



Western Cape  
Government

Cultural Affairs and Sport



Western Cape Language Committee

Wes-Kaapse Taalkomitee

IKomiti yeeLwimi yeNtshona Koloni



Annual Report  
2015/2016



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## PART A: GENERAL INFORMATION

### 1. PUBLIC ENTITY'S GENERAL INFORMATION

<b>REGISTERED NAME</b>	Western Cape Language Committee
<b>LEGAL FORM OF ENTITY</b>	Schedule 3C Public entity
<b>NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES</b>	To monitor the use of the three official languages of the Western Cape; to monitor the implementation of the Western Cape Language Policy; and to advise the Provincial Minister tasked with language matters and the Pan South African Language Board (PanSALB) on language matters in or affecting the province
<b>REGISTRATION NUMBER</b>	n/a
<b>PHYSICAL ADDRESS</b>	3rd floor, Protea Assurance Building Greenmarket Square Cape Town 8001
<b>POSTAL ADDRESS</b>	Private Bag X9067 Cape Town 8000
<b>TELEPHONE NUMBER/S</b>	021 483 9674
<b>FAX NUMBER</b>	021 483 9673
<b>EMAIL ADDRESS</b>	<a href="mailto:Quintus.vandermerwe@westerncape.gov.za">Quintus.vandermerwe@westerncape.gov.za</a>
<b>WEBSITE ADDRESS</b>	<a href="http://www.westerncape.gov.za">www.westerncape.gov.za</a>
<b>EXTERNAL AUDITORS</b>	Auditor-General of South Africa
<b>BANKERS</b>	Nedbank
<b>COMPANY/ BOARD SECRETARY</b>	n/a

## **2. LIST OF ABBREVIATIONS/ ACRONYMS**

AFS	Annual Financial Statements
DCAS	Department of Cultural Affairs and Sport
D: ERM	Directorate Enterprise Risk Management, Department of the Premier
DotP	Department of the Premier
ERM	Enterprise risk management
ERMCOM	Enterprise Risk Management Committee
GRAP	Generally Recognised Accounting Practice
King III	King Report on Corporate Governance, 2009
MEC	Member of the (Provincial) Executive Council
NTPSRMF	National Treasury Public Sector Risk Management Framework
PanSALB	Pan South African Language Board
PERSAL	Personnel Salary System
PFMA	Public Finance Management Act, 1999
PLCs	Provincial language committees
PRAESA	Project for the Study of Alternative Education in South Africa, University of Cape Town
RWOPS	Remunerative Work Outside the Public Service
SASL	South African Sign Language
SCOPA	Standing Committee on Public Accounts
WCG	Western Cape Government
WCLC	Western Cape Language Committee

### 3. FOREWORD BY THE CHAIRPERSON



As the newly appointed Western Cape Language Committee for the period beginning 2015/2016, in terms of the Western Cape Provincial Languages Act (Act 13 of 1998), we had to hit the ground running. As the Language Committee, our mandate is broadly driven by, among others, notions of 'Rights to a language' and the 'Right of a language', and these notions have become topical issues in South Africa in the recent times. As the Committee grapples with its annual implementation plan, critical questions continue to mull over our tables such as: What kind of justice is meted out where the language of the accused or of witnesses is poorly translated into English, or even distorted, by the police officers or court-appointed interpreter? What is the experience of people seeking medical care in clinics where doctors are unable to communicate with patients in their own language? And how do students who are rural speakers of Xhosa cope with an academic environment dominated by English? These questions, in one way or another, concern matters of social justice and linguistic human rights,

During the year under review, the Language Committee has considered two major projects: As part of the execution of its mandate, the Language Committee has commissioned a research survey with a view to establish the manner in which various departments are progressing with the implementation of the Western Cape Language Policy. The recommendations that have emerged from the survey are far reaching, and as such they require serious consideration by the departments concerned. A final report meant to pave the way forward has since been tabled before the Minister and the Director-General of the Provincial Government for their consideration.

Furthermore, the Western Cape Language Committee has also considered an important initiative- as a matter of promoting and protecting linguistic rights of Deaf communities. This project has been spearheaded through the establishment of a reference group and the development of the South African Sign Language Framework. Final consultation and adoption of the Framework is expected before the end of the current financial year.

Sincerely

A handwritten signature in black ink, appearing to be 'M Ralarala', written over a horizontal line.

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**Prof. M Ralarala**  
**Chairperson: Western Cape Language Committee**  
**31 May 2016**

#### 4. ACCOUNTING AUTHORITY'S OVERVIEW



- **Introduction**

The three year term of the Language Committee ended on 31 August 2015. As required by legislation the Standing Committee of the Western Cape Parliament followed a public process to appoint new members and a new Committee was duly appointed by the Provincial Minister for Cultural Affairs and Sport.

The Western Cape Language Committee (WCLC) is a public entity which falls under the Department of Cultural Affairs and Sport (DCAS). It was listed as a Schedule 3, Part C provincial public entity on 1 June 2001 in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) and is established in terms of the Western Cape Provincial Languages Act (Act 13 of 1998). Its operations are aligned to its five-year strategic plan as well as its annual performance plan.

During the year of reporting the Language Committee followed up on the recommendations of the final report of the reference group on South African Sign Language by developing an operational framework for SA Sign Language in the Western Cape. This framework aimed to address the imperatives pertaining to SA Sign Language in the Provincial Language Policy. This decision emanated from the outcome of a survey conducted in the 2014/15 financial year.

During the year under review the Language Committee monitored the progress with implementation of the Language Policy in all the Western Cape Government departments. This was done as a follow up after a survey on the implementation in the Department of the Premier in the previous financial year. It was also necessary to evaluate the current relevance of the Language Policy and the possible need for a review. The final survey report with recommendations was presented to the Minister and the Director-General of the Provincial Government who requested that it be forwarded to all heads of departments.

The three year term of the Language Committee ended on 31 August 2015. As required by legislation the Standing Committee of the Western Cape Parliament followed a public process to appoint new members and a new Committee was duly appointed by the Provincial Minister for Cultural Affairs and Sport.

- **General financial review**

An allocation of R 233 000 from voted funds was transferred from DCAS to the WCLC to execute its mandate in the 2015/16 financial year. The allocation of funds was effectively managed in accordance with applicable financial prescripts.

- **Spending trends**

Programme/ activity/ objective	2015/16			2014/15		
	Budget	Actual Expenditure	(Over)/ Under Expenditure	Budget	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Goods and services	246	776	530	233	238	(5)
<b>Total</b>	<b>246</b>	<b>776</b>	<b>*(530)</b>	<b>233</b>	<b>238</b>	<b>(5)</b>

*\* The over expenditure relates to the GRAP 23 adjustments made for salaries (employee cost: R538 000) of the financial management staff pertaining to services in-kind received from the department.*

- **Capacity constraints**

No capacity constraints were experienced during the year under review.

- **Supply chain management**

No unsolicited bid proposals were entered into for the year under review.

SCM processes and systems are in place to ensure compliance with SCM prescripts.

- **Appreciation**

In conclusion I would like to acknowledge the work of the Auditor-General South Africa, who conducted an audit of the annual financial statements and performance information. I extend my appreciation to the Audit Committee which provided a critical appraisal of the annual financial statements and their oversight role throughout the year over the financial and non-financial results of the entity.

Finally, I would like to acknowledge the role and support of our Minister, Ms Anroux Marais for her strategic direction and guidance, our partners in other government spheres and civil society.



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**Jane Moleleki**  
**Accounting Authority: Western Cape Language Committee**  
**31 May 2016**

## 5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT

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

- All information and amounts disclosed in the Annual Report are consistent with the Annual Financial Statements audited by the Auditor-General.
- The Annual Report is complete, accurate and free from any omissions.
- The Annual Report has been prepared in accordance with the guidelines on annual reports issued by the National Treasury.
- The Annual Financial Statements (Part E) have been prepared in accordance with the GRAP standards applicable to the Western Cape Language Committee.
- The Accounting Authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in these statements.
- The Accounting Authority 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 information and the Annual Financial Statements.
- External auditors have been engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, this Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Western Cape Language Committee for the financial year ended 31 March 2016.

