

#### 4.5 **Implementation of a code of conduct**

The code of conduct of the Service has been institutionalized and is one of the cornerstones which directs Service Delivery. The primary objective is to create a safe and secure environment for all people in South Africa.

#### 4.6 **Safety, Health and Environment issues**

The Department established a component, which attends to these environments in terms of the Occupational Health and Safety Act, 1993.

### 5. **Progress with financial management improvement**

#### 5.1 **Implementation of the Public Finance Management Act, 1999**

The instructions from National Treasury regarding the implementation of the Act were adhered to and the Department timeously responded to all surveys and questionnaires from National Treasury in this regard.

Prominent aspects include the following:

- The Chief Financial Officer was appointed before 1 April 2001;
- An Internal Audit Component and Audit Committee were established as required;
- A fraud prevention plan was developed and implemented;
- Financial Framework:

A delegation of power document exists and is updated as the need arises. Various National Instructions have been issued dealing with instruction guidelines, processes and procedures to be followed in the financial environment.

- A Risk Assessment has been performed and a Risk Assessment plan has subsequently been compiled;
- Processes and procedures to implement the PFMA were identified, evaluated and where necessary adjusted. The Department met reporting requirements (in-year and end-year) as required by the PFMA; and
- A Strategic Plan for the Medium Term Expenditure Framework, has been in existence since 1 April 2002.

#### 5.2 **Training**

In order to improve the financial competencies and efficiency of financial personnel within the Department, personnel attended various financial training courses. Course attendants were evaluated formally through an outcome based training method.

The following courses (modules) mainly for the training of financial personnel are presented regularly, which include:

- **Formal Training**
  - Basic Financial Course
  - Semi-official Institution Course
  - Cost statements
  - Budgeting
  - Debtors and receivables
  - Loss Management
  - Payments: general and suppliers
  - Financial systems
  - Simulation training to train line-function managers in general financial management.

- **Informal training**  
Informal and in-service training are conducted on a continuous basis by the Department. This type of training addresses specific needs of personnel at Financial Services.
- **Other internal training**  
A module on financial management is included in the curriculum of the following courses:
  - Officer's course
  - Station Commissioner's course
  - Middle Management course
  - Operational Management course
- **Simulation training**  
As part of the Government's Financial Management Improvement Programme, the Department received an amount of R2 million during March 2000, from the National Treasury for the development of a board simulation training module in financial management. The aim with this concept is to train line-function managers in general financial management, in order to improve financial management on all levels.
- **External training**  
The Department is also making use of training courses presented by the South African Institute of Government Auditors (SAIGA). These courses are not only generic of nature in respect of business management but also PFMA specific.

Courses presented are:

- Introduction to the Public Finance Management Act, 1999
  - Internal control and risk management
  - Revenue, expenditure, asset and liability management
  - Dealing with fraud and how to compile a fraud plan
  - Performance management
  - Generally recognised accounting practise
  - Preparing annual financial statements
  - Evaluating Capital Projects
  - Internal Audit Governance
- **Basic Accounting Course**  
A basic accounting course, which derived from the implementation of the PFMA was introduced during 2002. It is a course specifically aimed at improving the accounting skill of personnel.
  - **E-Learning**  
The Department is currently engaged in an E-Learning project. This concept enables the learner to study courses by means of electronic medium.

### 5.3 Debt administration

Effective processes and procedures were developed and implemented to improve the management of debt. These processes and procedures include:

- Refining of the computerized debtor administration system;
- Monthly management reports;
- Analysing of monthly statistics;
- Exception management reports as a control measure;
- Quarterly management monitoring reports addressed to the Provincial Commissioners;
- Following up of outstanding debt with no movement on a two monthly basis;
- Access to the data base of various computerized systems to obtain addresses of ex-members;
- Developing and implementing of a deposit facility at commercial banks which will have a positive impact/effect on the debt payments by ex-members and civilians; and
- Consulting with professional entities regarding the correct accounting practises and accuracy of the debtor

system, as well as the ageing of debt in accordance with the private sector.

#### 5.4 **Standing advances**

Revised processes to administer outstanding advances have been introduced. It contains inter alia provision for electronic recovery of outstanding advances. This resulted in improved monitoring and reporting mechanisms, which minimizes risks.

#### 5.5 **Reporting requirements**

An Early Warning System has been introduced and is continuously being refined which enhances improved monitoring and in-year reporting.

The Department complied with the requirements of the PFMA, taking into account the changes in the financial statements to be submitted. Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The comparative figures shown in these financial statements are limited to the figures shown in the previous year's audited annual financial statements and such other comparative figures that the Department may reasonably have available for reporting.

