supervision (Levels 9-12)	1 565	76.5	213	13.1	7	3 519
Senior management (Levels 13-16)	156	76.3	26	1.6	6	614
Contract (Levels 1-2)	26	61.5	8	0.5	3	8
Contract (Levels 3-5)	127	75.6	23	1.4	6	100
Contract (Levels 6-8)	429	75.1	83	5.1	5	525
Contract (Levels 9-12)	111	70.3	11	0.7	10	198
Contract (Levels 13-16)	9	100	3	0.2	3	52
TOTAL	13 639	692.8	1 622	100	57	15 617



TABLE 3.10.2 DISABILITY LEAVE (TEMPORARY AND PERMANENT) FOR THE FOR THE PERIOD 01 JANUARY 2017 TO 31 DECEMBER 2017

Salary band	Total days	%Days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Skilled (Levels 3-5)	1 191	100	26	23.9	46	872
Highly skilled production (Levels 6-8)	1 134	100	17	15.6	67	1 433
Highly skilled supervision (Levels 9-12)	149	100	11	10.1	14	315
Senior management (Levels 13-16)	8	100	1	0.9	8	30
TOTAL	2 482	100	55	50.5	135	2 650

TABLE 3.10.3 ANNUAL LEAVE FOR THE PERIOD 01 JANUARY 2017 TO 31 DECEMBER 2017

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Skilled (Levels 3-5)	20 063	22	897
Highly skilled production (Levels 6-8)	12 207	24	509
Highly skilled supervision (Levels 9-12)	5 556	23	240
Senior management (Levels 13-16)	873	24	37
Contract (Levels 1-2)	0	0	0
Contract (Levels 3-5)	597	0	39
Contract (Levels 6-8)	1 982	14	143
Contract (Levels 9-12)	360	14	25
Contract (Levels 13-16)	78	20	4
TOTAL	41 716	22	1 894

TABLE 3.10.4 CAPPED LEAVE FOR THE PERIOD 1 JANUARY 2017 TO 31 DECEMBER 2017

Salary band	Total days of capped leave	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2017
Skilled (Levels 3-5)	2 186.92	0	0	23
Highly skilled production (Levels 6-8)	6 727.53	0	0	47
Highly skilled supervision (Levels 9-12)	2 605.65	0	0	57
Senior management (Levels 13-16)	765.95	0	0	59
TOTAL	12 286.05	0	0	41



TABLE 3.10.5 LEAVE PAY-OUTS FOR THE PERIOD 1 APRIL 2017 AND 31 MARCH 2018

Reason	Total amount (R'000)	Number of employees	Average per employee (R)
Leave pay-outs for 2016/17 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave pay-outs on termination of service for 2017/18	2 213.00	25.00	88.5
Current leave pay-outs on termination of service for 2017/18	456.00	26.00	17.5
TOTAL	2 669	51	52.3

3.11 HIV/AIDS & HEALTH PROMOTION PROGRAMMES

TABLE 3.11.1 STEPS TAKEN TO REDUCE THE RISK OF OCCUPATIONAL EXPOSURE

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The number varies based on disclosure and number of staff testing	Awareness sessions and information on prevention provided to staff regularly

TABLE 3.11.2 DETAILS OF HEALTH PROMOTION AND HIV/AIDS PROGRAMMES

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Ms Cindy Mazibuko is the Chief Director: Human Resource Management and Development.
2. Does the department have a dedicated unit or have you designated specific staff members to promote health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		Two staff members appointed. Budget was allocated for 2017/18 as it was part of the OCJ deliverable.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/ services of the programme.	Yes		Counselling Services; Awareness Services; Disease Management; Absenteeism Management; and Lifestyle Service.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		a. Ms Dorothea Botha: Chairperson; b. Ms Nomthandazo Shandu: Deputy Chairperson; c. Ms Mapula Mpepele: Secretariat; d. Ms Thami Mbalekwa: member; e. Ms Siyabonga Mponzo: member; f. Ms Modiehi Luthuli: member; g. Ms Lalitha Marrie: member; h. Mr Muntuz Baker-Fortune: member; i. Ms Shereen Ruthven: member; j. Ms Elizba Kotze: member.



Question	Yes	No	Details, if yes
5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		Reasonable Accommodation Policy and HIV/AIDS and TB Management Policy was approved.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		Policy on HIV/AIDS and TB Management Awareness sessions on HIV prevention and stigma were conducted.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		The Department conducted 5 HIV Counselling and Testing (HCT) where employees were encouraged to undergo testing.
8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.	Yes		Systems MT Tool

3.12 LABOUR RELATIONS

TABLE 3.12.1 COLLECTIVE AGREEMENTS FOR THE PERIOD 1 APRIL 2017 AND 31 MARCH 2018

Total number of collective agreements	None
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TABLE 3.12.2 MISCONDUCT AND DISCIPLINARY HEARINGS FINALISED FOR THE PERIOD 01 APRIL 2017 AND 31 MARCH 2018

Outcome of disciplinary hearings	Number	% of total
Final written warnings	0	0
Final written warning and 1 month's suspension without pay	0	0
Final written warning and 3 months suspension without pay	2	22.2%
Abscondment	2	22.2%
Demotion	1	11.1%
Withdrawals	4	44.4%
Total number of disciplinary hearings finalised	9	100%



TABLE 3.12.3 TYPES OF MISCONDUCT ADDRESSED AT DISCIPLINARY HEARINGS FOR THE PERIOD 1 APRIL 2017 AND 31 MARCH 2018

Type of misconduct	Number	% of total
Insubordination	2	10%
Misuse of State Vehicle	3	15%
Poor Work Performance	2	10%
Fruitless expenditure	1	5%
Fraud and corruption	4	20%
Unethical behaviour	1	5%
Theft	5	25%
Abscondment	2	10%
Total	20	100%

TABLE 3.12.4 GRIEVANCES LODGED FOR THE PERIOD 1 APRIL 2017 AND 31 MARCH 2018

Grievances	Number	% of total
Number of grievances resolved	21	95.5
Number of grievances not resolved	1	4.5
Total number of grievances lodged	22	100

TABLE 3.12.5 DISPUTES LODGED WITH COUNCILS FOR THE PERIOD 1 APRIL 2017 AND 31 MARCH 2018

Disputes	Number	% of total
Number of disputes at Conciliation	17	47.2
Number of disputes at Arbitration	18	50
Number of disputes at Labour Court	1	2.8
Total number of disputes lodged	36	100

TABLE 3.12.6 STRIKE ACTIONS FOR THE PERIOD 1 APRIL 2017 AND 31 MARCH 2018

A nil report was submitted on strike action, for the period under review

Total number of hours lost	0
Total costs working days lost	R0
Amount recovered as a result of no work no pay	R0



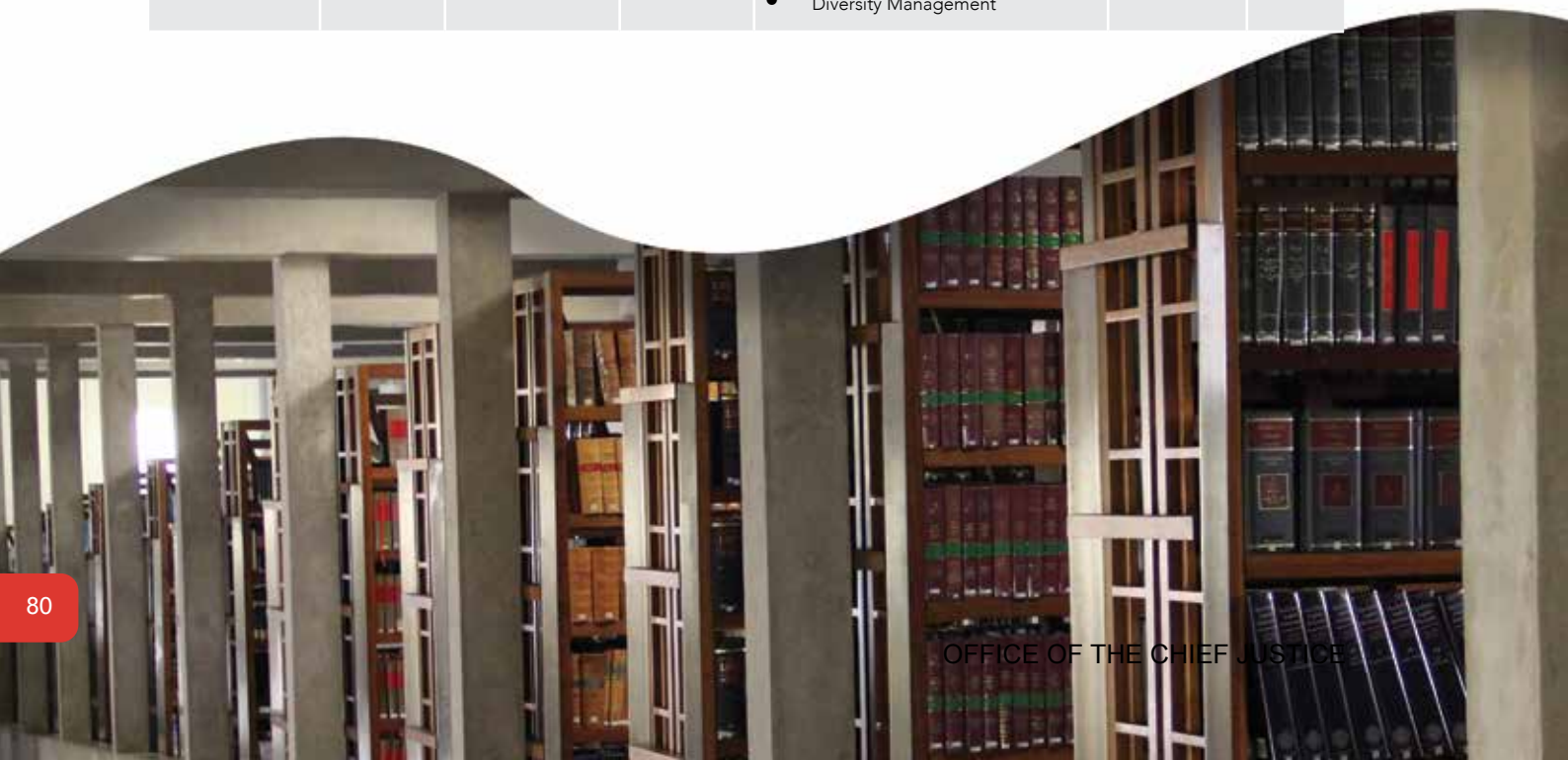
TABLE 3.12.7 PRECAUTIONARY SUSPENSIONS FOR THE PERIOD 1 APRIL 2017 AND 31 MARCH 2018

Number of people suspended	2
Number of people whose suspension exceeded 30 days	2
Precautionary Transfer	1
Average number of days suspended	433
Cost of suspension (R'000)	R302 293.29

3.13 SKILLS DEVELOPMENT

TABLE 3.13.1 TRAINING NEEDS IDENTIFIED FOR THE 1 APRIL 2017 TO 31 MARCH 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at the start of the reporting period			
			Learner ships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Male	24	N/A	<ul style="list-style-type: none"> ● Project Khaedu ● Management & Development Programme ● Corporate Governance ● Combined assurance ● Labour Relations ● Project management 	N/A	348
	Female	15				
Professionals, permanent	Male	135	N/A	<ul style="list-style-type: none"> ● EMDP ● Risk Management ● CIP ● Monitoring & Evaluation ● Conflict Management ● Finance for non-Financial Managers ● Assets & Supply Chain Management ● Policy Development ● OHS ● Legal Interpreting Default Judgement and Taxation ● Diversity Management 	N/A	388
	Female	179				





Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at the start of the reporting period			
			Learner ships	Skills programmes and other short courses	Other forms of training	Total
Professionals, Temporary	Male	0	N/A	N/A	N/A	-
	Female	0				
Technicians and associate professionals	Male	76	N/A	N/A	N/A	-
	Female	103				
Clerks permanent	Male	327	N/A	<ul style="list-style-type: none"> ● PMDS ● Service Excellence ● Compulsory induction programme ● Excel & Word ● Records Management ● PERSAL, BAS 	N/A	192
	Female	731				
Clerks temporary	Male	0	N/A	N/A	N/A	-
	Female	0				
Service and sales workers	Male	47	N/A	N/A	N/A	-
	Female	12				
Plant and machine operators and assemblers	Male	4	N/A	N/A	N/A	-
	Female	0				
Elementary occupations	Male	84	N/A	N/A	N/A	-
	Female	74				
Sub total	Male	697	N/A	N/A	N/A	928
	Female	1114				

TABLE 3.13.2 TRAINING PROVIDED FOR THE PERIOD 1 APRIL 2017 AND 31 MARCH 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period			
			Learner ships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Male	24	N/A	<ul style="list-style-type: none"> ● Project Khaedu 	Learning Programme	5
	Female	15		<ul style="list-style-type: none"> ● Labour Relations ● Combined Assurance 	Workshop Learning Programme	11 1
				<ul style="list-style-type: none"> ● Corporate Governance 	Programme Learning	4



Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period			
			Learner ships	Skills programmes and other short courses	Other forms of training	Total
Professionals permanent	Male	135	N/A	• Finance For non-Financial Managers	Workshop	25
				• Compulsory Induction Programme (CIP)	Workshop	92
				• Risk Management	Learning programme	3
				• Diversity Management	Learning programme	25
				• Corporate Governance	Programme Learning	3
				• Management and Development Programme (EMDP)	Learning programme	56
				• Labour Relations	Workshop	34
	Female	179		• Project Management	Workshop	25
				• Assets Management	Workshop	42
				• Business Writing	Learning Programme	12
			• Excel and Intermediate	Learning Programme	6	
Technicians and associate professionals	Male	76	N/A	N/A	N/A	N/A
	Female	103	N/A	N/A	N/A	N/A
Professionals Temporary	Male	0	N/A	N/A	N/A	N/A
	Female	0				
Clerks permanent	Male	327	N/A	• Service Excellence	Learning programme	30
				• Compulsory induction programme	Learning Programme	79
				• OHS	Workshop	33
	Female	734		• PMDS	Workshop	159
				• Business Writing	Learning Programme	18
				• Excel and Intermediate	Workshop	24
Plant and machine operators and assemblers	Male	5	N/A	N/A	N/A	N/A
	Female	0				
Clerks temporary	Male	12	N/A	N/A	N/A	N/A
	Female	3				
Service and sales workers, permanent	Male	51	N/A	N/A	N/A	N/A
	Female	11				
Elementary occupations	Male	4	N/A	N/A	N/A	N/A
	Female	0				
Sub total	Male	634	0	0	0	687
	Female	1045				



3.14. INJURY ON DUTY

TABLE 3.14.1 INJURY ON DUTY FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

1 injury on duty case was reported for the period under review.

Nature of injury on duty	Total Number of Employees as at 1 April 2017	Total Number of cases reported	% of total
Required basic medical attention only	1679	1	0.1
Total	1679	1	0.1

3.15. UTILISATION OF CONSULTANTS

TABLE 3.15.1 REPORT ON CONSULTANT APPOINTMENTS USING APPROPRIATED FUNDS FOR THE PERIOD 01 APRIL 2017 TO 31 MARCH 2018

Project title	Total number of consultants that worked on project	Duration (work days)	Total Contract value in Rand	Total amount spent in the 2017/2018 FY
Appointment of a service provider for the supply, delivery and commissioning of the Network Infrastructure for "Wan Optimization"	1	261	7 920 326.13	609 674.22
Appointment of a service provider to support and maintain the ICT infrastructure (contract ended 4 January 2018).	3	261	29 891 529.60	9 137 914.38
Appointment of a service provider to support and maintain the ICT infrastructure (New contract commenced 5 January 2018).	2	60	39 335 285.16	1 884 192.54
Appointment of a service provider to provide the following services: Travel, accommodation and conference facilities to the Office of the Chief Justice for the period of 36 months commencing on 01 February 2016	3	261	% based	% based

Total number of projects	Total individual consultants that worked on project	Total duration (work days)	Total Contract value in Rand	Total amount spent in the 2016/2017 FY
4	9	843	77 147 140.80	11 631 781.10



TABLE 3.15.2 ANALYSIS OF CONSULTANT APPOINTMENTS USING APPROPRIATED FUNDS IN TERMS OF HISTORICALLY DISADVANTAGED INDIVIDUALS (HDI) FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
Appointment of a service provider for the supply, delivery and commissioning of the Network Infrastructure for "Wan Optimization"	100	100	1
Appointment of a service provider to support and maintain the ICT infrastructure (contract ended 4 January 2018).	100	100	3
Appointment of a service provider to support and maintain the ICT infrastructure (New contract commenced 5 January 2018).	100	100	2
Appointment of a service provider to provide the following services: Travel, accommodation and conference facilities to the Office of the Chief Justice for the period of 36 months commencing on 01 February 2016	51	51	1

TABLE 3.15.3 REPORT ON CONSULTANT APPOINTMENTS USING DONOR FUNDS FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants that worked on project	Total duration (work days)	Contract value in Rand
N/A	N/A	N/A	N/A

TABLE 3.15.4 ANALYSIS OF CONSULTANT APPOINTMENTS USING DONOR FUNDS IN TERMS OF HISTORICALLY DISADVANTAGED INDIVIDUALS (HDI) FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

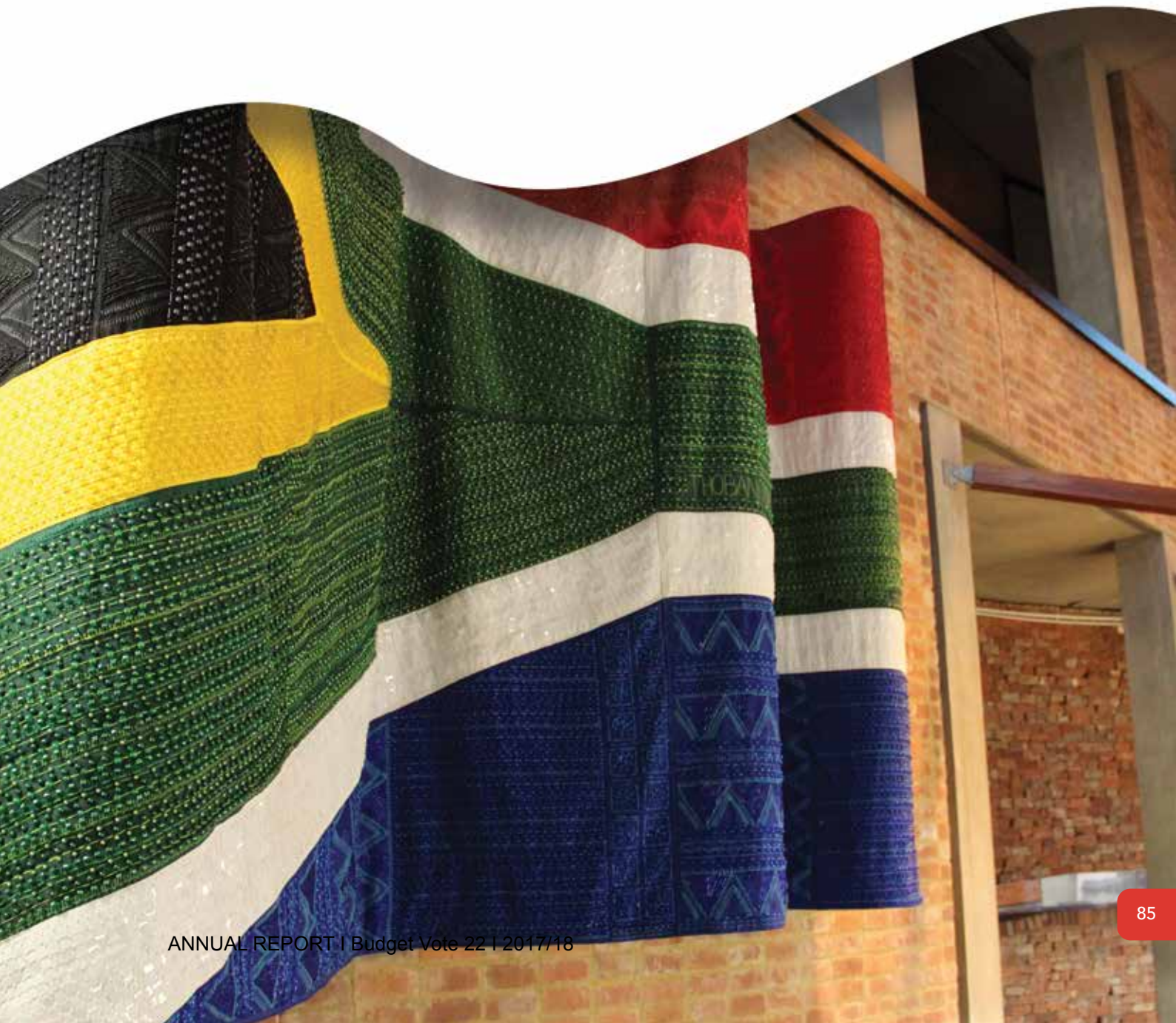
Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
N/A	N/A	N/A	N/A



3.16 SEVERANCE PACKAGES

TABLE 3.16.1 GRANTING OF EMPLOYEE INITIATED SEVERANCE PACKAGES FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

Severance Packages	None
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PART E





FINANCIAL REPORTS

1. Report of the auditor-general to Parliament on Vote no. 22: Office of the Chief Justice

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Office of the Chief Justice set out from page 92 to page 151, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Office of the Chief Justice as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards as prescribed by National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

Basis for opinion

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

Responsibilities of the Accounting Officer for the financial statements

6. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Modified Cash Standards as prescribed by National Treasury and the requirements of the PFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



7. In preparing the financial statements, the accounting officer is responsible for assessing the Office of the Chief Justice's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

10. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
11. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
12. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2018:



Programmes	Pages in the annual performance report
Programme 2 – Superior Court Services	page 32 to page 33
Programme 3 – Judicial Education and Support	page 34 to page 35

13. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
14. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:
- Programme 2- Superior Court Services
 - Programme 3- Judicial Education and Support

Other matter

15. I draw attention to the matter below.

Achievement of planned targets

16. Refer to the annual performance report on pages 32 to 35 for information on the achievement of planned targets for the year and explanations provided for the under/ over achievement of a number of targets.

Report on the audit of compliance with legislation

Introduction and scope

17. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
18. I did not raise material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

19. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.



20. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
21. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
22. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

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

Auditor-General

Pretoria
31 July 2018





Annexure – Auditor-general’s responsibility for the audit

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

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office of the Chief Justice ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a department to cease continuing as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

for the year ended 31 March 2018

Appropriation per programme											
2017/18											2016/17
Voted funds and direct Charges	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	R'000	R'000
Programme											
1. Administration	183 741	-	(6 388)	177 353	167 667	9 686	94.5%	142 181	139 079		
2. Superior Court Services	758 668	-	1 654	760 322	748 224	12 098	98.4%	686 906	675 647		
3. Judicial Education and Support	76 909	-	4 734	81 643	81 624	19	100.0%	44 903	40 918		
Subtotal	1 019 318	-	-	1 019 318	997 515	21 803	97.9%	873 990	855 644		
Statutory Appropriation	966 060	-	-	966 060	998 355	(32 295)	103.3%	950 057	930 704		
Judges' salaries	966 060	-	-	966 060	998 355	(32 295)	103.3%	950 057	930 704		
TOTAL	1 985 378	-	-	1 985 378	1 995 870	(10 492)	100.5%	1 824 047	1 786 348		
TOTAL (brought forward)											
Reconciliation with statement of financial performance											
ADD											
Departmental receipts				2 754				929			
Actual amounts per statement of financial performance (total revenue)				1 988 132				1 824 976			
Actual amounts per statement of financial performance (total expenditure)					1 995 870				1 786 348		

APPROPRIATION STATEMENT

for the year ended 31 March 2018

Appropriation per economic classification									
2017/18					2016/17				
	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
Economic classification									
Current payments	1 821 730	(18 201)	(3 142)	1 800 387	1 795 006	5 381	99.7%	1 655 126	1 636 780
Compensation of employees	1 524 040	-	-	1 524 040	1 519 003	5 037	99.7%	1 436 960	1 418 646
Salaries and wages	1 440 907	(1 142)	-	1 439 765	1 430 176	9 589	99.3%	1 354 761	1 340 156
Social contributions	83 133	1 142	-	84 275	88 827	(4 552)	105.4%	82 199	78 490
Goods and services	297 686	(18 230)	(3 142)	276 314	275 970	344	99.9%	218 165	218 133
Administrative fees	4 470	363	-	4 833	4 828	5	99.9%	2 790	2 790
Advertising	1 255	225	-	1 480	1 476	4	99.7%	1 058	1 058
Minor assets	6 070	(2 718)	-	3 352	3 348	4	99.9%	6 477	6 477
Audit costs: External	4 867	1 402	-	6 269	6 268	1	100.0%	5 100	5 100
Bursaries: Employees	1 500	(1 046)	-	454	454	-	100.0%	125	125
Catering: Departmental activities	5 226	(1 142)	-	4 084	4 078	6	99.9%	2 567	2 567
Communication	17 463	-	-	17 463	17 457	6	100.0%	12 856	12 856
Computer services	40 314	6 000	-	46 314	46 310	4	100.0%	32 386	32 386
Consultants: Business and advisory services	13 091	(732)	-	12 359	12 352	7	99.9%	12 455	12 455
Legal services	3 348	(1 999)	-	1 349	1 347	2	99.9%	570	570
Contractors	4 259	(2 346)	-	1 913	1 912	1	99.9%	2 253	2 253
Agency and support / outsourced services	4 022	(1 667)	-	2 355	2 353	2	99.9%	3 549	3 549
Entertainment	100	(2)	-	98	97	1	99.0%	128	128
Fleet services	25 564	(597)	-	24 967	24 965	2	100.0%	21 348	21 348



APPROPRIATION STATEMENT

for the year ended 31 March 2018

Appropriation per economic classification									
2017/18									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Housing									
Consumable supplies	11 992	(8 839)	-	3 153	3 144	9	99.7%	3 131	3 131
Consumable: Stationery, printing and office supplies	1 413	7 639	-	9 052	9 044	8	99.9%	9 716	9 716
Operating leases	6 051	(2 909)	(3 142)	-	-	-	-	147	147
Property payments	2 823	(355)	-	2 468	2 466	2	99.9%	2 654	2 654
Transport provided: Departmental activity									
Travel and subsistence	115 083	(1 192)	-	113 891	113 627	264	99.8%	84 892	84 860
Training and development	6 946	(2 494)	-	4 452	4 450	2	100.0%	1 922	1 922
Operating payments	9 007	(3 519)	-	5 488	5 481	7	99.9%	5 378	5 378
Venues and facilities	12 566	(2 321)	-	10 245	10 239	6	99.9%	6 652	6 652
Rental and hiring	256	19	-	275	274	1	99.6%	11	11
Interest and rent on land	4	29	-	33	33	-	100.0%	1	1
Interest	4	29	-	33	33	-	100.0%	1	1
Rent on land									
Transfers and subsidies	59 016	1 191	-	60 207	76 036	(15 829)	126.3%	69 927	50 574
Provinces and municipalities	-	8	-	8	8	-	100.0%	1	1
Provinces	-	2	-	2	2	-	100.0%	-	-
Provincial Revenue Funds									
Provincial agencies and funds	-	2	-	2	2	-	100.0%	-	-
Municipalities	-	6	-	6	6	-	100.0%	1	1
Municipal bank accounts									

APPROPRIATION STATEMENT

for the year ended 31 March 2018

Appropriation per economic classification									
2017/18					2016/17				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Municipal agencies and funds	-	6	-	6	6	-	100.0%	1	1
Departmental agencies and accounts	-	2	-	2	2	-	100.0%	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	2	-	2	2	-	100.0%	-	-
Households	59 016	1 181	-	60 197	76 026	(15 829)	126.3%	69 926	50 573
Social benefits	59 016	1 181	-	60 197	76 026	(15 829)	126.3%	69 926	50 573
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	104 632	17 010	3 142	124 784	124 777	7	100.0%	98 994	98 994
Buildings and other fixed structures	-	-	-	-	-	-	-	100	100
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	100	100
Machinery and equipment	89 632	30 147	4 830	124 609	124 603	6	100.0%	98 894	98 894
Transport equipment	72 372	29 631	4 830	106 833	106 832	1	100.0%	79 768	79 768
Other machinery and equipment	17 260	516	-	17 776	17 771	5	100.0%	19 126	19 126
Intangible assets	15 000	(13 137)	(1 688)	175	174	1	99.4%	-	-
Payments for financial assets	-	-	-	-	51	(51)	-	-	-
Total	1 985 378	-	-	1 985 378	1 995 870	(10 492)	100.5%	1 824 047	1 786 348



APPROPRIATION STATEMENT

for the year ended 31 March 2018

Programme 1: Administration									
2017/18									
	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
Sub programme									
1. MANAGEMENT	34 483	(1 857)	(68)	32 558	27 127	5 431	83.3%	29 443	28 482
2. CORPORATE SERVICES	101 097	2 899	(3 159)	100 837	98 409	2 428	97.6%	76 607	76 452
3. FINANCIAL ADMINISTRATION	27 805	(487)	(19)	27 299	25 727	1 572	94.2%	22 157	20 171
4. INTERNAL AUDIT	14 305	2 354	-	16 659	16 404	255	98.5%	13 974	13 974
5. OFFICE ACCOMMODATION	6 051	(2 909)	(3 142)	-	-	-	-	-	-
Total for sub programmes	183 741	-	(6 388)	177 353	167 667	9 686	94.5%	142 181	139 079
Economic classification									
Current payments	159 744	(42)	(3 142)	156 560	146 875	9 685	93.8%	136 356	133 254
Compensation of employees	83 401	-	-	83 401	73 953	9 448	88.7%	70 761	67 659
Salaries and wages	73 891	(106)	-	73 785	65 347	8 438	88.6%	63 012	59 918
Social contributions	9 510	106	-	9 616	8 606	1 010	89.5%	7 749	7 741
Goods and services	76 339	(45)	(3 142)	73 152	72 915	237	99.7%	65 594	65 594
Administrative fees	569	(22)	-	547	546	1	99.8%	260	260
Advertising	1 196	38	-	1 234	1 233	1	99.9%	1 057	1 057
Minor assets	316	(72)	-	244	244	-	100.0%	493	493
Audit costs: External	4 867	1 402	-	6 269	6 268	1	100.0%	5 100	5 100
Bursaries: Employees	1 500	(1 046)	-	454	454	-	100.0%	125	125
Catering: Departmental activities	269	68	-	337	335	2	99.4%	169	169
Communication	1 107	650	-	1 757	1 755	2	99.9%	8 626	8 626

APPROPRIATION STATEMENT

for the year ended 31 March 2018

Programme 1: Administration											
2017/18											2016/17
	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	R'000	R'000
Computer services	37 944	5 872	-	43 816	43 814	2	100.0%	31 105	31 105		31 105
Consultants: Business and advisory services	693	593	-	1 286	1 284	2	99.8%	4 590	4 590		4 590
Contractors	2 403	(2 038)	-	365	365	-	100.0%	1 490	1 490		1 490
Agency and support / outsourced services	233	(233)	-	-	-	-	-	9	9		9
Entertainment	-	-	-	-	-	-	-	8	8		8
Fleet services	63	1 205	-	1 268	1 268	-	100.0%	94	94		94
Consumable supplies	642	193	-	835	832	3	99.6%	628	628		628
Consumable: Stationery, printing and office supplies	613	48	-	661	658	3	99.5%	822	822		822
Operating leases	6 051	(2 909)	(3 142)	-	-	-	-	-	-		-
Property payments	600	488	-	1 088	1 088	-	100.0%	788	788		788
Travel and subsistence	8 575	(481)	-	8 094	7 878	216	97.3%	6 955	6 955		6 955
Training and development	6 161	(2 586)	-	3 575	3 574	1	100.0%	1 305	1 305		1 305
Operating payments	2 435	(1 243)	-	1 192	1 190	2	99.8%	1 237	1 237		1 237
Venues and facilities	102	20	-	122	121	1	99.2%	733	733		733
Rental and hiring	-	8	-	8	8	-	100.0%	-	-		-
Interest and rent on land	4	3	-	7	7	-	100.0%	1	1		1
Interest	4	3	-	7	7	-	100.0%	1	1		1
Transfers and subsidies	-	42	-	42	41	1	97.6%	16	16		16
Provinces and municipalities	-	1	-	1	1	-	100.0%	-	-		-



APPROPRIATION STATEMENT

for the year ended 31 March 2018

Programme 1: Administration										
2017/18										
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	2016/17
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Municipalities	-	1	-	1	1	-	100.0%	-	-	-
Municipal agencies and funds	-	1	-	1	1	-	100.0%	-	-	-
Households	-	41	-	41	40	1	97.6%	16	16	16
Social benefits	-	41	-	41	40	1	97.6%	16	16	16
Other transfers to households										
Payments for capital assets	23 997	-	(3 246)	20 751	20 750	1	100.0%	5 809	5 809	5 809
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment	8 997	13 137	(1 383)	20 751	20 750	1	100.0%	5 809	5 809	5 809
Transport equipment	196	13 137	-	13 333	13 333	-	100.0%	272	272	272
Other machinery and equipment	8 801	-	(1 383)	7 418	7 417	1	100.0%	5 537	5 537	5 537
Intangible assets	15 000	(13 137)	(1 863)	-	-	-	-	-	-	-
Payments for financial assets					1	(1)				
Total	183 741	-	(6 388)	177 353	167 667	9 686	94.5%	142 181	139 079	139 079

APPROPRIATION STATEMENT

for the year ended 31 March 2018

1.1 MANAGEMENT									
2017/18					2016/17				
	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
Economic classification	34 008	(1 857)	-	32 151	26 721	5 430	83.1%	29 168	28 207
Current payments	28 947	-	-	28 947	23 523	5 424	81.3%	25 801	24 840
Compensation of employees	5 061	(1 857)	-	3 204	3 198	6	99.8%	3 367	3 367
Goods and services									
Payments for capital assets	475	-	(68)	407	406	1	99.8%	275	275
Machinery and equipment	475	-	(68)	407	406	1	99.8%	275	275
Intangible assets									

1.2 CORPORATE SERVICES									
2017/18					2016/17				
	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
Economic classification	77 725	2 898	-	80 623	78 195	2 428	97.0%	71 206	71 051
Current payments	23 495	-	-	23 495	21 074	2 421	89.7%	19 457	19 302
Compensation of employees	54 226	2 895	-	57 121	57 114	7	100.0%	51 748	51 748
Goods and services	4	3	-	7	7	-	100.0%	1	1
Interest and rent on land									