Yours faithfully



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**Jane Moleleki**  
**Accounting Authority:**  
**Western Cape Language Committee**  
**31 May 2016**



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**Prof. M Ralarala**  
**Chairperson:**  
**Western Cape Language Committee**  
**31 May 2016**

## 6. STRATEGIC OVERVIEW

### 6.1 Vision

The empowerment of all the people of the Western Cape through language, the enhancement of human dignity through mutual respect for language, and the promotion of multilingualism.

### 6.2 Mission

To monitor the use of the three official languages of the Western Cape; to monitor the implementation of the Western Cape Language Policy; and to advise the Provincial Minister tasked with language matters and the Pan South African Language Board (PanSALB) on language matters in or affecting the province.

### 6.3 Values

Integrity, accountability, competence, responsiveness, caring, innovation.

## 7. LEGISLATIVE AND OTHER MANDATES

The Western Cape Language Committee (WCLC) was established by the Western Cape Provincial Languages Act, 1998 (Act 13 of 1998). The WCLC was listed as a Schedule 3, Part C provincial public entity on 1 June 2001 in terms of the Public Finance Management Act, 1999 (Act 1 of 1999).

### Constitutional mandates

Section	Direct Responsibility of the Western Cape Language Committee for Ensuring Compliance
<b>Constitution of the Republic of South Africa, 1996</b>	
Section 6(3) and (4): Language	The Western Cape Language Committee must, by legislative and other measures, regulate and monitor its use of official languages. All official languages must enjoy parity of esteem and must be treated equitably. The WCLC, in collaboration with the Department of Cultural Affairs and Sport, is responsible for monitoring and evaluating the implementation of the Western Cape Language Policy, adopted in 2005, and must report to the Western Cape Provincial Legislature on this mandate at least once a year. DCAS has oversight of the WCLC and provides the Committee with administrative and financial support.
Section 30: Language and culture	The WCLC facilitates opportunities for the people of the Western Cape to exercise their language and cultural rights through the programmes and projects that it presents and supports.
Section 31: Cultural, religious and linguistic communities	The WCLC must ensure that its programmes and projects respect the cultural diversity of the population of the Western Cape.
Section 41: Principles of cooperative government and intergovernmental relations	The WCLC cooperates with all spheres of government in the execution of its mandate.
Schedule 4: Functional Areas of Concurrent National and Provincial Legislative Competence	Language policy and the regulation of official languages to the extent that the provisions of section 6 of the Constitution expressly confer legislative competence upon the Western Cape Provincial Legislature: <ul style="list-style-type: none"> <li>The WCLC works closely with the national Department of Arts and Culture and associated organs of state on language policy matters.</li> </ul>
Section 195: Basic values and principles governing public administration	DCAS officials responsible for executing the mandate of the WCLC must ensure the efficient, economic and effective use of resources. Programmes undertaken in the public sector should yield maximum benefits at the lowest possible cost.
<b>Constitution of the Western Cape, 1997 (Act 1 of 1998)</b>	
Section 5	The relevant provisions for the purposes of the WCLC are: <ol style="list-style-type: none"> <li>the official languages Afrikaans, English and isiXhosa must be used; and</li> <li>these languages enjoy equal status.</li> </ol> The WCLC must monitor the use of Afrikaans, English and isiXhosa in the Western Cape. The WCLC must also implement practical and positive measures to help elevate the status and advance the use of those indigenous languages of the Western Cape whose status and use have historically been diminished.

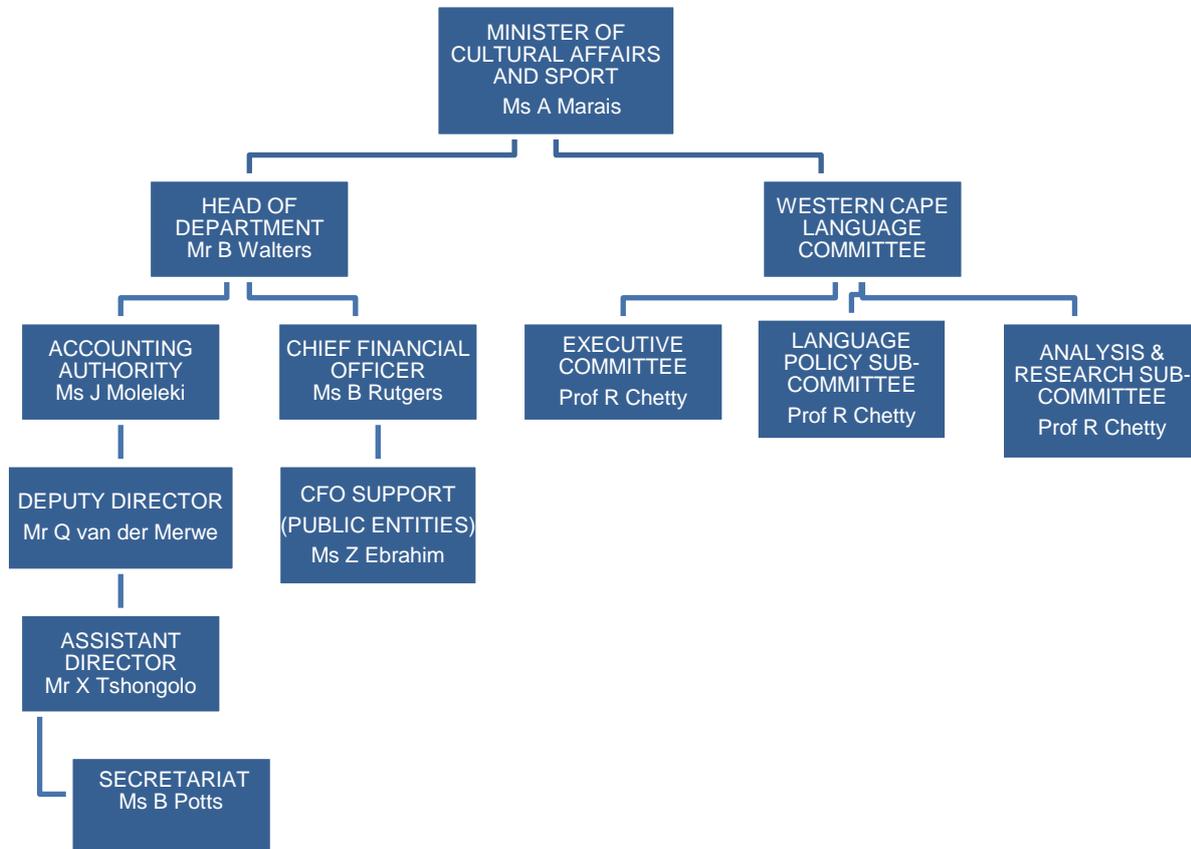
### Legislative mandates

Legislation	Reference	Key Responsibilities of the WCLC
Public Finance Management Act, 1999	Act 1 of 1999	The WCLC submits quarterly and annual reports on its performance delivery and audited financial statements based on the strategic objective annual targets for each financial year.
Pan South African Language Board Act, 1995	Act 59 of 1995 (section 8(a))	The Pan South African Language Board Act, 1995 provides for provincial language committees (PLCs) to be established by PanSALB, or for PanSALB to recognise an existing PLC as a PanSALB provincial language committee. PanSALB reports on the WCLC's work as the work of its PLC for the Western Cape. The WCLC provides PanSALB with advice on language matters in the Western Cape.
Western Cape Provincial Languages Act, 1998	Act 13 of 1998 (Western Cape)	The WCLC must, among other things: <ul style="list-style-type: none"> <li>• monitor the use of Afrikaans, English and isiXhosa by the Western Cape Government;</li> <li>• make recommendations to the Provincial Minister and the Provincial Parliament on proposed or existing legislation, practice and policy dealing directly or indirectly with language in the Western Cape;</li> <li>• actively promote the principle of multilingualism;</li> <li>• actively promote the development of previously marginalised indigenous languages;</li> <li>• advise the Provincial Minister and the Western Cape Cultural Commission on language matters in the Province, and</li> <li>• advise PanSALB on language matters in the Western Cape.</li> </ul>
Use of Official Languages Act, 2012	Act 12 of 2012	Every national government department, national public entity and national public enterprise must: <ul style="list-style-type: none"> <li>• formulate a language policy which identifies at least three official languages that it will use for government purposes;</li> <li>• stipulate how it will effectively communicate with members of the public whose language of choice is South African Sign Language or an official language that is not one of the languages that the department, public entity or public enterprise has identified in its language policy; and</li> <li>• promote parity of esteem and equitable treatment of official languages of the Republic, as well as facilitate access to its services and information.</li> </ul> <p>The national Minister responsible for language matters may establish intergovernmental forums on the use of official languages to coordinate, align and monitor the implementation of language policies.</p>
South African Language Practitioners' Council Act, 2014	Act 8 of 2014	When the South African Language Practitioners' Council Act is established, it will have the power, among other things, to register and accredit language practitioners, to put a code of conduct in place, and to regulate language practice.