#### 5.6 **Management of losses**

The Department implemented projects aimed at optimising loss management processes. These projects relate to:

- The development and implementation of an improved loss control record keeping system;
- The development, implementation and distribution of a manual consisting of 21 chapters setting national norms and standards for the administration of losses at all levels of management;
- Establishment of reporting procedures at National and Provincial Head Offices;
- The presentation of training sessions to enhance the loss control record keeping system;
- The development of a national service delivery improvement plan and evaluation report to be utilized in the loss management environment; and
- The development of a framework to prevent, limit and reduce unnecessary losses.

A comprehensive plan regarding evaluation visits involving all stakeholders was compiled. The following priorities have been identified that need to be evaluated during the 2003/04 financial year:

- To determine whether or not discovered losses, have been reported;
- To determine whether particulars of such losses after being reported, have been captured on the loss control record keeping system; and
- Determine how many pending matters pose a risk of prescription.

#### 5.8 **Budget process**

The budget process of the Department is focussed upon extending the scope and quality of information available for reviewing spending plans, patterns and expenditure options, which in turn enhance the apportioning process of the allocation to the various centres of financial responsibility, structured on a geographical and national basis. This also forms the basis for ensuring that expenditure is effective and sustainable by balancing as many of the competing resource needs as possible within the budgetary constraints determined by the economic environment and by macro-economic policies.

#### 5.9 **Official housing and messes**

The Department is aware of the fact that differences exist with the handwritten registers utilized at Area level and the computerized register for residential accommodation with reference to official housing and messes. To curb the problem the Department is busy with an integration process to combine these registers in order to establish a proper housing register on the provisioning administration computerized system. It is envisaged that the process will be finalized during the 2003/04 financial year.

#### 6. **Performance Information**

Decisive consideration of the budget allocation is given to the purpose for which funds are to be utilized i.e the specific need to be met, the problem to be dealt with or the benefit to be achieved, in other words, the

results or outputs envisaged.

Medium-term budgeting reinforces the link between Government's policy choices, its budget and the delivery of services, which serve to strengthen political decision-making and accountability. Medium-term budgeting concerns prioritization, planning and budgeting for service delivery. Key outputs and measurable service delivery indicators are listed for each program of the MTEF.

Monitoring and measuring service delivery and performance are critical to the overall management of the Department, ensuring that objectives are met through the delivery of outputs. Integrating service delivery and performance information into planning and budgeting processes contribute to better budgeting and enhanced service delivery.

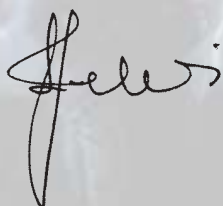
The Estimates of National Expenditure indicate the spending outcomes and plans of national departments with the specific aims to provide a tool to enhance the accountability of the executive to Parliament and civil society, and to allow for review and monitoring of service delivery and spending plans. The detailed spending plans, objectives, three-year spending estimates, program developments, outputs and service delivery indicators, in respect of Vote 24: Safety and Security, are reflected in the 2002 Estimates of National Expenditure.

Monitoring and measuring service delivery and performance may be viewed as a process of assessing progress towards achieving predetermined goals. The process is used as a tool for self-assessment, goal-setting, monitoring of progress and to facilitate communication of objectives and service delivery targets and progress to external customers.

A Planning Guideline for 2003/04 has been compiled by the Department. This emanated from the printed Estimates of National Expenditure where guidance is provided for the implementation of the priorities and measurable objectives as well as explanation of service delivery measures and the levels of responsibility. The purpose of these guidelines is to empower managers to focus their actions in accordance with departmental policies and objectives.

#### **Approval**

The annual financial statements set out on pages 1 to 25 have been approved by the Accounting Officer.



NATIONAL COMMISSIONER: SA POLICE SERVICE  
(ACCOUNTING OFFICER)  
J S SELEBI

DATE: 30 MAY 2003

**DEPARTMENT OF SAFETY AND SECURITY**  
**VOTE 24**  
**STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS**  
For the year ended 31 March 2003

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material respects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2002.

1. **Basis of preparation**

The financial statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The reporting entity is in transition from reporting on a cash basis of accounting to reporting on an accrual basis of accounting. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid. Under the accrual basis of accounting transactions and other events are recognised when incurred and not when cash is received or paid.

2. **Revenue**

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimates of National/Provincial Expenditure. Unexpended voted funds are surrendered to the National/Provincial Revenue Fund.

Interest and dividends received are recognised upon receipt of the funds, and no accrual is made for interest or dividends receivable from the last receipt date to the end of the reporting period. They are recognised as revenue in the financial statements of the department and then transferred to the National/Provincial Revenue Fund.

3. **Donor aid**

Donor Aid is recognised in the income statement in accordance with the cash basis of accounting.

4. **Current expenditure**

Current expenditure is recognised in the income statement when the payment is made.