APPROPRIATION STATEMENT

for the year ended 31 March 2018

1.3 FINANCIAL ADMINISTRATION										
2017/18										
	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	R'000
Transfers and subsidies	-	1	-	1	1	-	100.0%	-	-	-
Provinces and municipalities	-	1	-	1	1	-	100.0%	-	-	-
Payments for capital assets	23 372	-	(3 159)	20 213	20 213	-	100.0%	5 401	5 401	5 401
Machinery and equipment	8 372	13 137	(1 296)	20 213	20 213	-	100.0%	5 401	5 401	5 401
Intangible assets	15 000	(13 137)	(1 863)	-	-	-	-	-	-	-
2016/17										
	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	R'000
Economic classification										
Current payments	27 655	(506)	-	27 149	25 577	1 572	94.2%	22 067	20 081	20 081
Compensation of employees	24 535	-	-	24 535	23 182	1 353	94.5%	20 130	18 144	18 144
Goods and services	3 120	(506)	-	2 614	2 395	219	91.6%	1 937	1 937	1 937
Transfers and subsidies	-	19	-	19	18	1	94.7%	16	16	16
Households	-	19	-	19	18	1	94.7%	16	16	16
Payments for capital assets	150	-	(19)	131	131	-	100.0%	74	74	74
Machinery and equipment	150	-	(19)	131	131	-	100.0%	74	74	74
Payments for financial assets					1	(1)				

APPROPRIATION STATEMENT

for the year ended 31 March 2018

1.4 INTERNAL AUDIT									
2017/18									
	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
Economic classification									
Current payments	14 305	2 332	-	16 637	16 382	255	98.5%	13 915	13 915
Compensation of employees	6 424	-	-	6 424	6 174	250	96.1%	5 373	5 373
Goods and services	7 881	2 332	-	10 213	10 208	5	100.0%	8 542	8 542
Transfers and subsidies	-	22	-	22	22	-	100.0%	-	-
Households	-	22	-	22	22	-	100.0%	-	-
Payments for capital assets	-	-	-	-	-	-	-	59	59
Machinery and equipment	-	-	-	-	-	-	-	59	59

1.5 OFFICE ACCOMMODATION									
2017/18									
	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
Economic classification									
Current payments	6 051	(2 909)	(3 142)	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	6 051	(2 909)	(3 142)	-	-	-	-	-	-



APPROPRIATION STATEMENT

for the year ended 31 March 2018

Programme 2: Superior Court Services									
2017/18									
	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
Sub programme									
1. ADMINISTRATION OF SUPERIOR COURTS	15 780	(3 585)	(470)	11 725	11 312	413	96.5%	13 678	11 083
2. CONSTITUTIONAL COURT	70 595	(1 613)	-	68 982	68 615	367	99.5%	50 450	45 188
3. SUPREME COURT OF APPEAL	33 580	113	-	33 693	32 477	1 216	96.4%	32 805	32 393
4. HIGH COURTS	580 290	5 258	1 262	586 810	581 169	5 641	99.0%	545 798	542 808
5. SPECIALISED COURTS	58 423	(173)	862	59 112	54 651	4 461	92.5%	44 175	44 175
Total for sub programmes	758 668	-	1 654	760 322	748 224	12 098	98.4%	686 906	675 647
Economic classification									
Current payments	685 027	(18 023)	(470)	666 534	654 442	12 092	98.2%	592 996	581 737
Compensation of employees	512 381	-	(470)	511 911	499 862	12 049	97.6%	463 089	451 830
Salaries and wages	441 295	(1 050)	(470)	439 775	428 125	11 650	97.4%	396 085	388 069
Social contributions	71 086	1 050	-	72 136	71 737	399	99.4%	67 004	63 761
Goods and services	172 646	(18 049)	-	154 597	154 554	43	100.0%	129 907	129 907
Administrative fees	3 129	(617)	-	2 512	2 509	3	99.9%	1 668	1 668
Advertising	37	15	-	52	50	2	96.2%	1	1
Minor assets	5 499	(2 534)	-	2 965	2 963	2	99.9%	5 977	5 977
Catering: Departmental activities	3 926	(1 769)	-	2 157	2 154	3	99.9%	1 563	1 563
Communication	16 183	(568)	-	15 615	15 613	2	100.0%	4 134	4 134
Computer services	2 110	388	-	2 498	2 496	2	99.9%	1 281	1 281

APPROPRIATION STATEMENT

for the year ended 31 March 2018

Programme 2: Superior Court Services									
2017/18									
	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
Legal services	66	(55)	-	11	10	1	90.9%	40	40
Contractors	1 674	(218)	-	1 456	1 456	-	100.0%	761	761
Agency and support / outsourced services	3 789	(1 434)	-	2 355	2 353	2	99.9%	3 540	3 540
Entertainment	100	(2)	-	98	97	1	99.0%	120	120
Fleet services	25 501	(4 343)	-	21 158	21 157	1	100.0%	21 254	21 254
Consumable supplies	11 285	(9 096)	-	2 189	2 185	4	99.8%	2 477	2 477
Consumable: Stationery, printing and office supplies	-	8 078	-	8 078	8 074	4	100.0%	8 337	8 337
Operating leases	-	-	-	-	-	-	-	147	147
Property payments	2 223	(843)	-	1 380	1 378	2	99.9%	1 864	1 864
Travel and subsistence	75 468	(1 571)	-	73 897	73 894	3	100.0%	64 060	64 060
Training and development	-	88	-	88	88	-	100.0%	145	145
Operating payments	4 849	(1 229)	-	3 620	3 617	3	99.9%	3 967	3 967
Venues and facilities	6 409	(2 249)	-	4 160	4 155	5	99.9%	1 036	1 036
Rental and hiring	26	(14)	-	12	12	-	100.0%	1	1
Interest and rent on land	-	26	-	26	26	-	100.0%	-	-
Interest	-	26	-	26	26	-	100.0%	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 197	1 051	-	2 248	2 246	2	99.9%	1 477	1 477
Provinces and municipalities	-	7	-	7	7	-	100.0%	1	1
Provinces	-	2	-	2	2	-	100.0%	-	-
Provincial agencies and funds	-	2	-	2	2	-	100.0%	-	-



APPROPRIATION STATEMENT

for the year ended 31 March 2018

Programme 2: Superior Court Services									
2017/18					2016/17				
	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
Municipalities	-	5	-	5	5	-	100.0%	1	1
Municipal bank accounts									
Municipal agencies and funds	-	5	-	5	5	-	100.0%	1	1
Departmental agencies and accounts	-	2	-	2	2	-	100.0%	-	-
Social security funds									
Departmental agencies	-	2	-	2	2	-	100.0%	-	-
Households	1 197	1 042	-	2 239	2 237	2	99.9%	1 476	1 476
Social benefits	1 197	1 042	-	2 239	2 237	2	99.9%	1 476	1 476
Other transfers to households									
Payments for capital assets	72 444	16 972	2 124	91 540	91 536	4	100.0%	92 433	92 433
Buildings and other fixed structures	-	-	-	-	-	-	-	100	100
Other fixed structures	-	-	-	-	-	-	-	100	100
Machinery and equipment	72 444	16 972	2 049	91 465	91 461	4	100.0%	92 333	92 333
Transport equipment	64 593	16 440	666	81 699	81 698	1	100.0%	79 496	79 496
Other machinery and equipment	7 851	532	1 383	9 766	9 763	3	100.0%	12 837	12 837
Intangible assets	-	-	75	75	75	-	100.0%	-	-
Payments for financial assets									
Total	758 668	-	1 654	760 322	748 224	12 098	98.4%	686 906	675 647

APPROPRIATION STATEMENT

for the year ended 31 March 2018

2.1 ADMINISTRATION OF SUPERIOR COURTS											
2017/18											2016/17
Economic classification	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	R'000	R'000
Current payments	15 723	(3 611)	(470)	11 642	11 230	412	96.5%	13 678	11 083		
Compensation of employees	10 492	-	(470)	10 022	9 618	404	96.0%	9 989	7 394		
Goods and services	5 231	(3 611)	-	1 620	1 612	8	99.5%	3 689	3 689		
Payments for capital assets	57	26	-	83	82	1	98.8%	-	-		
Machinery and equipment	57	26	-	83	82	1	98.8%	-	-		

APPROPRIATION STATEMENT

for the year ended 31 March 2018



2.2 CONSTITUTIONAL COURT

2017/18										2016/17		
	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		R'000	R'000
Economic classification	67 025	(1 528)	-	65 497	65 130	367	99.4%	46 641	41 379			
Current payments	29 960	-	-	29 960	29 602	358	98.8%	31 169	25 907			
Compensation of employees	37 065	(1 528)	-	35 537	35 528	9	100.0%	15 472	15 472			
Goods and services												
Transfers and subsidies	20	(20)	-	-	-	-	-	568	568			
Households	20	(20)	-	-	-	-	-	568	568			
Payments for capital assets	3 550	(65)	-	3 485	3 485	-	100.0%	3 241	3 241			
Machinery and equipment	3 550	(65)	-	3 485	3 485	-	100.0%	3 241	3 241			
Payments for financial assets												

2.3 SUPREME COURT OF APPEAL

2017/18										2016/17		
	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		R'000	R'000
Economic classification	27 486	(2 201)	-	25 285	24 070	1 215	95.2%	24 368	23 956			
Current payments	17 941	-	-	17 941	16 731	1 210	93.3%	16 647	16 235			
Compensation of employees	9 545	(2 201)	-	7 344	7 339	5	99.9%	7 721	7 721			
Goods and services												
Interest and rent on land												

APPROPRIATION STATEMENT

for the year ended 31 March 2018

2.4 HIGH COURTS										
2017/18										
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Final expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Transfers and subsidies	140	40	-	180	180	-	100.0%	315	315	315
Households	140	40	-	180	180	-	100.0%	315	315	315
Payments for capital assets	5 954	2 274	-	8 228	8 227	1	100.0%	8 122	8 122	8 122
Machinery and equipment	5 954	2 274	-	8 228	8 227	1	100.0%	8 122	8 122	8 122
Payments for financial assets										
2016/17										
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Final expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Economic classification	519 659	(8 775)	-	510 884	505 246	5 638	98.9%	469 840	466 850	466 850
Current payments	410 753	-	-	410 753	405 126	5 627	98.6%	375 290	372 300	372 300
Compensation of employees	108 906	(8 801)	-	100 105	100 094	11	100.0%	94 550	94 550	94 550
Goods and services	-	26	-	26	26	-	100.0%	-	-	-
Interest and rent on land										
Transfers and subsidies	1 006	1 059	-	2 065	2 063	2	99.9%	438	438	438
Provinces and municipalities	-	7	-	7	7	-	100.0%	1	1	1
Departmental agencies and accounts	-	2	-	2	2	-	100.0%	-	-	-
Households	1 006	1 050	-	2 056	2 054	2	99.9%	437	437	437
Payments for capital assets	59 625	12 974	1 262	73 861	73 860	1	100.0%	75 520	75 520	75 520
Buildings and other fixed structures	-	-	-	-	-	-	-	100	100	100
Machinery and equipment	59 625	12 974	1 262	73 861	73 860	1	100.0%	75 420	75 420	75 420



APPROPRIATION STATEMENT

for the year ended 31 March 2018

2.5 SPECIALISED COURTS											
2017/18											2016/17
Economic classification	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		R'000
Current payments	55 134	(1 908)	-	53 226	48 766	4 460	91.6%	38 469	38 469		38 469
Compensation of employees	43 235	-	-	43 235	38 785	4 450	89.7%	29 994	29 994		29 994
Goods and services	11 899	(1 908)	-	9 991	9 981	10	99.9%	8 475	8 475		8 475
Transfers and subsidies	31	(28)	-	3	3	-	100.0%	156	156		156
Households	31	(28)	-	3	3	-	100.0%	156	156		156
Payments for capital assets	3 258	1 763	862	5 883	5 882	1	100.0%	5 550	5 550		5 550
Machinery and equipment	3 258	1 763	787	5 808	5 807	1	100.0%	5 550	5 550		5 550
Intangible assets	-	-	75	75	75	-	100.0%	-	-		-