### Policy mandates

Policy	Description
National Language Policy Framework (2003)	This policy provides a national framework for the application of the provisions of the Constitution and legislative mandates to all organs of state, including the Western Cape Language Committee. It also sets out principles and implementation strategies to be followed.
Western Cape Language Policy (published in the <i>Provincial Gazette</i> as PN 369/2001 of 27 November 2001)	The WCLC is obliged to monitor the implementation of this policy.

## 8. ORGANISATIONAL STRUCTURE



## PART B: PERFORMANCE INFORMATION

### 1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with no material findings being reported under the "Predetermined Objectives" heading in the report and other legal and regulatory requirements in the relevant section of the auditor's report.

Refer to page 28 for the Report of the Auditor's Report, published as Part E: Financial Information.

### 2. SITUATIONAL ANALYSIS

#### 2.1 Service delivery environment

The Language Committee continued to monitor the language landscape against the background of two language-related Acts, the Use of Official Languages Act, 2012 (Act 12 of 2012) and the South African Language Practitioners' Council Act, 2014 (Act 8 of 2014). Various national departments and public entities submitted draft language policies in order to adhere to the provisions of the Acts, although it did not affect the operations of the Language Committee directly. The Language Committee maintains a good working relationship with the provincial representative of PanSALB.

Against the background and demands for change of language policies at tertiary institutions, the Language Committee monitored the situation and also assisted with advice on the drafting of a language policy for the Elsenburg Agricultural Training Institute.

#### 2.2 Organisational environment

Since the three year term of office of the Language Committee came to an end on 31 August 2015, a call for nominations was made and a new Language Committee was appointed in accordance with the Act by the Minister. The induction meeting was held on 18 November 2015. In view of the fact that one of the members is deaf, it is necessary to arrange for South African Sign Language interpreting at all meetings.

#### 2.3 Key policy developments and legislative changes

There have been no policy developments or legislative changes over the last year. The Language Committee monitored progress with language policies being submitted for comment by national departments and national public entities. The committee is monitoring progress with the establishment of a Language Practitioner's Council as determined by the South African Language Practitioner's Act of 2014.

#### 2.4 Strategic outcome-oriented goals

The strategic objective of the WCLC is to monitor the implementation of the Western Cape Language Policy and to provide advice to facilitate the achievement of this goal.

All goals as set out in the Annual Performance Plan were met by the Committee.

<b>Strategic Outcome-Orientated Goal 1</b>	Monitor the implementation of the Western Cape Language Policy
<b>Goal Statement</b>	To facilitate the monitoring of achievement in respect of the goals of the Language Policy within the Western Cape Government, and to provide appropriate advice.

### 3. PERFORMANCE INFORMATION BY PROGRAMME/ ACTIVITY/ OBJECTIVE

**PROGRAMME:** Western Cape Language Committee

**DESCRIPTION:** To promote the use of the three official languages of the Western Cape, namely Afrikaans, Xhosa and English, by the provincial government and by the local governments in the province.

The Western Cape Language Committee continued to monitor the Language Policy of the Western Cape and raise awareness around multilingualism. The Committee contributed to the establishment of a framework for South African Sign Language in the Western Cape. The Deaf are well represented in the new Language Committee with several experts on SA Sign Language. The fact that the Deputy Chairperson is deaf and requires SA Sign Language interpreters for all meetings ensures that the focus on the communication needs of the Deaf remains high on the agenda.

To fulfil its monitoring responsibility a survey of the implementation of the Language Policy was conducted at all departments of the Provincial Government. The year under review marked the tenth year of implementation of the Language Policy and it was necessary to review progress and possible amendments to the Language Policy. The final report with recommendations was sent to the Minister and the Director-General of the Provincial Government who requested that it be forwarded to all departments.

The Language Committee continued to provide advice to PanSALB and the Provincial Minister. To that end, plenary meetings took place on 20 May 2015, 19 August 2015, 18 November 2015 and 10 February 2016. The two sub-committees had joint meetings on 20 May 2015 and 19 August 2015. These meetings addressed, amongst others, the terms of reference for the Language Policy implementation survey.

The Language Committee promoted multilingualism by the printing and framing of enlarged copies in Afrikaans, English and Xhosa of the approved Language Code of Conduct for all the provincial departments. These three framed copies are to be displayed in prominent places in the respective departments.

#### **Strategic objective**

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Actual Achievement 2015/16	Deviation from Planned Target to Actual Achievement for 2015/16	Comment on Deviation
Monitor and advise on the implementation of the Western Cape Language Policy	14	8	10	-	-

#### **Key performance indicators, planned targets and actual achievements**

Performance Indicator	Actual Achievement 2014/15	Planned Target 2015/16	Actual Achievement 2015/16	Deviation from Planned Target to Actual Achievement for 2015/16	Comment on Deviations
Number of annual surveys/ awareness campaigns that monitor the implementation of the Western Cape Language Policy	3	2	2	-	-
Publish Annual Report for the WCLC	1	1	1	-	-

Performance Indicator	Actual Achievement 2014/15	Planned Target 2015/16	Actual Achievement 2015/16	Deviation from Planned Target to Actual Achievement for 2015/16	Comment on Deviations
Advise the MEC, Western Cape Cultural Commission and the Pan South African Language Board on language matters via reports and discussions during quarterly plenary meetings	10 *	6	6	-	-

\*This figure includes additional sub-committee meetings.

#### Strategy to overcome areas of under performance

No underperformance was recorded in the year under review.

#### Changes to planned targets

No changes were made during the year under review.

#### Linking performance with budgets

Programme/ activity/ objective	2015/16			2014/15		
	Budget	Actual Expenditure	(Over)/ Under Expenditure	Budget	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Goods and services	246	776	530	233	238	(5)
<b>Total</b>	<b>246</b>	<b>776</b>	<b>*(530)</b>	<b>233</b>	<b>238</b>	<b>(5)</b>

\* The over expenditure relates to the GRAP 23 adjustments made for salaries (employee cost: R538 000) of the financial management staff pertaining to services in-kind received from the department.

The funding received from the DCAS was utilised to defray expenditure related to the activities of the Language Committee, as intended.

## 4. REVENUE COLLECTION

Sources of Revenue	2015/16			2014/15		
	Budget	Actual Amount Collected	Over/ (Under) Collected	Budget	Actual Amount Collected	Over/ (Under) Amount Collected
	R'000	R'000	R'000	R'000	R'000	R'000
Transfer payment	233	233	-	221	221	-
Other Income	13	557	544	12	44	32
<b>Total</b>	<b>246</b>	<b>790</b>	<b>*544</b>	<b>233</b>	<b>265</b>	<b>32</b>

\* The over collection on revenue relates to the GRAP 23 adjustments made for salaries (Service in-kind: R538 000) of the financial management staff pertaining to services in-kind received from the department.

#### **4.1 Capital investment**

Not applicable.

## PART C: GOVERNANCE

### 1. INTRODUCTION

Governance, Risk Management and Compliance are three pillars that work together for the purpose of assuring that the Entity meets its objectives. Compliance with the Entity's policies and procedures, laws and regulations which translates into strong and efficient Governance is considered key to the Entity's success.

This report provides an overview of the Governance embedded in the Entity.

### 2. PORTFOLIO COMMITTEES

The committees of the Provincial Parliament that have oversight of the WCLC are the Standing Committee on Cultural Affairs and Sport, and the Public Accounts Committee (PAC).