5. **Unauthorised, irregular and fruitless and wasteful expenditure**

Unauthorised expenditure means:

- the overspending of a vote or a main division within a vote, or
- expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is treated as a current asset in the balance sheet until such expenditure is recovered from a third party or funded from future voted funds.

Irregular expenditure means expenditure, other than unauthorised expenditure, incurred in contravention of or not in accordance with a requirement of any applicable legislation, including:

- the Public Finance Management Act,
- the State Tender Board Act, or any regulations made in terms of this act, or
- any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure is treated as expenditure in the income statement.

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful must be recovered from a responsible official (a debtor account should be raised), or the vote if responsibility cannot be determined.

6. **Debts written off**

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

7. **Capital expenditure**

Expenditure for physical items on hand on 31 March 2003 to be consumed in the following financial year, is written off in full when they are received and are accounted for as expenditure in the income statement. Physical assets acquired are expensed i.e. written off in the income statement when the payment is made.

8. **Investments**

Marketable securities are carried at market value. Market value is calculated by reference to stock exchange quoted selling prices at the close of business on the balance sheet date.

Non-current investments excluding marketable securities are shown at cost and adjustments are made only where in the opinion of the directors, the investment is impaired. Where an investment has been impaired, it is recognised as an expense in the period in which the impairment is identified.

Increases in the carrying amount of marketable securities classified as non-current assets are credited to revaluation and other reserves in shareholders' equity. Decreases that offset previous increases of the same marketable security are charged to the income statement. Increases/decreases in the carrying amount of marketable securities classified as current assets are credited/charged to the income statement.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement. On disposal of a marketable security classified as a non-current asset, amounts in revaluation and other reserves relating to that marketable security, are transferred to retained earnings.

9. **Investments in controlled entities**

Investments in controlled entities are those entities where the reporting entity has the ability to exercise any of the following powers to govern the financial and operating policies of the entity in order to obtain benefits from its activities:

- To appoint or remove all, or the majority of, the members of that entity's board of directors or equivalent governing body;
- To appoint or remove the entity's chief executive officer;
- To cast all, or the majority of, the votes at meetings of that board of directors or equivalent governing body; or
- To control all, or the majority of, the voting rights at a general meeting of that entity.

**Investments in controlled entities are shown at cost.**

10. **Receivables**

Receivables are not normally recognised under the cash basis of accounting. However, receivables included in the balance sheet arise from cash payments that are recoverable from another party.

Receivables for services delivered are not recognised in the balance sheet as a current asset or as income in the income statement, as the financial statements are prepared on a cash basis of accounting, but are disclosed separately in the notes to enhance the usefulness of the financial statements.

11. **Payables**

Payables are not normally recognised under the cash basis of accounting. However, payables included in the balance sheet arise from cash receipts that are due to either the Provincial/National Revenue Fund or another party.

12. **Provisions**

A provision is a liability of uncertain timing or amount. Provisions are not normally recognised under the cash basis of accounting, but are disclosed separately in the notes to enhance the usefulness of the financial statements.

13. **Lease commitments**

Lease commitments for the period remaining from the accounting date until the end of the lease contract are

disclosed as a note to the financial statements. These commitments are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on the cash basis of accounting.

14. **Accruals**

This amount represents goods/services that have been delivered, but no invoice has been received from the supplier at year end, OR an invoice has been received but remains unpaid at year end. These amounts are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on a cash basis of accounting, but are however disclosed.

15. **Employee benefits**

*Short-term employee benefits*

The cost of short-term employee benefits is expensed in the income statement in the reporting period that the payment is made. Short-term employee benefits, that give rise to a present legal or constructive obligation, are deferred until they can be reliably measured and then expensed. Details of these benefits and the potential liabilities are disclosed as a note to the financial statements and are not recognised in the income statement.

*Termination benefits*

Termination benefits are recognised and expensed only when the payment is made.

*Retirement benefits*

The department provides retirement benefits for its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National/Provincial Revenue Fund and not in the financial statements of the employer department.

*Medical benefits*

The department provides medical benefits for (certain/all) its employees through defined benefit plans. These benefits are funded by employer and/or employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for medical benefits in the financial statements of the department.

Retirement medical benefits for retired members are expensed when the payment is made to the fund.

16. **Capitalisation reserve**

The capitalisation reserve represents an amount equal to the value of the investments and/or loans capitalised, or deposits paid on behalf of employees of a foreign mission, for the first time in the previous financial year. On disposal, repayment or recovery, such amounts are transferable to the Revenue Fund.

17. **Recoverable revenue**

Recoverable revenue represents payments made and recognised in the income statement as an expense in previous years, which have now become recoverable from a debtor due to non-performance in accordance with an agreement. Repayments are transferred to the Revenue Fund as and when the repayment is received.