APPROPRIATION STATEMENT

for the year ended 31 March 2018

PROGRAMME 3: JUDICIAL EDUCATION AND SUPPORT										
2017/18										2016/17
Sub programme	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	R'000
1. SOUTH AFRICAN JUDICIAL EDUCATION INSTITUTE	48 010	(7 067)	100	41 043	41 033	10	100.0%	27 701	26 490	
2. JUDICIAL POLICY AND RESEARCH	18 324	1 733	4 634	24 691	24 686	5	100.0%	4 661	4 492	
3. JUDICIAL SERVICE COMMISSION	10 575	5 334	-	15 909	15 905	4	100.0%	12 541	9 936	
Total for sub programmes	76 909	-	4 734	81 643	81 624	19	100.0%	44 903	40 918	
Economic classification										
Current payments	68 718	(136)	470	69 052	68 986	66	99.9%	44 075	40 090	
Compensation of employees	20 017	-	470	20 487	20 485	2	100.0%	21 411	17 458	
Salaries and wages	17 480	14	470	17 964	17 963	1	100.0%	19 412	15 917	
Social contributions	2 537	(14)	-	2 523	2 522	1	100.0%	1 999	1 541	
Goods and services	48 701	(136)	-	48 565	48 501	64	99.9%	22 664	22 632	
Administrative fees	772	1 002	-	1 774	1 773	1	99.9%	862	862	
Advertising	22	172	-	194	193	1	99.5%	-	-	
Minor assets	255	(112)	-	143	141	2	98.6%	7	7	
Catering: Departmental activities	1 031	559	-	1 590	1 589	1	99.9%	835	835	
Communication	173	(82)	-	91	89	2	97.8%	96	96	
Computer services	260	(260)	-	-	-	-	-	-	-	
Consultants: Business and advisory services	2 026	(1 249)	-	777	775	2	99.7%	331	331	

APPROPRIATION STATEMENT

for the year ended 31 March 2018



PROGRAMME 3: JUDICIAL EDUCATION AND SUPPORT										
	2017/18					2016/17				
	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	
Legal services	3 282	(1 944)	-	1 338	1 337	1	99.9%	530	530	
Contractors	182	(90)	-	92	91	1	98.9%	2	2	
Fleet services	-	2 541	-	2 541	2 540	1	100.0%	-	-	
Consumable supplies	65	64	-	129	127	2	98.4%	26	26	
Consumable: Stationery, printing and office supplies	800	(487)	-	313	312	1	99.7%	557	557	
Property payments	-	-	-	-	-	-	-	2	2	
Travel and subsistence	31 040	860	-	31 900	31 855	45	99.9%	13 877	13 845	
Training and development	785	4	-	789	788	1	99.9%	472	472	
Operating payments	1 723	(1 047)	-	676	674	2	99.7%	174	174	
Venues and facilities	6 055	(92)	-	5 963	5 963	-	100.0%	4 883	4 883	
Rental and hiring	230	25	-	255	254	1	99.6%	10	10	
Transfers and subsidies	-	98	-	98	97	1	99.0%	76	76	
Households	-	98	-	98	97	1	99.0%	76	76	
Social benefits	-	98	-	98	97	1	99.0%	76	76	
Other transfers to households	-	-	-	-	-	-	-	-	-	
Payments for capital assets	8 191	38	4 264	12 493	12 491	2	100.0%	752	752	
Machinery and equipment	8 191	38	4 164	12 393	12 392	1	100.0%	752	752	
Transport equipment	7 583	54	4 164	11 801	11 801	-	100.0%	-	-	
Other machinery and equipment	608	(16)	-	592	591	1	99.8%	752	752	
Intangible assets	-	-	100	100	99	1	99.0%	-	-	
Payments for financial assets	-	-	-	-	50	(50)	-	-	-	
Total	76 909	-	4 734	81 643	81 624	19	100.0%	44 903	40 918	

APPROPRIATION STATEMENT

for the year ended 31 March 2018

3.1 SOUTH AFRICAN JUDICIAL EDUCATION INSTITUTE									
2017/18							2016/17		
	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
Economic classification									
Current payments	47 482	(7 116)	-	40 366	40 357	9	100.0%	27 211	26 000
Compensation of employees	8 888	(280)	-	8 608	8 607	1	100.0%	8 833	7 622
Goods and services	38 594	(6 836)	-	31 758	31 750	8	100.0%	18 378	18 378
Payments for capital assets	528	49	100	677	676	1	99.9%	490	490
Machinery and equipment	528	49	-	577	577	-	100.0%	490	490
Intangible assets	-	-	100	100	99	1	99.0%	-	-
Payments for financial assets									



APPROPRIATION STATEMENT

for the year ended 31 March 2018

3.2 JUDICIAL POLICY AND RESEARCH									
2017/18									
2016/17									
	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
Economic classification									
Current payments	10 661	1 661	470	12 792	12 788	4	100.0%	4 649	4 480
Compensation of employees	7 893	306	470	8 669	8 669	-	100.0%	3 993	3 856
Goods and services	2 768	1 355	-	4 123	4 119	4	99.9%	656	624
Transfers and subsidies	-	98	-	98	97	1	99.0%	-	-
Households	-	98	-	98	97	1	99.0%	-	-
Payments for capital assets	7 663	(26)	4 164	11 801	11 801	-	100.0%	12	12
Machinery and equipment	7 663	(26)	4 164	11 801	11 801	-	100.0%	12	12
Payments for financial assets									

APPROPRIATION STATEMENT

for the year ended 31 March 2018

3.3 JUDICIAL SERVICE COMMISSION											
2017/18											2016/17
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Current payments	10 575	5 319	-	15 894	15 841	53	99.7%	12 215	12 215	9 610	
Compensation of employees	3 236	(26)	-	3 210	3 209	1	100.0%	8 585	8 585	5 980	
Goods and services	7 339	5 345	-	12 684	12 632	52	99.6%	3 630	3 630	3 630	
Transfers and subsidies	-	-	-	-	-	-	-	76	76	76	
Households	-	-	-	-	-	-	-	76	76	76	
Payments for capital assets	-	15	-	15	14	1	93.3%	250	250	250	
Machinery and equipment	-	15	-	15	14	1	93.3%	250	250	250	
Payments for financial assets	-	-	-	-	50	(50)	-	-	-	-	



APPROPRIATION STATEMENT

for the year ended 31 March 2018

DIRECT CHARGE: JUDGES' SALARIES										
2017/18						2016/17				
Sub programme	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	R'000
1. JUDGES' SALARIES	966 060			966 060	998 355	(32 295)	103.3%	950 057	930 704	
	966 060			966 060	998 355	(32 295)	103.3%	950 057	930 704	
Economic classification										
Current payments	908 241	-	-	908 241	924 703	(16 462)	101.8%	881 699	881 699	
Compensation of employees	908 241	-	-	908 241	924 703	(16 462)	101.8%	881 699	881 699	
Salaries and wages	908 241	-	-	908 241	918 741	(10 500)	101.2%	876 252	876 252	
Social contributions	-	-	-	-	5 962	(5 962)	-	5 447	5 447	
Transfers and subsidies	57 819	-	-	57 819	73 652	(15 833)	127.4%	68 358	49 005	
Non-profit institutions										
Households	57 819	-	-	57 819	73 652	(15 833)	127.4%	68 358	49 005	
Social benefits	57 819	-	-	57 819	73 652	(15 833)	127.4%	68 358	49 005	
Other transfers to households										
Total	966 060	-	-	966 060	998 355	(32 295)	103.3%	950 057	930 704	



APPROPRIATION STATEMENT

for the year ended 31 March 2018

DIRECT CHARGE: JUDGES' SALARIES											
2017/18											2016/17
Economic classification	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	R'000	R'000
Current payments	908 241	-	-	908 241	924 703	(16 462)	101.8%	881 699	881 699	881 699	881 699
Compensation of employees	908 241	-	-	908 241	924 703	(16 462)	101.8%	881 699	881 699	881 699	881 699
Transfers and subsidies	57 819	-	-	57 819	73 652	(15 833)	127.4%	68 358	49 005	68 358	49 005
Households	57 819	-	-	57 819	73 652	(15 833)	127.4%	68 358	49 005	68 358	49 005



3. NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2018

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexures 1 (G-H) 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 payments for financial assets

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Administration				
Compensation of employees	83 401	73 953	9 448	11.3%
Superior Court Services				
Compensation of employees	511 911	499 862	12 049	2%
Direct Charge: Judges' Salaries				
Compensation of employees	908 241	924 703	(16 462)	2%
Households	57 819	73 652	(15 833)	27%

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	1 524 040	1 519 003	5 037	0.3%
Goods and services	276 314	275 970	344	0.1%
Transfers and subsidies				
Households	60 207	76 036	15 829	26.3%



NOTES TO APPROPRIATION STATEMENT for the year ended 31 March 2018

The underspending is due to the obligatory non-filling of vacancies in order to prevent overspending in the outer years as a result of the ceiling on expenditure for Compensation of Employees. The underspending on goods and services relates to savings on travel and subsistence.

The overspending on the Direct Charge: Judges' salaries relates to the 4% salary increase for Judges – as announced by the President of the Republic on 30 November 2017 – which did not form part of the appropriation.

The overspending on Direct Charge: Households relates to the unforeseen social benefits paid to Judges in terms of their legislated benefits.





4.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2018

	Note	2017/18	2016/17
		R'000	R'000
REVENUE			
Annual appropriation	1	1 019 318	873 990
Statutory appropriation	2	966 060	950 057
Departmental revenue	3	2 754	929
TOTAL REVENUE		1 988 132	1 824 976
EXPENDITURE			
Current expenditure			
Compensation of employees	4	1 519 004	1 418 646
Goods and services	5	275 971	218 132
Interest and rent on land	6	32	1
Total current expenditure		1 795 007	1 636 779
Transfers and subsidies			
Transfers and subsidies	8	76 035	50 573
Total transfers and subsidies		76 035	50 573
Expenditure for capital assets			
Tangible assets	9	124 603	98 996
Intangible assets	9	174	-
Total expenditure for capital assets		124 777	98 996
Payments for financial assets	7	51	-
TOTAL EXPENDITURE		1 995 870	1 786 348
SURPLUS/(DEFICIT) FOR THE YEAR		(7 738)	38 628

Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		(10 492)	37 699
Annual appropriation		(10 492)	37 699
Conditional grants			
Departmental revenue and NRF Receipts	14	2 754	929
SURPLUS/(DEFICIT) FOR THE YEAR		(7 738)	38 628



5. STATEMENT OF FINANCIAL POSITION for the year ended 31 March 2018

	Note	2017/18	2016/17
		R'000	R'000
ASSETS			
Current assets		33 846	38 631
Cash and cash equivalents	10	770	28 963
Prepayments and advances	11	94	155
Receivables	12	32 982	9 513
Non-current assets		214	-
Receivables	12	214	-
TOTAL ASSETS		34 060	38 631
LIABILITIES			
Current liabilities		34 022	38 582
Voted funds to be surrendered to the Revenue Fund	13	21 745	37 711
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	862	234
Bank overdraft	15	10 857	-
Payables	16	558	637
Non-current liabilities			
Payables	16		
TOTAL LIABILITIES		34 022	38 582
NET ASSETS		38	49
		R'000	R'000
Represented by:			
Recoverable revenue		38	49
TOTAL		38	49



6. STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2018

	Note	2017/18	2016/17
		R'000	R'000
Recoverable revenue			
Opening balance		49	57
Transfers:		(11)	(8)
Debts recovered (included in departmental receipts)		(11)	(8)
Debts raised			
Closing balance		38	49
TOTAL		38	49

7. CASH FLOW STATEMENT for the year ended 31 March 2018

	Note	2017/18	2016/17
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1 988 006	1 824 976
Annual appropriated funds received	1.1	1 019 318	873 990
Statutory appropriated funds received	2	966 060	950 057
Departmental revenue received	3	2 607	908
Interest received	3.3	21	21
Net (increase)/decrease in working capital		(23 697)	(16 393)
Surrendered to Revenue Fund		(39 895)	(2 539)
Surrendered to RDP Fund/Donor			
Current payments		(1 794 975)	(1 636 778)
Interest paid	6	(32)	(1)
Payments for financial assets		(51)	-
Transfers and subsidies paid		(76 035)	(50 573)
Net cash flow available from operating activities	17	53 321	118 692
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	9	(124 777)	(98 996)
Proceeds from sale of capital assets	3.4	126	-
(Increase)/decrease in loans		-	-
(Increase)/decrease in investments		-	-
(Increase)/decrease in other financial assets		-	-
Net cash flows from investing activities		(124 651)	(98 996)
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution/dividend received			



Increase/(decrease) in net assets		(11)	(8)
Increase/(decrease) in non-current payables			
Net cash flows from financing activities		(11)	(8)
Net increase/(decrease) in cash and cash equivalents		(71 341)	19 688
Cash and cash equivalents at beginning of period		28 963	9 275
Unrealised gains and losses within cash and cash equivalents			
Cash and cash equivalents at end of period	18	(42 378)	28 963





8. ACCOUNTING POLICIES for the year ended 31 March 2018

Summary of significant accounting policies

The Financial Statements have been prepared in accordance with the policies stated below, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the Financial Statements present fairly the Department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual Financial Statements. These are based on the best information available at the time of preparation.