Standing Committee on Cultural Affairs and Sport and Public Accounts Committee meetings	
Date of Hearing	Matter Under Consideration
27 May 2015	Presentation on Western Cape Language Committee pertaining to the process to fill the vacancies.
24 June 2015	Presentation on Fourth Quarterly Performance Report 2014/2015.
28 October 2015	Annual Report Discussion

### 3. EXECUTIVE AUTHORITY

Eight reports on financial and non-financial information were submitted to the Executive Authority during the year under review.

<b>Quarterly Performance Report</b>	31 July 2015, 31 October 2015, 31 January 2016 and 30 April 2016.
<b>In-year Monitoring Report</b>	31 July 2015, 31 October 2015, 31 January 2016 and 30 April 2016.

## 4. THE WESTERN CAPE LANGUAGE COMMITTEE

### 4.1 Importance and purpose

All official languages must enjoy parity of esteem and must be treated equitably. The Western Cape Language Committee, in collaboration with the Department of Cultural Affairs and Sport, is responsible for monitoring and evaluating the implementation of the Western Cape Language Policy and must report to the Western Cape Provincial Parliament on this mandate at least once a year.

### 4.2 Role

The Western Cape Provincial Languages Act, 1998, provides that the WCLC must, among other things:

- monitor the use of Afrikaans, English and isiXhosa by the Western Cape Government;
- make recommendations to the Provincial Minister and the Provincial Parliament on proposed or existing legislation, practice and policy dealing directly or indirectly with language in the Western Cape;
- actively promote the principle of multilingualism;
- actively promote the development of previously marginalised indigenous languages;
- advise the Provincial Minister and the Western Cape Cultural Commission on language matters in the Province; and
- advise PanSALB on language matters in the Western Cape.

## Board charter

The Western Cape Language Committee does not have a formal charter but is guided by the Western Cape Provincial Languages Act (Act 13 of 1998).

## Composition of the Western Cape Language Committee until 31 August 2015 (The term of this committee ended on 31 August 2015).

Name	Designation (in Terms of the Public Entity)	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees	No. of meetings attended during 2015/16
Martin Barker	Member	1 September 2012	n/a	BA Hons English; University Education Diploma (English and Afrikaans)	Teaching English at secondary level.	n/a	Language Policy Implementation Subcommittee	1
Marguerite Briers de Stadler	Member	1 September 2012	n/a	BA, Higher Education Diploma; Specialist Diploma for People with Disabilities; Diploma in Translation; MPhil	Executive Officer: Vriende van Afrikaans; Member: Afrikaanse Taalraad; Member Management Committee and founder member: XhosAfrika Network	Afrikaanse Taalraad	Language Policy Implementation Subcommittee	0
Prof. Rajendra Chetty	Chairperson	1 September 2012	n/a	PhD English Education; MA South African Literature; MBA	Researcher in the areas of literacy and language, specifically English education; Council Member: English Academy of Southern Africa.	n/a	Executive Language Policy Implementation Subcommittee Research and Analysis Subcommittee	5
Willem Fransman	Member	1 September 2012	n/a	National Diploma in Laboratory Animal Technology	Published poet; author of short stories; radio and stage writer; storyteller; facilitator of creative writing processes.	n/a	Language Policy Implementation Subcommittee	3
Dr Izak Fredericks	Member	1 September 2012	n/a	BA (Public Admin), LLB (UWC), LLM (Harvard), LLD (University of the Western Cape)	Author: early language policy for the Department of Justice and Constitutional Development; LLD thesis: "The protection of languages and of language rights in the South African Constitution".	n/a	Research and Analysis Subcommittee	0

Name	Designation (in Terms of the Public Entity)	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees	No. of meetings attended during 2015/16
Maria Olivier	Deputy Chairperson	1 September 2012	n/a	MA Afrikaans and Netherlands specialising in translation and Afrikaans language acquisition; secondary teaching diploma	Member: Afrikaanse Taalraad; Member: Executive Committee, XhosAfrika Network; Manager: Intshona Labour Trust; Former member: National Language Body for Afrikaans; Former Chief Executive Officer: Stigting vir Bemagtiging deur Afrikaans	n/a	Executive Research and Analysis Subcommittee	5
Dr Monwabisi Ralarala	Member	1 September 2012	n/a	D Litt (African Languages); MA (African Languages); BA Honours; Post graduate Diploma: Applied Language Studies; Higher Diploma in Education	Institutional Language Coordinator: Cape Peninsula University of Technology; language development; Coordinator of the development of multilingual course materials (including multimedia materials) in collaboration with subject experts	Commissioner of the Linguistic Human Rights Tribunal	Research and Analysis Subcommittee	0
Hendrik Theys	Member	1 September 2012	n/a	BA; Higher Diploma in Education, Bed	Language teacher and language lecturer, Trustee: Stigting vir Bemagtiging deur Afrikaans; Executive member: Afrikaanse Taalraad	n/a	Research and Analysis Subcommittee	2
Maletsatsi Wotini	Member	1 September 2012	n/a	Diploma in Labour Law; Certificate in facilitation, conflict and management	Management mentorship in multicultural environments	n/a	Language Policy Implementation Subcommittee	0
Heindrich Wyngaard	Member	1 September 2012	n/a	National Diploma in Journalism; Certificate in Project Management	Former senior editor: Die Burger and Rapport; Published writer of short stories and articles; Former executive member: Afrikaanse Skrywersvereniging; Deputy Chairperson: Suidooster Kunstefees	Suidoosterfees Media 24 Rachel's Angels Trust Collection Museum	Research and Analysis Subcommittee	0

Composition of the Western Cape Language Committee from 1 November 2015. This committee was appointed for a new three year term.

Name	Designation (in Terms of the Public Entity)	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees	No. of meetings attended during 2015/16
Ms I Botha	Member	1 November 2015	n/a	Hons B Journalism	English teaching		Language Policy Implementation Subcommittee	2
Mr JW Koopman	Member	1 November 2015	n/a	B.Ed (Hons), DE III (Education), ACE FET Maths	English education.		Research and Analysis Subcommittee	2
Dr DS Le Roux	Member	1 November 2015	n/a	Dtech drama, MA Drama, Hoër Diploma in Opvoedkunde, Hons B Dram, B Dram	Afrikaans literature, arts, drama, festival organiser.		Language Policy Implementation Subcommittee	2
Dr Monwabisi Ralarala	Chairperson	1 November 2015	n/a	D Litt (African Languages); MA (African Languages); BA Honours; Post graduate Diploma: Applied Language Studies; Higher Diploma in Education	Institutional Language Coordinator: Cape Peninsula University of Technology; language development; Coordinator of the development of multilingual course materials (including multimedia materials) in collaboration with subject experts	Commissioner of the Linguistic Human Rights Tribunal	Research and Analysis Subcommittee	2

Name	Designation (in Terms of the Public Entity)	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees	No. of meetings attended during 2015/16
Ms S Lotz	Deputy Chairperson	1 November 2015	n/a	Introduction to Information Security Short Course at UNISA 2015, National Certificate in Payroll Administration 2014, HI Hopes (Early Intervention Programme) 2011, Creative Minds Computer training and De la Bat School for the Deaf, Worcester	SA Sign Language.		Language Policy Implementation	2
Mr S Mazantsi	Member	1 November 2015	n/a	BA Communication Science and Post Graduate Diploma in Advertising and Media Studies	Xhosa expert.		Research and Analysis Subcommittee and Language Policy Implementation	2
Mr A van Niekerk	Member	1 November 2015	n/a	BA degree in Linguistics, BA (Hons) degree in Linguistics (currently studying), Sign Language Proficiency Interview Rater and 3L Summer School in Sign Linguistics	SA Sign Language		Research and Analysis Subcommittee	1
Ms LT Lesch	Member	1 November 2015	n/a	BA (Language and Culture), BA Hons (African Languages - in process)	Afrikaans, Xhosa.		Language Policy Implementation Subcommittee and Research and Analysis	2