18. **Comparative figures**

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The comparative figures shown in these financial statements are limited to the figures shown in the previous year's audited financial statements and such other comparative figures that the department may reasonably have available for reporting.

**DEPARTMENT OF SAFETY AND SECURITY**  
**VOTE 24**  
**APPROPRIATION STATEMENT**  
for the year ended 31 March 2003

Programme	2002/03					2001/02		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>1. Administration</b>								
Current	5 573 357	22 286	5 595 643	5 595 643	0	0.00%	4 986 759	4 583 485
Capital	5 247 713	(43 039)	5 204 674	5 204 674	0	0.00%		384 266
	325 644	65 325	390 969	390 969				
<b>2. Crime Prevention</b>								
Current	8 503 547	(10 401)	8 493 146	8 493 146	0	0.00%	7 702 284	7 233 626
Capital	8 001 880	86 410	8 088 290	8 088 290	0	0.00%		468 658
	501 667	(96 811)	404 856	404 856				
<b>3. Operational Response Service</b>								
Current	1 203 906	25 023	1 228 929	1 228 929	0	0.00%	1 128 012	1 078 351
Capital	1 191 969	9 972	1 201 941	1 201 941	0	0.00%		49 661
	11 937	15 051	26 988	26 988				
<b>4. Detective services and Crime Intelligence</b>								
Current	3 989 369	(50 727)	3 938 642	3 938 642	0	0.00%	3 538 838	3 464 525
Capital	3 929 709	(90 323)	3 839 386	3 839 386	0	0.00%		74 313
	59 660	39 596	99 256	99 256				
<b>5. Protection Services</b>								
Current	443 365	4 313	447 678	447 677	1	0.00%	324 479	312 873
Capital	436 107	(13 699)	422 408	422 407	0	0.00%		11 606
	7 258	18 012	25 270	25 270				
<b>6. Special functions:</b>								
Authorised losses								
Current	0	10 068	10 068	10 068	0	0.00%	0	9 441
Cash discount		10 068	10 068	10 068	0	0.00%		
Capital	0	(562)	(562)	(562)	0	0.00%	0	(370)
		(562)	(562)	(562)				
<b>Total</b>	19 713 544	0	19 713 544	19 713 543	1	0.00%	17 680 372	17 670 435



DEPARTMENT OF SAFETY AND SECURITY  
VOTE 24

APPROPRIATION STATEMENT  
for the year ended 31 March 2003

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Economic classification</b>								
Current								
Personnel	15 146 802	88 946	15 235 748	15 235 748	0	0.00%	13 666 399	13 666 399
Other	3 732 576	(202 118)	3 530 458	3 530 457	1	0.00%	3 121 146	3 015 532
Capital								
Acquisition of capital assets	834 166	113 172	947 338	947 338	0	0.00%	892 827	988 504
<b>Total</b>	<b>19 713 544</b>	<b>0</b>	<b>19 713 544</b>	<b>19 713 543</b>	<b>1</b>	<b>0.00%</b>	<b>17 680 372</b>	<b>17 670 435</b>

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Standard item classification</b>								
Inventories	1 093 974	27 704	1 121 678	1 121 678	0	0.00%	979 394	944 022
Personnel	15 146 802	88 946	15 235 748	15 235 748	0	0.00%	13 666 399	13 666 399
Administrative	981 358	14 845	996 203	996 203	0	0.00%	855 191	819 270
Equipment	832 106	(74 141)	757 965	757 965	0	0.00%	800 987	873 076
Land and buildings	257 212	1 990	259 202	259 202	0	0.00%	195 958	195 837
Professional and special services	1 351 831	(72 468)	1 279 363	1 279 362	1	0.00%	1 133 982	1 117 702
Miscellaneous	50 261	3 618	53 879	53 879	0	0.00%	48 461	44 688
Authorised losses	0	10 068	10 068	10 068	0	0.00%	0	9 441
Cash discount	0	(562)	(562)	(562)	0	0.00%	0	(370)
<b>Total</b>	<b>19 713 544</b>	<b>0</b>	<b>19 713 544</b>	<b>19 713 543</b>	<b>1</b>	<b>0.00%</b>	<b>17 680 372</b>	<b>17 670 435</b>

**DETAIL PER PROGRAMME 1: ADMINISTRATION**  
for the year ended 31 March 2003

Programme per subprogramme	2002/03					2001/02		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>1.1 Minister</b>								
Current	685	(78)	607	607	0	0.00%	646	646
<b>1.2 Deputy Minister</b>								
Current	557	5	562	562	0	0.00%	525	525
<b>1.3 Departmental Management</b>								
Current	20 414	(2 323)	18 091	18 091	0	0.00%	19 890	15 509
Capital	4 985	0	4 985	4 985	0	0.00%		2 040
<b>1.4 Corporate Services</b>								
Current	5 226 057	(40 643)	5 185 414	5 185 414	0	0.00%	4 965 698	4 566 806
Capital	320 659	65 325	385 984	385 984	0	0.00%		382 225
<b>Total</b>	<b>5 573 357</b>	<b>22 286</b>	<b>5 595 643</b>	<b>5 595 643</b>	<b>0</b>	<b>0.00%</b>	<b>4 986 759</b>	<b>4 967 751</b>