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 (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1	Basis of preparation The Financial Statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The Financial Statements have been prepared on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the Department.
4	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	Comparative information
6.1	Prior period comparative information 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.
6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	Revenue
7.1	Appropriated funds Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
7.2	Departmental revenue Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.



ACCOUNTING POLICIES

for the year ended 31 March 2018

7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the Financial Statements when:</p> <ul style="list-style-type: none"> • it is probable that the economic benefits or service potential associated with the transaction will flow to the Department; and • the amount of revenue can be measured reliably. <p>The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the Department's debt write-off policy</p>
8	Expenditure
8.1	Compensation of employees
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the Department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the Department in respect of Judges and ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
8.2	<p>Other expenditure</p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
8.3	<p>Accruals and payables not recognised</p> <p>Accruals and payables not recognised are recorded in the notes to the Financial Statements when the goods are received or, in the case of services, when they are rendered to the Department or in the case of transfers and subsidies when they are due and payable. Accruals and payables not recognised are measured at cost.</p>
8.4	Leases
8.4.1	<p>Operating leases</p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the Financial Statements.</p>
8.4.2	<p>Finance leases</p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the Financial Statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	Aid Assistance
9.1	<p>Aid assistance received</p> <p>Not applicable to the OCJ for the 2017/18 Financial Year.</p>
9.2	<p>Aid assistance paid</p> <p>Not applicable to the OCJ for the 2017/18 Financial Year.</p>
10	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. 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.</p>



ACCOUNTING POLICIES

for the year ended 31 March 2018

11	<p>Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the Department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.</p>
12	<p>Loans and receivables Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the Department's write-off policy.</p>
13	<p>Investments Investments are recognised in the statement of financial position at cost.</p>
14	<p>Financial assets</p>
14.1	<p>Financial assets (not covered elsewhere) A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a Department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
14.2	<p>Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the Financial Statements.</p>
15	<p>Payables Payables recognised in the statement of financial position are recognised at cost.</p>
16	<p>Capital Assets</p>
16.1	<p>Immovable capital assets Not applicable to the OCJ for the 2017/18 Financial Year.</p>
16.2	<p>Movable capital assets Movable capital assets are initially recorded in the notes to the Financial Statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.3	<p>Intangible assets Intangible assets are initially recorded in the notes to the Financial Statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the Financial Statements when the Department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.4	<p>Project Costs: Work-in-progress Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the Department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
17	<p>Provisions and Contingents</p>



ACCOUNTING POLICIES

for the year ended 31 March 2018

17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the Financial Statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
17.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the Financial Statements when there 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 within the control of the Department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the Financial Statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Department.</p>
17.4	<p>Commitments</p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the Financial Statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the Department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the Financial Statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the Financial Statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the Financial Statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p>Changes in accounting policies, accounting estimates and errors</p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the Department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the Department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the Financial Statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the Financial Statements.</p>



ACCOUNTING POLICIES

for the year ended 31 March 2018

23	Principal-Agent arrangements Not applicable to the OCJ for the 2017/18 Financial Year.
24	Departures from the MCS requirements Management has concluded that the Financial Statements represent fairly the Department's primary and secondary information and that the Department complied with the MCS. The OCJ did not depart from a particular requirement to achieve fair presentation.
25	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 recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27	Related party transactions A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the Financial Statements when the transaction is not at arm's length. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Department. The number of individuals and their full compensation is recorded in the notes to the Financial Statements.
28	Inventories (Effective from date determined in a Treasury Instruction) At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
29	Not applicable to the OCJ for the 2017/18 Financial Year.
30	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

1. ANNUAL APPROPRIATION

1.1 ANNUAL APPROPRIATION

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds):

	2017/18			2016/17	
	Final Appropriation	Actual Funds Received	Funds not requested/not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	177 353	183 741	(6 388)	142 181	144 999
Superior Courts Services	760 322	758 668	1 654	699 447	694 056
Judicial Education and Support	81 643	76 909	4 734	32 362	34 935
Total	1 019 318	1 019 318	-	873 990	873 990

2. STATUTORY APPROPRIATION

	2017/18	2016/17
	R'000	R'000
Judges' salaries	966 060	950 057
Total	966 060	950 057
Actual Statutory Appropriation received	966 060	950 057

3. DEPARTMENTAL REVENUE

	Note	2017/18	2016/17
		R'000	R'000
Tax revenue			
Sales of goods and services other than capital assets	3.1	590	696
Fines, penalties and forfeits	3.2	20	50
Interest, dividends and rent on land	3.3	21	21
Sales of capital assets	3.4	126	-
Transactions in financial assets and liabilities	3.5	1 244	162
Transfer received	3.6	753	-
Total revenue collected		2 754	929
Less: Own revenue included in appropriation	14		
Departmental revenue collected		2 754	929



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

3.1 SALES OF GOODS AND SERVICES OTHER THAN CAPITAL ASSETS

	Note	2017/18	2016/17
	3	R'000	R'000
Sales of goods and services produced by the department		584	673
Sales by market establishment		58	59
Administrative fees		3	8
Other sales		523	606
Sales of scrap, waste and other used current goods		6	23
Total		590	696

3.2 FINES, PENALTIES AND FORFEITS

	Note	2017/18	2016/17
	3	R'000	R'000
Fines		20	50
Total		20	50

3.3 INTEREST, DIVIDENDS AND RENT ON LAND

	Note	2017/18	2016/17
	3	R'000	R'000
Interest		21	21
Total		21	21

3.4 SALE OF CAPITAL ASSETS

	Note	2017/18	2016/17
	3	R'000	R'000
Tangible assets		126	-
Machinery and equipment	28	126	-
Total		126	-

Income generated by the sale of vehicles through auction



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

3.5 TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES

	Note	2017/18	2016/17
	3	R'000	R'000
Receivables		1 244	162
Total		1 244	162

3.6 TRANSFERS RECEIVED

	Note	2017/18	2016/17
	3	R'000	R'000
International organisations		753	-
Total		753	-

Payment received from the Conference of Constitutional Jurisdictions of Africa (CCJA) for hosting of its 4th Congress.

4. COMPENSATION OF EMPLOYEES

4.1 SALARIES AND WAGES

	Note	2017/18	2016/17
		R'000	R'000
Basic salary		1 094 239	1 019 630
Performance award		3 284	3 827
Service Based		381	595
Compensative/circumstantial		4 643	3 286
Periodic payments		1 113	1 416
Other non-pensionable allowances		326 517	311 400
Total		1 430 177	1 340 154



NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

4.2 SOCIAL CONTRIBUTIONS

	Note	2017/18	2016/17
		R'000	R'000
Employer contributions			
Pension		48 581	43 063
Medical		40 087	35 284
UIF		4	7
Bargaining council		155	138
Total		88 827	78 492
Total compensation of employees		1 519 004	1 418 646
Average number of employees		1 811	1 679

The expenditure under Direct Charge relating to Judges' salaries is included in the figure above. The average number of employees however excludes Judges.

5. GOODS AND SERVICES

	Note	2017/18	2016/17
		R'000	R'000
Administrative fees		4 828	2 790
Advertising		1 475	1 058
Minor assets	5.1	3 347	6 477
Bursaries (employees)		454	125
Catering		4 078	2 565
Communication		17 456	12 855
Computer services	5.2	46 310	32 387
Consultants: Business and advisory services		12 353	12 456
Legal services		1 347	570
Contractors		1 910	2 252
Agency and support / outsourced services		2 354	3 550
Entertainment		97	129
Audit cost – external	5.3	6 268	5 099
Fleet services		24 965	21 346
Inventory	5.4	-	-
Consumables	5.5	12 192	12 848
Operating leases		-	147
Property payments	5.6	2 465	2 654
Travel and subsistence	5.7	113 628	84 859



NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

Venues and facilities		10 240	6 653
Training and development		4 450	1 922
Other operating expenditure	5.8	5 754	5 390
Total		275 971	218 132

5.1 MINOR ASSETS

	Note	2017/18	2016/17
	5	R'000	R'000
Tangible assets			
Machinery and equipment		3 347	6 477
Total		3 347	6 477

5.2 COMPUTER SERVICES

	Note	2017/18	2016/17
	5	R'000	R'000
SITA computer services		28 807	8 063
External computer service providers		17 503	24 324
Total		46 310	32 387

5.3 AUDIT COST – EXTERNAL

	Note	2017/18	2016/17
	5	R'000	R'000
Regularity audits		6 268	5 099
Total		6 268	5 099

5.4 CONSUMABLES

	Note	2017/18	2016/17
	5	R'000	R'000
Consumable supplies		3 147	3 163
Uniform and clothing		286	336
Household supplies		1 022	1 301
Building material and supplies		-	570
Communication accessories		1	32
IT consumables		412	518
Other consumables		1 426	406
Stationery, printing and office supplies		9 045	9 685
Total		12 192	12 848



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

5.5 PROPERTY PAYMENTS

	Note	2017/18	2016/17
	5	R'000	R'000
Property maintenance and repairs		1 713	-
Other		752	2 654
Total		2 465	2 654

5.6 TRAVEL AND SUBSISTENCE

	Note	2017/18	2016/17
	5	R'000	R'000
Local		107 440	83 999
Foreign		6 188	860
Total		113 628	84 859

5.7 OTHER OPERATING EXPENDITURE

	Note	2017/18	2016/17
	5	R'000	R'000
Professional bodies, membership and subscription fees		285	650
Resettlement costs		160	339
Other		5 309	4 401
Total		5 754	5 390

6. INTEREST AND RENT ON LAND

	Note	2017/18	2016/17
	5	R'000	R'000
Interest paid		32	1
Total		32	1

Interest was paid for the following:

- Late payment of an invoice from Stannic Fleet Services.
- Late payment on an arbitration award to an official.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

7. PAYMENTS FOR FINANCIAL ASSETS

	Note	2017/18	2016/17
		R'000	R'000
Other material losses written off	7.1	51	-
Total		51	-

The OCJ had to carry repair cost on a hired vehicle used by a JSC Commissioner following a motor vehicle accident. The accident repair cost was not recouped from the JSC Commissioner as it was determined that the accident was not caused by negligence on the part of the JSC Commissioner.