### Meetings of the Western Cape Language Committee until 31 August 2015.

Committee	No. of Meetings Held	No. of Members	Names of Members
<b>Plenary</b>	4	10	Dr Monwabisi Ralarala Dr Izak Fredericks Maria Olivier Hendrik Theys Heindrich Wyngaard Prof. Rajendra Chetty Martin Barker Marguerite Briers de Stadler Willem Fransman Maletsatsi Wotini
<b>Executive</b>	2	2	Prof. Rajendra Chetty Maria Olivier
<b>Research and Analysis Subcommittee</b>	1	5	Prof. Rajendra Chetty Dr Izak Fredericks Hendrik Theys Heindrich Wyngaard Dr Monwabisi Ralarala
<b>Language Policy Implementation Subcommittee</b>	3	6	Prof. Rajendra Chetty Martin Barker Marguerite Briers de Stadler Willem Fransman Maletsatsi Wotini Maria Olivier

### Meetings of the Western Cape Language Committee after 31 August 2015 until 31 March 2016.

Committee	No. of Meetings Held	No. of Members	Names of Members
<b>Plenary</b>	2	9	Ms I Botha, Mr W Fransman, Mr JW Koopman, Dr DS Le Roux, Ms S Lotz, Mr S Mazantsi, Dr Monwabisi Ralarala, Mr A van Niekerk, Ms LT Lesch
<b>Executive</b>	0	0	N/A
<b>Research and Analysis Subcommittee</b>	0	0	N/A
<b>Language Policy Implementation Subcommittee</b>	0	0	N/A

### Remuneration of WCLC members

The service benefit packages for office-bearers of certain statutory and other institutions are defined by the Minister of Finance and described in a Provincial Treasury Circular. The Chairperson's rate is R 402 per hour, the Deputy Chairperson's rate is R 272 per hour and the rate for members is R 230 per hour.

Name	Remuneration R'000	Other Allowances (T&S) R'000	Total R'000
Barker, M	1	0	1
Botha, I	1	1	2
Chetty, R	3	1	4
Fransman, W	3	1	4
Koopman, J	2	0	2
le Roux, N	2	1	3
Lesch, L	2	0	2
Lotz, S	2	0	2
Mazantsi, S	2	0	2
Olivier, M	2	1	3

Name	Remuneration R'000	Other Allowances (T&S) R'000	Total R'000
Ralarala, M	3	0	3
Theys, H	1	1	2
van Niekerk, A	2	2	4
<b>Total</b>	<b>26</b>	<b>8</b>	<b>34</b>

## 5. RISK MANAGEMENT

The Accounting Authority (AA) for the Western Cape Language Committee takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF) and the Directorate Enterprise Risk Management (D:ERM) in the Department of the Premier (DotP) provides a centralised strategic support service to the Department.

In compliance with the National Treasury Public Sector Risk Management Framework (PSRMF) and to further embed risk management within the Entity, the Western Cape Government (WCG) has adopted an ERM Policy Statement which sets out the WCG's overall intention with regard to ERM. The Entity adopted an ERM Policy 2015/16 – 2016/17, approved by the Accounting Officer of the Department of Cultural Affairs and Sport on 29 April 2015; and an ERM Strategy and Implementation Plan for 2015/16, approved by the Accounting Officer on 29 April 2015. The ERM Implementation Plan gave effect to the Entity's ERM Policy and Strategy and outlines the roles and responsibilities of management and staff in embedding risk management in the entity.

The Entity assessed significant risks that could have an impact on the achievement of its objectives, both strategically and on a programme level, on a quarterly basis. Risks were prioritised based on its likelihood and impact (inherently and residually) and additional mitigations were agreed upon to reduce risks to acceptable levels. New/emerging risks were identified during the quarterly review processes.

The Department of Cultural Affairs and Sport established an Enterprise Risk Management Committee (ERMCO) to assist the Accounting Authority in executing her responsibilities relating to risk management. The Committee operated under a Terms of Reference approved by the Accounting Officer on 15 May 2015. ERMCO in the main evaluated the effectiveness of the mitigating strategies implemented to address the risks of the department and recommended further action where relevant.

The Audit Committee provided the independent oversight of the Entity's system of risk management. The Audit Committee was furnished with Quarterly ERM progress reports and risk profiles and registers to execute their independent oversight role. The Audit Committee's evaluation of the risk management process was in relation to the progress of implementation of the ERM Implementation Plan and risks faced by the Entity and their relevant risk response/treatment strategies.

## 6. INTERNAL CONTROL UNIT

It is the responsibility of the Accounting Authority to continually assess and evaluate internal controls to ensure that the control activities in place are effective, efficient and transparent and updated when necessary. To achieve this, quarterly key control meetings were held with the Auditor-General, programme managers of the Department of Cultural Affairs and Sport and the Provincial Minister. This is an ongoing process to ensure that the Department obtains clean audits.

## 7. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit provides management with independent, objective assurance and consulting services designed to add value and to continuously improve the operations of the Entity. It assists the Entity to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes.

**The following key activities are performed in this regard:**

- Assess and make appropriate recommendations for improving the governance processes in achieving the department's objectives;
- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process;
- Assist the Accounting Officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

Management of Public Entities assurance engagement was approved in the 2015/16 Internal Audit Plan.

**The Audit Committee is established as oversight bodies, providing independent oversight over governance, risk management and control processes in the Entity, which includes oversight and responsibilities relating to:**

- Internal Audit function;
- External Audit function (Auditor - General of South Africa - AGSA);
- Accounting and reporting;
- Accounting Policies;
- Review of AGSA management and audit report;
- Review of In year Monitoring;
- Risk Management;
- Internal Control;
- Pre-determined objectives;
- Ethics and Forensic Investigations.

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr Ronnie Kingwill	CA(SA); CTA; BCom	External	N/a	01 January 2013 (2 <sup>nd</sup> term)	2 <sup>nd</sup> term expired 31 December 2015	7
Mr Mervyn Burton	CA(SA); CFP; B Compt (Hons); B Compt;	External	N/a	01 January 2015 (2 <sup>nd</sup> term)	N/a	8
Ms Judy Gunther	CIA; AGA; CRMA; Masters in Cost Accounting; BCompt	External	N/a	01 January 2016 (2 <sup>nd</sup> term)	N/a	8
Mr Louw van der Merwe	CA(SA); ACMA; CIA; CISA; CRMA	External	N/a	01 January 2013 (2 <sup>nd</sup> term)	2 <sup>nd</sup> term expired 31 December 2015	7
Mr Francois Barnard	MComm (Tax); CA(SA); Postgrad Diploma in Auditing; CTA; BCompt (Honours); BProc	External	N/a	01 January 2016 (2 <sup>nd</sup> term)	N/a	8
Mr Ameen Amod	MBA, CIA, CGAP, CRMA; BCom (Hons)	External	N/a	01 January 2016	N/a	1

## **8. COMPLIANCE WITH LAWS AND REGULATIONS**

Systems, policies and processes are in place to ensure compliance with laws and regulations.

## **9. FRAUD AND CORRUPTION**

The Western Cape Government (WCG) adopted an Anti-Corruption Strategy which confirms the Province's zero tolerance stance towards fraud and corruption. The Department has an approved Fraud Prevention Plan and a Fraud Prevention Implementation plan which gives effect to the Fraud Prevention Plan. The plan includes the Western Cape Language Committee.

Various channels for reporting allegations of fraud and corruption exist and these are described in detail in the Provincial Anti-Corruption Strategy and the Departmental Fraud Prevention Plan. Each allegation received by the Provincial Forensic Services (PFS) Unit is recorded in a Case Management System which is used as a management tool to report on progress made with cases relating to the Department and generating statistics for the Province and Department.

Employees who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. meets statutory requirements, e.g. was made in good faith). In this regard a transversal Whistle-blowing Policy was approved on 24 February 2016 to provide guidelines to employees on how to raise concerns with the appropriate line management, specific designated persons in the WCG or external institutions, where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated within the WCG. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept confidential by the person to whom they are reporting.

Once fraud or corruption is confirmed after completion of an investigation, the relevant employee who participated in these acts is subjected to a disciplinary hearing. In all such instances, the WCG representative initiating the disciplinary proceedings is required to recommend dismissal of the employee concerned. Where *prima facie* evidence of criminal conduct is detected, a criminal matter is reported at the South African Police Services.

For the period under review, no cases were reported for the Entity.

## **10. MINIMISING CONFLICT OF INTEREST**

WCLC ensures that there is no conflict of interest by ensuring that a Declaration of Interest (WCBD4 form) is obtained from every supplier not registered on the Western Cape Supplier Database/Central Supplier Database.