Economic classification	2002/03					2001/02		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Current</b>								
Personnel	3 756 602	112 166	3 868 768	3 868 768	0	0.00%	3 442 482	3 464 933
Other	1 491 111	(155 205)	1 335 906	1 335 906	0	0.00%	1 348 368	1 118 552
<b>Capital</b>								
Acquisition of capital assets	325 644	65 325	390 969	390 969	0	0.00%	195 909	384 266
<b>Total</b>	<b>5 573 357</b>	<b>22 286</b>	<b>5 595 643</b>	<b>5 595 643</b>	<b>0</b>	<b>0.00%</b>	<b>4 986 759</b>	<b>4 967 751</b>

Standard item classification	2002/03					2001/02		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Inventories</b>								
Personnel	261 652	(5 960)	261 692	261 692	0	0.00%	227 614	178 178
Administrative	3 756 602	112 166	3 868 768	3 868 768	0	0.00%	3 442 482	3 464 933
Equipment	279 655	(29 574)	250 081	250 081	0	0.00%	222 274	207 481
Land and buildings	191 707	(26 552)	165 155	165 155	0	0.00%	168 742	223 414
Professional and special services	257 100	1 984	259 084	259 084	0	0.00%	195 909	195 801
Miscellaneous	770 380	(33 312)	737 068	737 068	0	0.00%	681 277	653 628
<b>Total</b>	<b>5 573 357</b>	<b>3 534</b>	<b>5 595 643</b>	<b>5 595 643</b>	<b>0</b>	<b>0.00%</b>	<b>4 986 759</b>	<b>4 967 751</b>

**DETAIL PER PROGRAMME 2: CRIME PREVENTION**  
for the year ended 31 March 2003

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement	Revised Allocation	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Programme per subprogramme</b>								
<b>2.1 Visible Policing</b>								
Current	7 154 581	65 369	7 219 950	7 219 950	0	0.00%	6 849 881	6 451 847
Capital	391 161	0	391 161	391 161	0	0.00%		454 503
<b>2.2 Specialised Visible Policing</b>								
Current	847 299	21 041	868 340	868 340	0	0.00%	852 403	781 779
Capital	110 506	(96 811)	13 695	13 695	0	0.00%		14 155
<b>Total</b>	<b>8 503 547</b>	<b>(10 401)</b>	<b>8 493 146</b>	<b>8 493 146</b>	<b>0</b>	<b>0.00%</b>	<b>7 702 284</b>	<b>7 702 284</b>

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement	Revised Allocation	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Economic classification</b>								
Current	6 761 385	9 497	6 770 882	6 770 882	0	0.00%	6 035 247	6 035 247
Personnel	1 312 495	4 913	1 317 408	1 317 408	0	0.00%	1 667 026	1 198 379
Other								
Capital	429 667	(24 811)	404 856	404 856	0	0.00%	11	468 658
Acquisition of capital assets								
<b>Total</b>	<b>8 503 547</b>	<b>(10 401)</b>	<b>8 493 146</b>	<b>8 493 146</b>	<b>0</b>	<b>0.00%</b>	<b>7 702 284</b>	<b>7 702 284</b>

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement	Revised Allocation	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Standard item classification</b>								
Inventories	488 126	43 541	531 667	531 667	0	0.00%	448 683	470 698
Personnel	6 761 385	9 497	6 770 882	6 770 882	0	0.00%	6 035 247	6 035 247
Administrative	372 148	19 754	391 902	391 902	0	0.00%	360 309	382 671
Equipment	490 432	(64 912)	425 520	425 520	0	0.00%	492 850	492 067
Land and buildings	12	(5)	7	7	0	0.00%	11	3
Professional and special services	391 444	(18 334)	373 110	373 110	0	0.00%	365 184	321 248
Miscellaneous	0	58	58	58	0	0.00%		350
<b>Total</b>	<b>8 503 547</b>	<b>(10 401)</b>	<b>8 493 146</b>	<b>8 493 146</b>	<b>0</b>	<b>0.00%</b>	<b>7 702 284</b>	<b>7 702 284</b>