7.1 OTHER MATERIAL LOSSES WRITTEN OFF

	Note	2017/18	2016/17
		R'000	R'000
Nature of losses	7		
Repairs to hired vehicle for Commissioner of the Judicial Service Commission involved in an accident		51	-
Total		51	-

8. TRANSFERS AND SUBSIDIES

	Note	2017/18	2016/17
		R'000	R'000
Households	Annex 1G	76 035	50 573
Total		76 035	50 573

9. EXPENDITURE FOR CAPITAL ASSETS

	Note	2017/18	2016/17
		R'000	R'000
Tangible assets		124 603	98 996
Buildings and other fixed structures		-	100
Machinery and equipment	28	124 603	98 896
Intangible assets		174	-
Software	29	174	-
Total		124 777	98 996



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

9.1 ANALYSIS OF FUNDS UTILISED TO ACQUIRE CAPITAL ASSETS – 2017/18

	Voted Funds	Aid assistance	Total
		R'000	R'000
Tangible assets	124 603	-	124 603
Machinery and equipment	124 603	-	124 603
Intangible assets	174	-	174
Software	174	-	174
Total	124 777	-	124 777

9.2 ANALYSIS OF FUNDS UTILISED TO ACQUIRE CAPITAL ASSETS – 2016/17

	Voted Funds	Aid assistance	Total
		R'000	R'000
Tangible assets	98 996	-	98 996
Buildings and other fixed structures	100	-	100
Machinery and equipment	98 896	-	98 896
Total	98 996	-	98 996

9.3 FINANCE LEASE EXPENDITURE INCLUDED IN EXPENDITURE FOR CAPITAL ASSETS

	Note	2017/18
		R'000
Tangible assets		
Machinery and equipment		109 301
Total		109 301



NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

10. CASH AND CASH EQUIVALENTS

	Note	2017/18	2016/17
		R'000	R'000
Consolidated Paymaster General Account		-	24 619
Cash receipts		-	4
Cash on hand		257	223
Investments (Domestic)		513	4 117
Total		770	28 963

Investments (Domestic) reflects the commercial bank balances as at 31 March 2018.

11. PREPAYMENTS AND ADVANCES

	Note	2017/18	2016/17
		R'000	R'000
Travel and subsistence		94	155
Prepayments (Not expensed)	11.1		
Total		94	155

The amount reflects advances paid for international travel.

12. RECEIVABLES

	Note	2017/18			2016/17		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	12.1	1	-	1	1 648	-	1 648
Recoverable expenditure	12.2	32 295	-	32 295	7 348	-	7 348
Staff debt	12.3	140	214	354	182	-	182
Fruitless and wasteful expenditure	12.4	10	-	10	-	-	-
Other debtors	12.5	536	-	536	335	-	335
Total		32 982	214	33 196	9 513	-	9 513



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

12.1 CLAIMS RECOVERABLE

	Note	2017/18	2016/17
	12 and Annex 4	R'000	R'000
National departments		1	1 648
Total		1	1 648

12.2 RECOVERABLE EXPENDITURE (DISALLOWANCE ACCOUNTS)

	Note	2017/18	2016/17
	12	R'000	R'000
Statutory Appropriation requested/not received		32 295	-
Disallowance		-	7 348
Total		32 295	7 348

The overspending on the Direct Charge amount reflected as Receivables, will be corrected once the National Treasury has corrected the Direct Charge budget through a new appropriation.

12.3 STAFF DEBT

	Note	2017/18	2016/17
	12	R'000	R'000
Staff debts		354	182
Total		354	182

12.4 FRUITLESS AND WASTEFUL EXPENDITURE

	Note	2017/18	2016/17
	12	R'000	R'000
Transfers from note 25 Fruitless and Wasteful Expenditure		10	-
Total		10	-

This amount reflects claims recoverable for "no show" for travel bookings as resolved by the OCJBAC



NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

12.5 OTHER DEBTORS

	Note	2017/18	2016/17
		R'000	R'000
	12		
Tax debts		536	335
Total		536	335

13. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		37 711	1 771
Prior period error	13		
As restated		37 711	1 771
Transfer from statement of financial performance (as restated)		(10 492)	37 699
Statutory Appropriation not requested/ not received		32 295	
Paid during the year		(37 769)	(1 759)
Closing balance		21 745	37 711

The overspending is mainly as a result of the 4% salary increase for Judicial Officers which did not form part of the initial appropriation as well as unforeseen social benefits paid to Judges in accordance with their legislated benefits.

14. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		234	85
Prior period error	14		
As restated		234	85
Transfer from Statement of Financial Performance (as restated)		2 754	929
Paid during the year		(2 126)	(780)
Closing balance		862	234



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

15. BANK OVERDRAFT

	Note	2017/18	2016/17
		R'000	R'000
Consolidated Paymaster General Account		10 857	-
Total		10 857	-

The bank overdraft is mainly as a result of overspending under the Statutory appropriation: Judges' salaries and transfers and subsidies.

16. PAYABLES – CURRENT

	Note	2017/18	2016/17
		R'000	R'000
Clearing accounts	16.1	558	637
Total		558	637

16.1 CLEARING ACCOUNTS

	Note	2017/18	2016/17
		R'000	R'000
Paye	16	558	637
Total		558	637

17. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	Note	2017/18	2016/17
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		(7 738)	38 628
Add back non cash/cash movements not deemed operating activities		61 059	80 064
(Increase)/decrease in receivables – current		(23 679)	(4 853)
(Increase)/decrease in prepayments and advances		61	152
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables – current		(79)	(11 692)
Proceeds from sale of capital assets		(126)	-
Expenditure on capital assets		124 777	98 996
Surrenders to Revenue Fund		(39 895)	(2 539)
Net cash flow generated by operating activities		53 321	118 692



NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

18. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

	Note	2017/18	2016/17
		R'000	R'000
Consolidated Paymaster General account		(43 148)	24 619
Cash receipts		-	4
Cash on hand		257	223
Cash with commercial banks (Local)		513	4 117
Total		(42 378)	28 963

19. CONTINGENT LIABILITIES AND CONTINGENT ASSETS 19.1 CONTINGENT LIABILITIES

	Note	2017/18	2016/17
		R'000	R'000
Liable to	Nature		
Claims against the department	Annex 3B	3 339	2 319
Intergovernmental payables (unconfirmed balances)	Annex 5	-	30 451
Total		3 339	32 770

Contingent liabilities consist of cases relating to the Judicial Service Commission where the OCJ will be expected to carry the litigation costs, of which the outcomes and timing are still uncertain.

20. COMMITMENTS

	Note	2017/18	2016/17
		R'000	R'000
Current expenditure			
Approved and contracted		47 389	21 410
Approved but not yet contracted		861	1 105
		48 250	22 515
Capital expenditure			
Approved and contracted		540	3 767
Approved but not yet contracted		-	-
		540	3 767
Total Commitments		48 790	26 282

The major part of the commitments are contracted amounts for Nambiti Technologies (3 year contract) and Motive8 (5 year contract) for the provision of ICT services.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

21. ACCRUALS AND PAYABLES NOT RECOGNISED

21.1 ACCRUALS

			2017/18	2016/17
			R'000	R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	10 316	1 120	11 436	28 454
Capital assets	841	244	1 085	1 511
Other				
Total	11 157	1 364	12 521	29 965
		Note	2017/18	2016/17
			R'000	R'000
Listed by programme level				
Administration			2 380	13 217
Superior Courts			8 883	12 787
Judicial Education and Support			1 258	3 961
Total			12 521	29 965

The bulk of accruals are for travelling invoices relating to March 2018

21.2 PAYABLES NOT RECOGNISED

			2017/18	2016/17
			R'000	R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	-	-	-	3 336
Capital assets	-	2 573	2 573	34 981
Total	-	2 573	2 573	38 317
		Note	2017/18	2016/17
			R'000	R'000
Listed by programme level				
Administration			-	3 336
Superior Courts			2 573	34 981
Total			2 573	38 317



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18	2016/17
Included in the above totals are the following:		R'000	R'000
Confirmed balances with other government entities	Annex 5	2 573	7 866
Total		2 573	7 866

This amount reflects the balance of the G-Fleet invoices which were back billed for previous financial years.

22. EMPLOYEE BENEFITS

	Note	2017/18	2016/17
		R'000	R'000
Leave entitlement		19 167	19 478
Service bonus (Thirteenth cheque)		15 956	14 629
Performance awards		8 914	8 329
Capped leave commitments		14 792	14 382
Long service awards		711	471
Total		59 540	57 289

Included in the leave entitlement is an amount of R1 142 311.20 representing negative leave which is due to the over-grant of leave commitments as employees are given full leave credits in January of each year while the information in the Financial Statements is based on the leave accruals as at 31 March 2018. The 2016/17 Leave entitlement has been reduced with R268 275.10 which was overstated in the prior year figures. Judges' social benefits for leave are excluded from the amount above as they are on a different leave dispensation.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

23. LEASE COMMITMENTS

23.1. FINANCE LEASES**

2017/18	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	67 849	67 849
Later than 1 year and not later than 5 years	-	-	-	71 480	71 480
Total lease commitments	-	-	-	139 329	139 329

2016/17	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	43 093	43 093
Later than 1 year and not later than 5 years	-	-	-	62 625	62 625
Total lease commitments	-	-	-	105 718	105 718

The main portion of the finance lease amount relates to the leasing of Judges' vehicles in terms of their legislated benefits.

24. IRREGULAR EXPENDITURE

24.1 RECONCILIATION OF IRREGULAR EXPENDITURE

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		64	7
Prior period error			-
As restated		64	7
Add: Irregular expenditure – relating to prior year		5	84
Add: Irregular expenditure – relating to current year		23	565
Less: Prior year amounts condoned		(69)	(40)
Less: Current year amounts condoned		(23)	(552)
Closing balance		-	64
Analysis of awaiting condonation per age classification			
Current year		-	12
Prior years		-	52
Total		-	64



NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

24.2 DETAILS OF IRREGULAR EXPENDITURE – ADDED CURRENT YEAR (RELATING TO CURRENT AND PRIOR YEARS)

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Contract not terminated on time	Investigation completed, official left the Department; matter condoned	23
Contract expired not renewed on time	Condoned; officials reprimanded to follow SCM prescripts	5
Total		28

24.3 DETAILS OF IRREGULAR EXPENDITURE CONDONED

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Contract not terminated on time	Investigation completed, matter condoned by DBAC. Value for money services were rendered.	23
Prior year: Role playing allowance paid outside prescripts	Matter condoned and debt implemented against official	25
Prior year: Deviation from procurement processes	Condoned by DBAC; no steps taken as it was for emergency procurement	37
Prior year: Contract expired not renewed	Condoned by DBAC; officials reprimanded to follow SCM prescripts	7
Total		92

24.4 DETAILS OF IRREGULAR EXPENDITURES UNDER INVESTIGATION (NOT INCLUDED IN THE MAIN NOTE)

Incident	2017/18 R'000
Deviations from Procurement prescripts Matter under investigation	191
Deviations from Procurement prescripts Matter under investigation	44
Total	235

The irregular expenditure under investigation relates to two instances of procurement on the local content prescript as well as one deviation approval which might be outside the deviation prescripts.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

25. FRUITLESS AND WASTEFUL EXPENDITURE

25.1 RECONCILIATION OF FRUITLESS AND WASTEFUL EXPENDITURE

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		25	19
Prior period error			-
As restated		25	19
Fruitless and wasteful expenditure – relating to prior year		29	-
Fruitless and wasteful expenditure – relating to current year		12	20
Less: Amounts resolved		(30)	(14)
Less: Amounts transferred to receivables for recovery		(10)	-
Closing balance		26	25