Provincial Treasury is assisting entities to reduce the risk of conflicts of interest where owners or directors of companies are also public servants in the Western Cape. This is done by providing information from PERSAL (the Personnel Salary System) about public servants who are registered as owners or directors of companies. The entity ensures that such persons possess a Remunerative Work outside the Public Service (RWOPS) approval letter before doing business with them.

The entity has not found any conflict of interest with any business concluded with suppliers. If such a conflict were to be discovered, the matter will be treated as a fraudulent Supply Chain Management activity and, after a due diligence investigation, the supplier will be identified as a "non-preferred" service provider.

## **11. CODE OF CONDUCT**

The policy implemented by DCAS incorporates the WCLC.

The code of conduct is distributed to all staff annually. Information sessions have also been held to discuss the contents of the code of conduct and how it should be practically implemented. In addition, the Public Service Commission's explanatory manual on the practical implementation of the code of conduct has been distributed to staff.

## **12. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES**

The DCAS provides the WCLC with office space, the policy implemented by the DCAS is therefore applicable to the WCLC.

## **13. COMPANY/ BOARD SECRETARY**

Not applicable to this entity.

## **14. SOCIAL RESPONSIBILITY**

Not applicable to this entity.

## 15. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2016.

### Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 51 (1) (a) of the Public Finance Management Act and Treasury Regulation 27.1. The Audit Committee also reports that it has adopted an appropriate formal Terms of Reference, has regulated its affairs in compliance with these Terms and has discharged all its responsibilities as contained therein.

### The Effectiveness of Internal Control

The Entity is serviced by the Department of Cultural Affairs and Sport and no internal control deficiencies were reported at the Entity level.

### In-Year Management and Monthly/Quarterly Reports

The Audit Committee is satisfied with the content and quality of the quarterly in-year management and performance reports issued during the year under review by the Accounting Authority of the Entity in terms of the National Treasury Regulations and the Division of Revenue Act.

### Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the Audited Annual Financial Statements to be included in the Annual Report, with the Auditor-General South Africa (AGSA) and the Accounting Authority;
- reviewed the AGSA's Management Report and Management's responses thereto;
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements;
- reviewed material adjustments resulting from the audit of the Entity.

### Compliance

The Audit Committee has reviewed the Entity's processes for compliance with legal and regulatory provisions.

### Performance Information

The Audit Committee has reviewed the information on predetermined objectives as reported in the Annual Report.

### Report of the Auditor-General South Africa

We have on a quarterly basis reviewed the Entity's implementation plan for audit issues raised in the prior year. The Audit Committee has met with the AGSA to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on the detailed findings raised by the AGSA are monitored by the Audit Committee on a quarterly basis.

The Audit Committee concurs and accepts the AGSA's opinion regarding the Annual Financial Statements, and proposes that these Audited Annual Financial Statements be accepted and read together with their report.

The Audit Committee commends the Entity for maintaining an unqualified audit opinion with no material findings.

### Appreciation

The Audit Committee wishes to express its appreciation to the Management of the Entity, the Auditor-General South Africa and the WCG Corporate Assurance Branch for the co-operation and information they have provided to enable us to compile this report.



**Ameen Amod**  
**Chairperson of the Audit Committee**  
**Western Cape Language Committee**  
**Date: 5 August 2016**

### 1. INTRODUCTION

These statistics are reported in the Annual Report of the Department of Cultural Affairs and Sport.

### 1. REPORT OF THE AUDITOR-GENERAL

#### Report of the Auditor-General to the Western Cape Provincial Parliament on the Western Cape Language Committee.

#### Report on the financial statements

##### Introduction

1. I have audited the financial statements of the Western Cape Language Committee set out on pages 28-47, which comprise the statement of financial position as at 31 March 2016, the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

##### Accounting authority's responsibility for the financial statements

2. The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP), the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and section 19(5) of the Western Cape Provincial Languages Act, 1998 (Act No. 13 of 1998) (WCPLA), and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

##### Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

##### Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Language Committee as at 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with the SA Standards of GRAP and the requirements of the PFMA and the WCPLA.

#### Report on other legal and regulatory requirements

7. 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 findings on the reported performance information against predetermined objectives of selected strategic objectives presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading, but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

## **Predetermined objectives**

8. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information of the following selected strategic objective presented in the annual performance report of the public entity for the year ended 31 March 2016:
  - Strategic objective: Monitor and advise on the implementation of the Western Cape language policy on pages 12 to 13.
9. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned objective. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information (FMPPI)*.
10. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
11. I did not identify any material findings on the usefulness and reliability of the reported performance information for the strategic objective: Monitor and advise on the implementation of the Western Cape language policy.

## **Additional matters**

12. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected strategic objective, I draw attention to the following matter:

Achievement of planned targets

13. Refer to the annual performance report on pages 12 to 13 for information on the achievement of planned targets for the year.

## **Compliance with legislation**

14. I performed procedures to obtain evidence that the public entity had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

## **Internal control**

15. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. I did not identify any significant deficiencies in internal control.

*Auditor-General*

Cape Town

29 July 2016



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## 2. ANNUAL FINANCIAL STATEMENTS

### Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

#### 2.1 Statement of Financial Position as at 31 March 2016

	Note(s)	2016 R '000	2015 R '000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3	329	304
<b>Total Assets</b>		<b>329</b>	<b>304</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables from exchange transactions	4	69	58
<b>Total Liabilities</b>		<b>69</b>	<b>58</b>
<b>Net Assets</b>		<b>260</b>	<b>246</b>
Accumulated surplus		260	246

# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## 2.2 Statement of Financial Performance

	Note(s)	2016 R '000	2015 R '000
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Interest income	5	19	14
<b>Total revenue from exchange transactions</b>		<b>19</b>	<b>14</b>
<b>Revenue from non-exchange transactions</b>			
Other operating income - rebate	6	-	30
Other income from non - exchange transactions	7	538	-
Transfers and subsidies received	8	233	221
<b>Total revenue from non-exchange transactions</b>		<b>771</b>	<b>251</b>
<b>Total revenue</b>		<b>790</b>	<b>265</b>
<b>Expenditure</b>			
Audit fees	9	(60)	(122)
General expenses	10	(690)	(94)
Members fees	11	(26)	(22)
<b>Total expenditure</b>		<b>(776)</b>	<b>(238)</b>
<b>Surplus for the year</b>		<b>14</b>	<b>27</b>

## Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

### 2.3 Statement of Changes in Net Assets

	Accumulated surplus R '000	Total net assets R '000
<b>Balance at 01 April 2014</b>	<b>219</b>	<b>219</b>
Changes in net assets		
Surplus for the year	27	27
Total changes	27	27
<b>Balance at 01 April 2015</b>	<b>246</b>	<b>246</b>
Changes in net assets		
Surplus for the year	14	14
Total changes	14	14
<b>Balance at 31 March 2016</b>	<b>260</b>	<b>260</b>

## Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

### 2.4 Cash Flow Statement

	Note(s)	2016 R '000	2015 R '000
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Cash receipts		233	221
Interest income		19	14
		<u>252</u>	<u>235</u>
<b>Payments</b>			
Cash paid to suppliers and employees		(227)	(155)
<b>Net cash flows from operating activities</b>	12	<u>25</u>	<u>80</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>			
Cash and cash equivalents at the beginning of the year		304	224
<b>Cash and cash equivalents at the end of the year</b>	3	<u>329</u>	<u>304</u>

# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## 2.5 Statement of Comparison of Budget and Actual Amounts

### Budget on Cash Basis

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference (note 16)
	R '000	R '000	R '000	R '000	R '000	
<b>Statement of Financial Performance</b>						
<b>Revenue</b>						
<b>Revenue from exchange transactions</b>						
Interest income	13	-	13	19	6	16.1
<b>Revenue from non-exchange transactions</b>						
Other income from non-exchange transactions	-	-	-	538	538	16.2
Transfers and subsidies received	233	-	233	233	-	
<b>Total revenue from non-exchange transactions</b>	<b>233</b>	<b>-</b>	<b>233</b>	<b>771</b>	<b>538</b>	
<b>Total revenue</b>	<b>246</b>	<b>-</b>	<b>246</b>	<b>790</b>	<b>544</b>	
<b>Expenditure</b>						
Members fees	(46)	-	(46)	(26)	20	16.3
Audit fees	(55)	-	(55)	(60)	(5)	16.4
General expenses	(145)	-	(145)	(690)	(545)	16.4
<b>Total expenditure</b>	<b>(246)</b>	<b>-</b>	<b>(246)</b>	<b>(776)</b>	<b>(530)</b>	
<b>Surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>14</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>14</b>	
<b>Reconciliation (must be disclosed if actuals not on comparable basis to budget)</b>						
<b>Basis difference</b>						
Operating				14		
<b>Timing difference</b>						
Operating				-		
<b>Entity difference</b>						
Operating				-		
<b>Actual Amount in the Statement of Financial Performance</b>				<b>14</b>		

# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## 2.6 Accounting Policies

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### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives, issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999), and the Treasury Regulations issued in terms of the Act.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

All figures have been rounded to the nearest thousand.