**DETAIL PER PROGRAMME 3: OPERATIONAL RESPONSE SERVICE**  
for the year ended 31 March 2003

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Programme per subprogramme</b>								
3.1 Border Policing								
Current	149 439	(9 850)	139 589	139 589	0	0.00%	124 738	118 864
Capital	2847	2 847	5 694	5 694	0	0.00%		2 345
3.2 Public Order Policing								
Current	1 042 530	19 822	1 062 352	1 062 352	0	0.00%	1 003 274	959 486
Capital	9 090	12 204	21 294	21 294	0	0.00%		47 317
<b>Total</b>	<b>1 203 906</b>	<b>25 023</b>	<b>1 228 929</b>	<b>1 228 929</b>	<b>0</b>	<b>0.00%</b>	<b>1 128 012</b>	<b>1 128 012</b>

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Economic classification</b>								
Current								
Personnel	989 616	(12 219)	977 397	977 397	0	0.00%	908 757	910 714
Other	202 353	22 191	224 544	224 544	0	0.00%	219 255	167 637
Capital								
Acquisition of capital assets	11 937	15 051	26 988	26 988	0	0.00%		49 661
<b>Total</b>	<b>1 203 906</b>	<b>25 023</b>	<b>1 228 929</b>	<b>1 228 929</b>	<b>0</b>	<b>0.00%</b>	<b>1 128 012</b>	<b>1 128 012</b>

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Standard item classification</b>								
Inventories	69 567	(17)	69 550	69 550	0	0.00%	62 353	65 903
Personnel	989 616	(12 217)	977 399	977 399	0	0.00%	908 757	910 714
Administrative	68 599	33 515	102 114	102 114	0	0.00%	68 314	54 085
Equipment	24 076	4 809	28 885	28 885	0	0.00%	40 060	51 494
Land and buildings	4	13	17	17	0	0.00%	0	4
Professional and special services	52 044	(1 083)	50 961	50 961	0	0.00%	48 528	45 528
Miscellaneous	0	3	3	3	0	0.00%	0	0
<b>Total</b>	<b>1 203 906</b>	<b>25 023</b>	<b>1 228 929</b>	<b>1 228 929</b>	<b>0</b>	<b>0.00%</b>	<b>1 128 012</b>	<b>1 128 012</b>

**DETAIL PER PROGRAMME 4:DETECTIVE SERVICES AND CRIME INTELLIGENCE**  
for the year ended 31 March 2003

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Programme per subprogramme</b>								
4.1 General Investigations								
Current	1 849 136	54 712	1 903 848	1 903 848	0	0.00%	1 695 242	1 714 596
Capital	31 367	12 415	43 782	43 782	0	0.00%		34 690
4.2 Organised Crime								
Current	933 135	(136 727)	796 408	796 408	0	0.00%	920 572	764 960
Capital	9 105	8 747	17 852	17 852	0	0.00%		11 627
4.3 Commercial Crime								
Current	151 873	(32 701)	119 172	119 172	0	0.00%	155 231	139 142
Capital	371	356	727	727	0	0.00%		1 174
4.4 Criminal Record Centre								
Current	340 670	(15 162)	325 508	325 508	0	0.00%	277 069	286 016
Capital	9 799	9 414	19 213	19 213	0	0.00%		14 771
4.5 Forensic Science Lab								
Current	144 098	(8 244)	135 854	135 854	0	0.00%	95 300	109 368
Capital	3,095	2 973	6 068	6 068	0	0.00%		5 485
4.7 Crime Intelligence								
Current	510 797	47 799	558 596	558 596	0	0.00%	395 424	450 443
Capital	5,923	5 691	11 614	11 614	0	0.00%		6 566
<b>Total</b>	<b>3 989 369</b>	<b>(50 727)</b>	<b>3 938 642</b>	<b>3 938 642</b>	<b>0</b>	<b>0.00%</b>	<b>3 538 838</b>	<b>3 538 838</b>

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Economic classification</b>								
Current								
Personnel	3 292 071	(20 630)	3 271 441	3 271 441	0	0.00%	2 967 233	2 979 262
Other	637 638	(69 692)	567 946	567 946	0	0.00%	571 577	485 263
Capital								
Acquisition of capital assets	59 660	39 595	99 255	99 255	0	0.00%	28	74 313
<b>Total</b>	<b>3 989 369</b>	<b>(50 727)</b>	<b>3 938 642</b>	<b>3 938 642</b>	<b>0</b>	<b>0.00%</b>	<b>3 538 838</b>	<b>3 538 838</b>