25.2 ANALYSIS OF AWAITING RESOLUTION PER ECONOMIC CLASSIFICATION

		2017/18	2016/17
		R'000	R'000
Current		26	25
Total		26	25

25.3 ANALYSIS OF CURRENT YEAR'S (RELATING TO CURRENT AND PRIOR YEARS) FRUITLESS AND WASTEFUL EXPENDITURE

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Accommodation and car hire no show	Matter have been investigated and condoned; recovery recommended	8
Interest for Stannic Account invoices	Matter have been investigated and condoned	4
Prior year: Car Hire no show	Matter have been investigated and condoned; recovery recommended	1
Prior year: Interest on late payment	Investigation completed, matter condoned by DBAC. Value for money services were rendered.	2
Prior year: Interest on arbitration	Interest paid on arbitration award; Matter under investigation.	26
Total		41



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

26. RELATED PARTY TRANSACTIONS

List related party relationships

The Department has a related party relationship with all the public sector entities falling within the portfolio of the Minister of Justice and Constitutional Services, which includes the following:

Department of Justice and Constitutional Development
 Department of Correctional Services
 Guardian's Fund
 Legal Aid SA
 President's Fund
 Special Investigation Unit
 Third Party Fund
 The Human Rights Commission
 Criminal Asset Recovery Account
 The Public Protector
 The Information Regulator

It should be noted that in terms of retained functions in the DoJ&CD as well as shared services, the DoJ&CD carries the cost on behalf of the OCJ in relation to the following:

- Infrastructure related cost
- Provision of security services
- Virtual Library

27. KEY MANAGEMENT PERSONNEL

	No. of Individuals	2017/18	2016/17
		R'000	R'000
Political office bearers (provide detail below)	2	-	-
Officials:			
Level 15 to 16	3	4 744	4 536
Level 14 (incl. CFO if at a lower level)	6	7 070	6 920
Family members of key management personnel			
Total		11 814	11 456

The Department of Justice and Constitutional Development carries the cost for the two political office bearers: Minister and Deputy Minister.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

28. MOVABLE TANGIBLE CAPITAL ASSETS

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
MACHINERY AND EQUIPMENT	128 973	-	14 194	(2 120)	141 047
Transport assets	7 642	-	-	(329)	7 313
Computer equipment	32 529	-	9 943	(1 001)	41 471
Furniture and office equipment	36 335	-	2 838	(225)	38 948
Other machinery and equipment	52 467	-	1 413	(565)	53 315
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	128 973	-	14 194	(2 120)	141 047

28.1. ADDITIONS

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	124 603	688	(109 301)	(1 796)	14 194
Transport assets	106 831	-	(106 831)	-	-
Computer equipment	9 943	-	-	-	9 943
Furniture and office equipment	6 550	-	(2 470)	(1 242)	2 838
Other machinery and equipment	1 279	688	-	(554)	1 413
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	124 603	688	(109 301)	(1 796)	14 194

28.2. DISPOSALS

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual	
	R'000	R'000	R'000	R'000	
MACHINERY AND EQUIPMENT	(329)	(1 791)	(2 120)	126	
Transport assets	(329)	-	(329)	126	
Computer equipment	-	(1 001)	(1 001)		
Furniture and office equipment	-	(225)	(225)		
Other machinery and equipment	-	(565)	(565)		
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	(329)	(1 791)	(2 120)	126	

Cash generated by disposal of motor vehicles sold on auction.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

28.3. MOVEMENT FOR 2016/17

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017					
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	107 438	48	24 310	(2 823)	128 973
Transport assets	7 919	-	-	(277)	7 642
Computer equipment	22 850	1 734	8 616	(671)	32 529
Furniture and office equipment	30 994	(1 578)	7 806	(887)	36 335
Other machinery and equipment	45 675	(108)	7 888	(988)	52 467
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	107 438	48	24 310	(2 823)	128 973

28.3.1 PRIOR PERIOD ERROR

	Note	2016/17
		R'000
Nature of prior period error		
Relating to 2016/17 [affecting the opening balance]		48
Computer equipment		1 734
Other machinery and equipment		(108)
Furniture and office equipment		(1 578)
Total prior period errors		48

Correction of misallocations as per SCOA changes and restating of assets disposed in 2016/17.

28.4. MINOR ASSETS

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	5	322	123 644	-	123 971
Additions	-	-	-	7 012	-	7 012
Disposals	-	-	(1)	(1 361)	-	(1 362)
TOTAL MINOR ASSETS	-	5	321	129 295	-	129 621



NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Number of R1 minor assets	-	-	4 944	305 705	-	310 649
Number of minor assets at cost	-	2	485	155 474	-	155 961
TOTAL NUMBER OF MINOR ASSETS	-	2	5 429	461 179	-	466 610

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	334	119 012	-	119 346
Prior period error	-	5	-	1 947	-	1 952
Additions	-	-	-	6 335	-	6 335
Disposals	-	-	(12)	(3 650)	-	(3 662)
TOTAL MINOR ASSETS	-	5	322	123 644	-	123 971

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Number of minor assets at cost	-	-	4 944	308 216	-	313 160
	-	-	587	138 588	-	139 175
TOTAL NUMBER OF MINOR ASSETS	-	-	5 531	446 804	-	452 335

28.4.1 PRIOR PERIOD ERROR

	Note	2016/17
		R'000
Nature of prior period error		
Relating to 2016/17 [affecting the opening balance]		1 952
Revaluation of Assets disclosed at R1 value in 2016/17 through fair value		1 886
Intangible assets not accounted in 2016/17		5
Assets reclassification		61
Total prior period errors		1 952

Assets disclosed at R1 value during 2016/17 were revalued at fair value and Assets not accounted for in 2016/17 restated.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

28.5. S42 MOVABLE CAPITAL ASSETS

MAJOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 2017						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
No. of Assets	-	-	-	20	-	20
Value of the assets (R'000)	-	-	-	324	-	324

MINOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 2017						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
No. of Assets	-	-	-	622	-	622
Value of the assets (R'000)	-	-	-	743	-	743

29. INTANGIBLE CAPITAL ASSETS

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Software	678	-	174	-	852
TOTAL INTANGIBLE CAPITAL ASSETS	678	-	174	-	852

29.1. ADDITIONS

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Cash	Non-Cash	(Development work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Software	174	27 000	(27 000)	-	174
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	174	27 000	(27 000)	-	174

29.2. MOVEMENT FOR 2016/17

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017					
	Opening balance	Prior Period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Software	652	26	-	-	678
TOTAL INTANGIBLE CAPITAL ASSETS	652	26	-	-	678



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

29.2.1 PRIOR PERIOD ERROR

	Note	2016/17
		R'000
Nature of prior period error		
Relating to 2016/17 [affecting the opening balance]		26
Assets transferred not included in the 2016/17 OCJ assets register		25
Intangible assets understated		1
Total prior period errors		26

Software in the Labour Court to the value of R25 000 transferred from DoJ&CD not included in the 2016/17 asset register and R1000 understated

30. CAPITAL WORK-IN-PROGRESS

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018					
	Note	Opening balance 1 April 2017	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2018
	Annexure 7	R'000	R'000	R'000	R'000
Intangible assets		-	27 000	-	27 000
TOTAL		-	27 000	-	27 000

Capital Work in Progress to the value of R27 million relates to the e-Filing software for the Superior Courts developed by SITA and paid for from the IJS fund in the budget of the DoJ&CD. This project will be piloted in the 2018/19 Financial Year and rolled out in the 2019/20 Financial Year.

31. PRIOR PERIOD ERRORS

31.1. CORRECTION OF PRIOR PERIOD ERRORS

	Note	2016/17
		R'000
Assets: Movable tangible capital assets	28	
Movable tangible capital assets		1 734
Movable tangible capital assets		(1 578)
Movable tangible capital assets		(108)
Net effect		48

Correction of misallocations as per SCOA changes and restating of assets disposed in 2016/17.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note		2016/17
			R'000
Assets: Minor Assets	28		
Movable tangible capital assets			5
Movable tangible capital assets			61
Movable tangible capital assets			1 886
Net effect			1 952

Assets recorded at R1 value in the 2016/17 assets register revaluated through fair value and reclassification of assets.

	Note		2016/17
			R'000
Assets: Intangible Assets	29		
Intangible capital assets			1
Intangible capital assets			25
Net effect			26

Software in the Labour Court to the value of R25 000 transferred from DoJ&CD not included in the 2016/17 asset register, R1000 minor software assets understated restated.

10. ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

ANNEXURE 1G STATEMENT OF TRANSFERS TO HOUSEHOLDS

Households	TRANSFER ALLOCATION				EXPENDITURE			2016/17 Final Appropriation R'000
	Adjusted Appropriation Act	Roll Overs	Adjust-ments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred	2016/17	
Transfers								
Judges' social benefits	57 819	-	-	57 819	73 652	127%	81 903	
Employee social benefits	2 208	-	-	2 208	2 383	108%	1 406	
	60 027	-	-	60 027	76 035		83 309	
TOTAL	60 027	-	-	60 027	76 035		83 309	

ANNEXURE 1H STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2017/18 R'000	2016/17 R'000
Received in kind			
Juta Books supplier	South African and International Law Books	13	4
Hogan Lovells	Note book and pens	-	-
Professional Body	Complimentary tickets to attend King IV launch	-	4
United Nation Environment	Flight ticket to present work related matters	10	-
United Nation Environment	Travel costs for Official trip to present work related matters	6	-
United States Department of State	Travel and Accommodation costs to attend International Visitors Leadership Program (IVLP)	270	-
Subtotal		299	8
TOTAL		299	8



ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

ANNEXURE 3B STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018

Nature of Liability	Opening Balance 1 April 2017	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2018
	R'000	R'000	R'000	R'000	R'000
Claims against the Department					
Cases against the Judiciary where the OCJ will be expected to carry litigation costs	2 319	1 400	(380)	-	3 339
Subtotal	2 319	1 400	(380)	-	3 339
TOTAL	2 319	1 400	(380)	-	3 339

Helen Suzman Foundation vs Judicial Service Commission.
Limpopo Legal Solutions vs Judicial Service Commission & 2 others.
Snail vs Judicial Service Commission and others
Limpopo Legal Solutions vs Judicial Service Commission and 13 others.
Adv Mtherjwa vs Judge Steyn and others.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

ANNEXURE 4 CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18 Receipt date up to six (6) working days after year end	Amount
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017		
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Department of Justice and Constitutional Development	-	-	-	1 623	-	1 623		-
National Treasury	32 295	-	-	-	32 295	-		-
Government printing works	-	-	-	18	-	18		-
Department of Health	-	7	-	-	-	7		-
Department of Agriculture	1	-	-	-	1	-		-
	32 296	7	-	1 641	1	1 648		-
TOTAL	32 296	7	-	1 641	32 296	1 648		-



ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

ANNEXURE 5 INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Department of Justice and Constitutional Development	-	-	-	3 336	-	3 336		-
Subtotal	-	-	-	3 336	-	3 336		
TOTAL	-	-	-	3 336	-	3 336		
OTHER GOVERNMENT ENTITY								
Current								
G-Fleet Management	2 573	7 866	-	27 115	2 573	34 981		-
Subtotal	2 573	7 866	-	27 115	2 573	34 981		
TOTAL	2 573	7 866	-	30 451	2 573	38 317		



ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

ANNEXURE 7 MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2018					
	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance	
	R'000	R'000	R'000	R'000	R'000
Software					
Software	-	27 000	-	-	27 000
TOTAL	-	27 000	-	-	27 000

Capital Work in Progress to the value of R 27 million relates to the e-Filing software for the Superior Courts developed by SITA and paid from the IJS fund in the budget of the DoJ&CD. This project will be piloted in the 2018/19 Financial Year and rolled out in the 2019/20 Financial Year.