#### 1.1 Going concern assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

#### 1.2 Significant judgements and sources of estimation uncertainty

The entity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### Receivables

The entity assesses its receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to balances in the portfolio and scaled to the estimated loss emergence period.

##### Allowance for impairment

An estimate for the impairment of receivables is made when collection of the full amount is no longer probable. The provision for impairment debt shall be calculated on trade receivables only. The total impairment provision of the entity shall be calculated either by individual debtor or at least per risk category.

#### 1.3 Financial instruments

The financial instruments of the entity are categorised as either financial assets or liabilities.

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

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## Accounting Policies

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### 1.3 Financial instruments (continued)

#### Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

<b>Class</b>	<b>Category</b>
Cash and cash equivalents	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

<b>Class</b>	<b>Category</b>
Payables from exchange transactions	Financial liability measured at amortised cost

#### Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability, other than those subsequently measures at fair value, initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity measures all other financial assets and financial liabilities initially at fair value.

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

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Annual Financial Statements for the year ended 31 March 2016

## Accounting Policies

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### 1.3 Financial instruments (continued)

#### Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility in the case of a financial asset.

#### Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, the entity calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

Short-term receivables and payables are not discounted where the initial credit period granted or received is consistent with terms used in the public sector, either through established practices or legislation.

#### Impairment and uncollectibility of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

For amounts due to the entity, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Where financial assets are impaired through the use of an allowance account, the amount of the loss is recognised in surplus or deficit within operating expenses. When such financial assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Financial assets measured at cost:

# Western Cape Language Committee

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## Accounting Policies

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### 1.3 Financial instruments (continued)

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

#### Derecognition

##### Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognises the asset; and
  - recognises separately any rights and obligations created or retained in the transfer.

The carrying amount of the transferred asset is allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

##### Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished - i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

### 1.4 Borrowing costs

Borrowing costs are interest and other expenses incurred by the entity in connection with the borrowing of funds.

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

### 1.5 Statutory receivables

Statutory receivables are receivables that:

- arise from legislation, supporting regulations, or similar means; and
- require settlement by another entity in cash or another financial asset.

Statutory receivables constitute revenue receivable from property rates, fines, penalties, grants and fees charged in terms of legislation.

The entity recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using GRAP 9;

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Annual Financial Statements for the year ended 31 March 2016

## Accounting Policies

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### 1.5 Statutory receivables (continued)

- if the transaction is a non-exchange transaction, using GRAP 23;
- if the transaction is not within the scope of either GRAP 9 or GRAP 23, the receivable is recognised when:
  - the definition of an asset is met; and
  - it is probable that future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

The entity measures a statutory receivable initially at its transaction amount.

The entity measures all statutory receivables after initial recognition using the cost method.

Under the cost method the amount recognised initially is only changed subsequently to reflect any:

- interest or other charges that may have accrued on the receivable;
- impairment loss; and
- amounts derecognised.

The entity assesses at the end of each reporting period whether there is objective evidence that a statutory receivable or group of statutory receivables is impaired.

For amounts due the entity, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default payments are all considered indicators of impairment.

If there is objective evidence that an impairment loss on statutory receivables has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the estimated future cash flows - discounted if the effect of discounting is material - using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. The reversal does not result in a carrying amount of the statutory receivable that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Where statutory receivables are impaired through the use of an allowance account, the amount of the loss is recognised in surplus or deficit within operating expenses. When such receivables are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

The entity derecognises a statutory receivable when:

- the rights to the cash flows from the statutory receivable are settled, expire or are waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the receivable;
- the entity, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognises the receivable;
  - recognises separately any rights and obligations created or retained in the transfer.

The carrying amount of the transferred asset is allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are considered for inclusion within the scope of GRAP 104 or another standard of GRAP. Any difference between the consideration received and amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## Accounting Policies

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### 1.6 Employee benefits

#### Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within 12 months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within 12 months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within 12 months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cell phones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

### 1.7 Revenue from exchange transactions

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when it is probable that future economic benefits or service potential will flow to the entity and when the amount of revenue can be reliably measured, and specific criteria have been met for the entity's activities. Revenue from the rendering of services is recognised in surplus or deficit in proportion to the stage of completion of the transaction at the reporting date.

The amount is not considered to be reliably measurable until all contingencies relating to the transaction have been resolved.

#### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

#### Interest, royalties and dividends

Interest is recognised, in surplus or deficit, using the effective interest rate method.

### 1.8 Revenue from non-exchange transactions

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when it is probable that future economic benefits or service potential will flow to the entity and when the amount of revenue can be reliably measured, and specific criteria have been met for the entity's activities. Revenue from the rendering of services is recognised in surplus or deficit in proportion to the stage of completion of the transaction at the reporting date.

The amount is not considered to be reliably measurable until all contingencies relating to the transaction have been resolved.

# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## Accounting Policies

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### 1.8 Revenue from non-exchange transactions (continued)

#### Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

#### Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

#### Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised.

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the grantor it is recorded as part of the liability and if not, it is recognised as interest earned in the statement of financial performance.

Grants that compensate the entity for expenses incurred are recognised in surplus or deficit on a systematic basis in the same periods in which the expenses are recognised.

#### Services in-kind

Services in-kind are services provided by individuals to entities, without charge, but may be subject to stipulations. Public entity staff provides valuable support to the entity in achieving its objectives. The service provided can be measured reliably and therefore it is recognised in the statement of financial performance and disclosed in the notes to the financial statements.

### 1.9 Translation of foreign currencies

#### Foreign currency transactions

Transactions denominated in foreign currencies are translated at the rate of exchange ruling on the transaction date. Monetary items denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Gains or losses arising on translation are charged against surplus/deficit.

### 1.10 Comparative figures

No comparative figures have been reclassified to conform to changes in presentation in the current year.

### 1.11 Fruitless and wasteful expenditure

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

# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## Accounting Policies

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### 1.12 Irregular expenditure

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

### 1.13 Accumulated surplus

The accumulated surplus represents the net difference between the total assets and the total liabilities of the entity. Any surpluses and deficits realised during a specific financial year are credited/debited against accumulated surplus/deficit. Prior year adjustments, relating to income and expenditure, are debited/credit against accumulated surplus when retrospective adjustments are made.

### 1.14 Budget information

The approved budget is prepared on the accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2015/04/01 to 2016/03/31.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

### 1.15 Related parties

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

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

### 1.16 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity adjusts the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity discloses the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

### 1.17 Value-added Tax (VAT)

The entity is exempt from VAT registration. However, if any funding is received that requires the entity to register as a VAT Vendor, such application will be lodged.



# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## Notes to the Annual Financial Statements

### 2. New standards and interpretations (continued)

• GRAP 18: Segment Reporting	01 April 2015	The impact of the amendment is not material.
• GRAP 105: Transfers of Functions Between Entities Under Common Control	01 April 2015	The impact of the amendment is not material.
• GRAP 106: Transfers of Functions Between Entities not Under Common Control	01 April 2015	The impact of the amendment is not material.
• GRAP 107: Mergers	01 April 2015	The impact of the amendment is not material.
• Directive 11: Changes in Measurement Bases Following the Initial Adoption of Standards of GRAP	01 April 2015	The impact of the amendment is not material.