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Standard item classification</b>								
Inventories	257 741	(7 960)	249 781	249 781	0	0.00%	230 990	220 443
Personnel	3 292 071	(20 630)	3 271 441	3 271 441	0	0.00%	2 967 233	2 979 262
Administrative	192 269	(831)	191 438	191 438	0	0.00%	126 988	151 118
Equipment	116 990	(4 240)	112 750	112 750	0	0.00%	95 238	94 524
Land and buildings	33	5	38	38	0	0.00%	28	23
Professional and special services	130 265	(17 094)	113 171	113 171	0	0.00%	118 361	93 445
Miscellaneous	0	23	23	23	0	0.00%	0	23
<b>Total</b>	<b>3 989 369</b>	<b>(50 727)</b>	<b>3 938 642</b>	<b>3 938 642</b>	<b>0</b>	<b>0.00%</b>	<b>3 538 838</b>	<b>3 538 838</b>

DETAIL PER PROGRAMME 5: PROTECTION SERVICES  
for the year ended 31 March 2003

	2002/03					2001/02		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
Programme per subprogramme								
5.1 Presidential Protection Unit								
Current	63 676	5 304	68 980	68 979	1	0.00%	40 082	58 915
Capital	381	16 502	16 883	16 883	0	0.00%		8 474
5.2 Static and in-transit Protection								
Current	372 431	(19 003)	353 428	353 428	0	0.00%	284 397	253 958
Capital	6 877	1 510	8 387	8 387	0	0.00%		3 132
<b>Total</b>	<b>443 365</b>	<b>4 313</b>	<b>447 678</b>	<b>447 677</b>	<b>1</b>	<b>0.00%</b>	<b>324 479</b>	<b>324 479</b>

	2002/03					2001/02		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
Programme per subprogramme								
Current	347 128	132	347 260	347 260	0	0.00%	276 244	276 244
Personnel	88 979	(13 831)	75 148	75 147	1	0.00%	48 225	36 629
Other								
Capital	7 258	18 012	25 270	25 270	0	0.00%	10	11 606
Acquisition of capital assets								
<b>Total</b>	<b>443 365</b>	<b>4 313</b>	<b>447 678</b>	<b>447 677</b>	<b>1</b>	<b>0.00%</b>	<b>324 479</b>	<b>324 479</b>

	2002/03					2001/02		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
Standard item classification								
Inventories	10 888	(1 901)	8 987	8 987	0	0.00%	9 754	8 798
Personnel	347 128	132	347 260	347 260	0	0.00%	276 244	276 244
Administrative	68 687	(8 018)	60 669	60 669	0	0.00%	30 253	23 917
Equipment	8 901	16 752	25 653	25 653	0	0.00%	4 097	11 947
Land and buildings	63	(8)	55	55	0	0.00%	10	6
Professional and special services	7 698	(2 644)	5 054	5 053	1	0.02%	4 121	3 567
<b>Total</b>	<b>443 365</b>	<b>4 313</b>	<b>447 678</b>	<b>447 677</b>	<b>1</b>	<b>0.00%</b>	<b>324 479</b>	<b>324 479</b>

**DETAIL PER PROGRAMME 6: SPECIAL FUNCTIONS**  
for the year ended 31 March 2003

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement	Revised Allocation	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Programme per subprogramme</b>								
6.1 Authorised losses								
Current	0	10 068	10 068	10 068	0	0.00%	0	9 441
6.2 Cash Discount								
Capital	0	(562)	(562)	(562)	0	0.00%	0	(370)
Total	0	9 506	9 506	9 506	0	0.00%	0	9 071

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement	Revised Allocation	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Economic classification</b>								
Current	0	10 068	10 068	10 068	0	0.00%	0	9 441
Other								
Capital	0	(562)	(562)	(562)	0	0.00%	0	(370)
Acquisition of capital assets								
Total	0	9 506	9 506	9 506	0	0.00%	0	9 071

	2002/03				2001/02			
	Adjusted Appropriation R'000	Virement	Revised Allocation	Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actual Expenditure R'000
<b>Standard item classification</b>								
Authorised Losses	0	10 068	10 068	10 068	0	0.00%	0	9 441
Cash Discount	0	(562)	(562)	(562)	0	0.00%	0	(370)
Total	0	9 506	9 506	9 506	0	0.00%	0	9 071

**DEPARTMENT OF SAFETY AND SECURITY  
VOTE 24  
NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2003**

- 1 **Detail of special functions (theft and losses)**  
Detail of these transactions can be viewed in note 10, (Details of special functions) to the annual financial statements.