### 2.2 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2016 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 20: Related Parties	No effective date	The impact of the amendment is not material.
• GRAP 32: Service Concession Arrangements: Grantor	No effective date	The impact of the amendment is not material.
• GRAP 108: Statutory Receivables	No effective date	The impact of the amendment is not material.
• GRAP 109: Accounting by Principals and Agents	No effective date	The impact of the amendment is not material.
• IGRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset	No effective date	The impact of the amendment is not material.

### 3. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	329	304
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#### Credit quality of cash at bank and short term deposits, excluding cash on hand

Cash and cash equivalents comprise cash and short-term, highly liquid investments that are held with registered banking institutions with maturities of three months or less and that are subject to insignificant interest rate risk, the carrying amount of these assets approximates to their fair value.

# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## Notes to the Annual Financial Statements

	2016 R '000	2015 R '000
<b>4. Payables from exchange transactions</b>		
Trade payables	69	58
Payables are classified at amortised cost. The carrying amount of payables transactions approximates their fair value.		
<b>5. Interest income</b>		
Interest received	19	14
<b>6. Other operating income</b>		
Rebate: Audit fees	-	30
<b>7. Other income from non-exchange transactions</b>		
Donation: services in kind	538	-
For the detail on the donation: services in kind refer to the narrative on note 10.		
<b>8. Transfers and subsidies received</b>		
Transfer received	233	221
<b>9. Audit fees</b>		
External audit	60	122

The reduction is due to the significant decrease in audit cost for the public entity.

# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## Notes to the Annual Financial Statements

	2016 R '000	2015 R '000
<b>10. General expenses</b>		
Advertising	14	6
Bank charges	1	1
Consulting and professional fees	60	-
Entertainment	18	21
Employee cost: services in kind	538	-
Language promotion projects	-	20
Printing and publications	45	35
Printing and stationery	4	2
Subscriptions and membership fees	2	4
Translations	-	-
Transport	-	-
Travel and subsistence	8	5
	<b>690</b>	<b>94</b>

### Consulting and professional fees:

The expense is as a result of a survey that was conducted regarding the utilisation of the three official languages in the Western Cape. The survey was outsourced to professional consultants.

### Employee cost: Services in kind:

Officials of the Department of Cultural Affairs and Sport fulfil the executive and administrative functions associated with the Western Cape Language Commission. Departmental staff that supports the Public Entity includes the Chief Financial Officer, Director: Arts and Culture, line function in the aforementioned Directorate as well as a dedicated Financial Management team that supports the Chief Financial Officer. Whilst line function staff and Senior Managers fulfil a dual role, the financial management team is dedicated to the Public Entity. Due to the dual role performed by most of the aforementioned staff, it is difficult to apportion the time spent with the Public Entities. Resultantly, the service in kind related to their salaries cannot be measured reliably. Therefore, the recognition relates only to the dedicated finance team who supports the CFO in the execution of her role as CFO to the Public Entity and the Department. The values therefore represent the services in kind provided by the finance team only.

### 11. Members fees

Barker, M	1	2
Botha, I	2	-
Chetty, Prof. R	2	5
De Stadler, M	-	3
Fransman, W	3	2
Fredericks, I	-	1
Koopman, J	2	-
Lesch, L	2	-
Le Roux, Dr. N	2	-
Lotz, S	2	-
Mazantsi S	2	-
Olivier, M (Chair)	2	3
Ralarala, Prof. M	3	3
Theys, H	1	2
Van Niekerk, A	2	-
Wotini, M	-	-
Wyngaard, H	-	1
	<b>26</b>	<b>22</b>

### 12. Cash generated from operations

Surplus	14	27
<b>Changes in working capital:</b>		
Payables from exchange transactions	11	53
	<b>25</b>	<b>80</b>

# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## Notes to the Annual Financial Statements

	2016 R '000	2015 R '000
<b>13. Related parties</b>		
Relationships		
Primary funder		Department of Cultural Affairs and Sport
Strategic partner		Western Cape Cultural Commission
Strategic partner		Heritage Western Cape
Secondary funder		National Treasury
<b>Nature of relationship</b>		
Officials of the Department of Cultural Affairs and Sport in the Western Cape fulfil the executive and administrative functions associated with the Western Cape Language Committee.		
The entity occupies the accommodation of the Department of Cultural Affairs and Sport and has access to the use of their assets and security service provided by the Department of Community Safety.		
National Treasury subsidised the audit fees of the Western Cape Language Committee.		
<b>Related party transactions</b>		
<b>Income received from related parties</b>		
Department of Cultural Affairs and Sport	233	221
National Treasury	-	30

# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## Notes to the Annual Financial Statements

	2016 R '000	2015 R '000
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### 14. Risk management

The entity's activities expose it to a variety of financial risks: market risk (fair value interest rate risk, cash flow interest rate risk), credit risk and liquidity risk.

#### Liquidity risk

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due. In terms of its borrowing requirements, the entity ensures that adequate funds are available to meet its expected and unexpected financial commitments. All outstanding accounts payable balances are due within 30 days of the reporting date.

#### Sensitivity analysis

At 31 March 2016, if the interest rates on variable rate financial instruments had been 1% higher/lower with all other variables held constant, surplus for the year would have been R 310 higher / lower.

#### Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the entity. The entity has adopted a policy of only dealing with creditworthy parties.

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

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

#### Maximum exposure to credit risk

The entity's exposure to credit risk with regards to loans and receivables is limited to the amounts on the balance sheet.

#### Market risk

The entity is not exposed to market risk, due to it being required to settle creditors within 30 days of receiving an invoice as required by the treasury regulations and the PFMA.

#### Interest rate risk

The entity's risk profile consists of fixed and floating rate loans and bank balances which exposes the entity to fair value interest rate risk and cash flow interest rate risk and can be summarized as follows:

#### Financial assets

Trade and other receivables are at a fixed rate. Management manages interest rate risk by negotiating beneficial rates on floating rate loans and where possible using fixed rate loans.

Management also has a policy balancing the interest on asset loans with the interest payable on liabilities.

# Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2016

## Notes to the Annual Financial Statements

					2016 R '000	2015 R '000
<b>14. Risk management (continued)</b>						
<b>Cash flow interest rate risk</b>						
<b>Financial instrument</b>	<b>Current</b>	<b>Due in less than one year</b>	<b>Due in one to two years</b>	<b>Due in two to three years</b>	<b>Due in three to four years</b>	<b>Due after five years</b>
Normal credit terms Cash in current banking institutions	-	329	-	-	-	-
Payables - Extended credit terms	-	(69)	-	-	-	-
Net amount	-	260	-	-	-	-
Past due but not provided for	-	-	-	-	-	-

### 15. Events after the reporting date

There were no adjusting events identified after the reporting date.

### 16. Budget differences

#### Material differences between budget and actual amounts

##### 16.1 Interest income

The variance is due to the interest rate increase.

##### 16.2 Other income from non - exchange transactions

The variance is due to GRAP 23 donation/employee cost adjustment made for services in-kind received from the Department of Cultural Affairs and Sport. Refer to note 7 for detail.

##### 16.3 Members fees

The variance is due to Meetings that are budgeted for a full 8 hour day but sometimes lasted for less than 8 hours.

##### 16.4 General expenses

The variance is due to GRAP 23 donation/employee cost adjustment made for services in-kind received from the Department of Cultural Affairs and Sport. Refer to note 10 for detail.

Western Cape Language Committee  
Protea Assurance Building, Greenmarket Square, Cape Town, 8001  
Postal Address: Private Bag X9067, Cape Town, 8000  
tel: +27 483 9674 fax: +27 21 483 9673  
Email: Quintus.VanDerMerwe@westerncape.gov.za

Ikomiti yeLwimi yeNtshona Koloni  
Kwisakhiwo iProtea Assurance, eGreenmarket Square, eKapa, 8001  
Idilesi yePosi: Private Bag X9067, Cape Town, 8000  
umnxeba: +27 483 9674 ifeksi: +27 21 483 9673  
i-imeyile: Quintus.VanDerMerwe@westerncape.gov.za

Wes-Kaapse Taalkomitee  
Protea Assuransie Gebou, Groentemarkplein, Kaapstad, 8001  
Posadres: Privaatsak X9067, Kaapstad, 8000  
tel: +27 483 9674 faks: +27 21 483 9673  
e-pos: Quintus.VanDerMerwe@westerncape.gov.za



**Western Cape  
Government**

Cultural Affairs and Sport

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