- 2 **Reconciliation of appropriation statement to income statement:**

	2002/03	2001/02
	R'000	R'0000
Total expenditure per income statement	19,718,128	17,672,493
Less: Local and foreign aid assistance (including RDP funds)	(4,585)	(2,058)
Actual expense per appropriation statement	<u>19,713,543</u>	<u>17,670,435</u>



**DEPARTMENT OF SAFETY AND SECURITY**  
**VOTE 24**  
**INCOME STATEMENT (STATEMENT OF FINANCIAL PERFORMANCE)**  
**for the year ended 31 March 2003**

	Note	2002/03 R'000	2001/02 R'000
<b>REVENUE</b>			
Voted funds:			
Charge to National Revenue Fund	1	19,713,544	17,680,372
Non voted funds:			
Other revenue to be surrendered to the revenue fund	2	141,253	228,686
Local and foreign aid assistance (incl. RDP funds)	3	2,475	3,399
<b>TOTAL REVENUE</b>		<b>19,857,272</b>	<b>17,912,457</b>
<b>EXPENDITURE</b>			
<b>Current</b>			
Personnel	4	15,235,748	13,666,399
Administrative		996,203	819,270
Inventories	5	1,121,678	944,022
Machinery and Equipment	6	69,484	80,477
Land and buildings	7	344	302
Professional and special services	8	1,279,363	1,117,702
Miscellaneous	9	53,879	44,688
Special functions: authorised losses	10	10,068	9,441
cash discount		(562)	(370)
Local and foreign aid assistance (incl. RDP funds)	3	4,585	2,058
<b>Total Current Expenditure</b>		<b>18,770,790</b>	<b>16,683,989</b>
<b>Capital</b>			
Equipment	6.1	688,480	792,969
Land and buildings	7.1	258,858	195,535
<b>Total Capital Expenditure</b>		<b>947,338</b>	<b>988,504</b>
<b>TOTAL EXPENDITURE</b>		<b>19,718,128</b>	<b>17,672,493</b>
 <b>NET SURPLUS FOR THE YEAR</b>	 12	 <b>139,144</b>	 <b>239,964</b>

**DEPARTMENT OF SAFETY AND SECURITY**  
**VOTE 24**  
**BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)**  
**at 31 March 2003**

	Note	2002/03 R'000	2001/02 R'000
<b>ASSETS</b>			
<b>Current assets</b>		77,922	200,178
Unauthorised, and fruitless and wasteful expenditure	11	0	120,142
Receivables	13	77,922	80,036
<b>Non-current assets</b>		104,318	78,745
Receivables	14	104,318	78,745
<b>TOTAL ASSETS</b>		<u>182,240</u>	<u>278,923</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		138,494	239,355
Voted funds to be surrendered	15	1	9,937
Revenue funds to be surrendered	16	3,150	13,034
Bank overdraft	17	78,953	182,585
Payables	18	56,390	33,799
<b>TOTAL LIABILITIES</b>		<u>138,494</u>	<u>239,355</u>
<b>NET ASSETS</b>		<u>43,746</u>	<u>39,568</u>
<b>EQUITY</b>			
Recoverable revenue		25,001	18,713
Local and foreign aid assistance (including RDP funds) rolled over	3.1	18,745	20,855
<b>TOTAL EQUITY</b>		<u>43,746</u>	<u>39,568</u>

**DEPARTMENT OF SAFETY AND SECURITY**  
**VOTE 24**  
**STATEMENT OF CHANGES IN NET ASSETS/EQUITY**  
**for the year ended 31 March 2003**

	Note	2002/03 R'000	2001/02 R'000
<b>Recoverable revenue</b>			
Opening balance		18,713	27,866
Transfer to Revenue Fund		(12,034)	(16,619)
Debts raised		24,176	21,448
Debts revised		(3,251)	(12,495)
Debts written off		(2,603)	(1,487)
Closing balance		<u>25,001</u>	<u>18,713</u>
<b>Local and foreign aid assistance (including RDP funds) rolled over</b>			
Opening balance	3.1	20,855	19,514
Transfer from income statement: Income	3	2,475	3,399
Transfer from income statement: Expenditure	3	(4,585)	(2,058)
Closing balance		<u>18,745</u>	<u>20,855</u>
<b>TOTAL EQUITY</b>		<u>43,746</u>	<u>39,568</u>

**DEPARTMENT OF SAFETY AND SECURITY**  
**VOTE 24**  
**CASH FLOW STATEMENT**  
for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash flow generated by operating activities	19	1,084,482	1,206,050
Cash generated to decrease working capital	20	5,420	5,731
Voted funds and Revenue funds surrendered ( )	21	(161,074)	(316,018)
Unauthorised expenditure approved	11.1	120,142	0
<b>Net cash flow available from operating activities</b>		<b>1,048,970</b>	<b>895,763</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
		(945,338)	(966,086)
Capital expenditure	7.1	(258,858)	(195,535)
Purchase of equipment ( )	6.1	(688,480)	(792,969)
Proceeds from sale of equipment	2	2,000	22,418
<b>Net cash flows from operating and investing activities</b>		<b>103,632</b>	<b>(70,323)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>103,632</b>	<b>(70,323)</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>(182,585)</b>	<b>(112,262)</b>
<b>Cash and cash equivalents at end of period</b>	17	<b>(78,953)</b>	<b>(182,585)</b>